





## **STATUTORY REPORTS**

Report on Corporate Governance.....	132
Board's Report and Annexures .....	146
Business Responsibility Report .....	180

# REPORT ON CORPORATE GOVERNANCE

A report for the financial year ended March 31, 2019 on the compliance by the Company with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), is furnished below.

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organisation. Good Corporate Governance leads to long-term stakeholder value and enhances interests of all stakeholders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organisation towards creating wealth and stakeholder value.

The Company's essential character is shaped by the values of transparency, customer satisfaction, integrity, professionalism and accountability. The Company continuously endeavours to improve on these aspects. The Board views Corporate Governance in its widest sense. The main objective is to create and adhere to a corporate culture of integrity and

consciousness. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target. The Company's philosophy on Corporate Governance is guided by the Company's philosophy of Knowledge, Action, Care and Impact.

The Board of Directors fully supports and endorses the Corporate Governance practices as envisaged in the Listing Regulations.

## 2. BOARD OF DIRECTORS

### A. Composition and size of the Board

The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company. The Company's policy is to maintain an optimum combination of Executive and Non-Executive/Independent Directors. The composition of the Company's Board, which comprises of 14 Directors, is given in the table below and is in conformity with Regulation 17(1) of the Listing Regulations and other applicable regulatory requirements. About 64% of the Company's Board comprises of Independent Directors (IDs). There are no Nominee Directors representing any institution on the Board of the Company.

Name of Director	Other Directorships as on March 31, 2019 <sup>1</sup>		Membership of other Board Committees as on March 31, 2019 <sup>2</sup>		Directorships in Listed Companies and Category of Directorship as on March 31, 2019 <sup>3</sup>
	as Member	as Chairman	as Member	as Chairman	
<b>Executive Directors – Promoter Group</b>					
Mr. Ajay G. Piramal – Chairman	7	2	1	-	-
Dr. (Mrs.) Swati A. Piramal – Vice Chairperson	9	1	-	-	Nestle India Limited (Independent Director)
Ms. Nandini Piramal	3	-	1	-	The Swastik Safe Deposit and Investments Limited (Non-Executive Director)
<b>Non-Executive, Non-Independent Director – Promoter Group</b>					
Mr. Anand Piramal	9	-	-	-	-
<b>Executive Director – Non-Promoter Group</b>					
Mr. Vijay Shah	2	-	-	-	-
<b>Non-Executive, Independent Directors</b>					
Mr. Gautam Banerjee	2	-	-	-	The Indian Hotels Company Limited (Independent Director)
Mr. Keki Dadiseth	5	1	3	1	Godrej Properties Limited (Independent Director) JM Financial Limited (Independent Director) Siemens Limited (Independent Director) Britannia Industries Limited (Independent Director)
Dr. R.A. Mashelkar	6	-	1	-	Reliance Industries Limited (Independent Director) Godrej Agrovet Limited (Independent Director)
Prof. Goverdhan Mehta	-	-	-	-	-
Mr. Siddharth Mehta	-	-	-	-	-
Mr. S. Ramadorai	2	1	1	-	Hindustan Unilever Limited (Independent Director)
Mr. Deepak Satwalekar	5	-	-	-	The Tata Power Company Limited (Independent Director) Asian Paints Limited (Independent Director)
Mr. N. Vaghul	3	1	-	1	Wipro Limited (Independent Director)
Mrs. Arundhati Bhattacharya <sup>@</sup>	3	1	2	-	Reliance Industries Limited (Independent Director) Crisil Limited (Independent Director) Wipro Limited (Independent Director)

@ Appointed as an Additional Director with effect from October 25, 2018.

Notes:

- 1 This excludes directorships in foreign companies and companies licensed under Section 8 of the Companies Act, 2013 ('the Act')/Section 25 of the Companies Act, 1956.
- 2 This relates to membership of Committees referred to in Regulation 26(1) of the Listing Regulations, viz. Audit Committee and Stakeholders Relationship Committee of all public limited companies, whether listed or not and excludes private limited companies, foreign companies and companies licensed under Section 8 of the Act/Section 25 of the Companies Act, 1956.
- 3 Excludes directorship in the Company.

### I. Key Board qualifications, skills, expertise and attributes

In the context of the Company's business and activities, the Company requires skills/expertise/competencies in the areas of General Corporate Management, Science and Innovation, Public Policy, Entrepreneurship, Pharmaceuticals, Public Health, Business Leadership, Strategy, Finance, Economics, Technology, Banking, Financial Services, Risk and Governance, Human Resources and Realty. The Company's Board is comprised of individuals who are reputed in these skills, competence and expertise that allows them to make effective contribution to the Board and its committees. From time to time, members of the Board have also received recognition from the Government, Industry Bodies and Business Associations for the contribution made in their respective areas of expertise.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and competence required for it to function effectively.

### II. Role of Independent Directors

Independent Directors play a key role in the decision-making process of the Board and in shaping various strategic initiatives of the Company. The Independent Directors are committed to act in what they believe is in the best interests of the Company and its stakeholders. The Independent Directors are professionals, with expertise and experience in general corporate management, science and innovation, realty, public policy, business, finance and financial services. This wide knowledge in their respective fields of expertise and best-in-class boardroom practices helps foster varied, unbiased, independent and experienced perspective.

The Company benefits immensely from their inputs in achieving its strategic direction.

The Company has several subsidiaries, both in India and overseas. In order to leverage the experience of Independent Directors of the Company for the benefit of and for improved Corporate Governance and better reporting to the Board, some of the Independent Directors also serve on the Boards of certain subsidiary companies.

An Independent Director is the Chairman of each of the Audit & Risk Management Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act, the Listing Regulations and are independent of the Management.

### III. Meeting of Independent Directors

The Company's Independent Directors met on 28<sup>th</sup> January, 2019 without the presence of Non-Independent Directors or members of Management. At this meeting, the Independent Directors reviewed the following:

1. Performance of the Chairman;
2. Performance of the Independent and Non-Independent Directors;
3. Performance of the Board as a whole and its Non-Administrative Committees.

They also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

The Chairman of the meeting of the Independent Directors presented views of the Independent Directors to the Chairman of the Company.

### IV. Familiarisation Programme for Independent Directors

The Company has established a Familiarization Programme for Independent Directors. The framework together with the details of the Familiarization Programme conducted has been uploaded on the website of the Company. The web-link to this is <http://www.piramal.com/investor/overview>.

During the year under review, the Board Members were provided with a realistic view of the Company's businesses, challenges and its potential covering the following aspects:

- Nature of the industry in which the Company operates – detailed presentation on the business operations/plans are made by the respective functional heads;
- Business model of the Company including risks and challenges being faced by the Company;
- Changes in business environment and impact thereof on the working of the Company;
- Strategic future outlook and way forward.

### V. Inter-se relationships among Directors

Mr. Ajay G. Piramal and Dr. (Mrs.) Swati A. Piramal are the parents of Ms. Nandini Piramal and Mr. Anand Piramal. Except for this, none of the other Directors of the Company are inter-se related to each other.

### VI. Board Evaluation

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors as a whole and of its Committees and Non-Executive Directors on the basis of a structured questionnaire which comprises evaluation criteria based on the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India. The performance of the Executive Directors is evaluated on the basis of achievements of their Key Result Areas.

The Board of Directors had discussed the feedback and expressed its satisfaction with the evaluation process.

# REPORT ON CORPORATE GOVERNANCE

## VII. Certification from Company Secretary in Practice

A certificate has been received from M/s. N. L. Bhatia & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

## B. Board Meetings and Procedures

The yearly calendar for the Board/Committee meetings is fixed well in advance and is in confirmation with the availability of the Directors, so as to facilitate active and consistent participation of all Directors in the Board/Committee meetings. Minimum four prescheduled Board Meetings are held every year (once every quarter). Additional Board Meetings are convened to address the specific needs of the Company. In case of business exigencies or matters of urgency, resolutions are passed by circulation, as permitted by law. Video conferencing facilities are provided to enable active participation by Directors who are unable to attend the meetings in person.

The Board has unrestricted access to all Company related information. Detailed presentations are made to the Board regularly which covers operations, business performance, finance, sales, marketing, global and domestic business environment and related details. All necessary information including but not limited to those mentioned in Part A of Schedule II to the Listing Regulations, are placed before the Board. The Members of the Board are at liberty to bring up any matter for discussions at the Board Meetings

and the functioning of the Board is democratic. Members of the Senior Management team are invited to attend the Board Meetings, who provide additional inputs to the agenda items discussed by the Board. The Company has a well-established process in place for reporting compliance status of various laws applicable to the Company.

Update on matters arising from previous meetings are placed at the succeeding meeting of the Board/Committees for discussions, approvals, notings, etc.

There was no instance during the financial year 2018-19, where the Board of Directors had not accepted the recommendation of any Committee of the Board.

## I. Meetings Held

Five Board Meetings were held during the year and the gap between any two Board Meetings was not more than one hundred and twenty days, thereby complying with applicable statutory requirements.

Dates of meetings held during the year and Attendance of Directors therein is as follows:

Dates of the Board Meetings	No. of Directors Present at the Meeting
April 2, 2018	10
May 28, 2018	9
July 30, 2018	12
October 25, 2018	14
January 28, 2019	11

## II. Details of Directors attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) held on July 30, 2018 are given in the following table:

Name of Director	No. of Board Meetings		Attended last AGM
	Held	Attended	
Mr. Ajay G. Piramal	5	5	Yes
Dr. (Mrs.) Swati A. Piramal	5	5	Yes
Ms. Nandini Piramal	5	5	Yes
Mr. Anand Piramal	5	3	Yes
Mr. Vijay Shah	5	5	Yes
Mr. Gautam Banerjee	5	4	Yes
Mr. Keki Dadiseth	5	3	Yes
Dr. R.A. Mashelkar	5	5	Yes
Prof. Goverdhan Mehta	5	5	Yes
Mr. Siddharth Mehta	5	3	No
Mr. S. Ramadorai	5	3	Yes
Mr. Deepak Satwalekar	5	4	Yes
Mr. N. Vaghul	5	4	Yes
Mrs. Arundhati Bhattacharya <sup>@</sup>	2	2	N.A.

<sup>@</sup> Appointed as an Additional Director (Non-Executive, Independent) with effect from October 25, 2018.

### C. Shareholding of Non-Executive Directors

The individual shareholding of Non-Executive Directors as on March 31, 2019 is given below:

Name of Director	No. of shares held
Mr. Keki Dadiseth	5,217
Dr. R. A. Mashelkar	8,125
Prof. Goverdhan Mehta	5,000
Mr. S. Ramadorai	5,300
Mr. Deepak Satwalekar	10,434
Mr. N. Vaghul	10,434
Mr. Anand Piramal	1,68,568

None of the Non-Executive Directors were holding any Compulsorily Convertible Debentures as on March 31, 2019.

### 3. STATUTORY BOARD COMMITTEES

The Board Committees are set up by the Board and are governed by its terms of reference which exhibit the scope, composition, tenure, functioning and reporting parameters.

The Board Committees play a crucial role in the governance structure of the Company and they deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board, and Chairpersons of the respective committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are submitted to the Board for approval. The minutes of the meetings of all Committees of the Board are placed before the Board for noting.

The Company has four Statutory Committees:

1. Audit & Risk Management Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee.

Meetings of Statutory Committees held during the year and Directors' Attendance

Committees of the Company	Audit & Risk Management Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee
<b>Number of Meetings held</b>	<b>5</b>	<b>2</b>	<b>4</b>	<b>2</b>
	<b>Directors' Attendance</b>			
Mr. Ajay G. Piramal	-	2	-	-
Ms. Nandini Piramal	-	-	1 <sup>#</sup>	1
Mr. S. Ramadorai	-	2	-	-
Mr. Keki Dadiseth	4	2	-	-
Mr. N. Vaghul	4	1	-	-
Mr. Deepak Satwalekar	-	-	4	-
Prof. Goverdhan Mehta	-	-	-	2
Dr. R.A. Mashelkar	5	-	-	-
Mr. Vijay Shah	-	-	4	2

# Appointed as a Member of Stakeholders Relationship Committee with effect from November 1, 2018.

Note:

Dr. (Mrs.) Swati A. Piramal, Mr. Anand Piramal, Mr. Gautam Banerjee, Mr. Siddharth Mehta and Mrs. Arundhati Bhattacharya are not members of any Statutory Committee.

### A. Audit & Risk Management Committee

#### I. Constitution of the Committee

The Audit & Risk Management Committee is comprised of three members as per details in the following table:

Name	Category
Mr. N. Vaghul - Chairman	Non-Executive, Independent
Mr. Keki Dadiseth	Non-Executive, Independent
Dr. R.A. Mashelkar	Non-Executive, Independent

All the members of the Committee have sound knowledge of finance, accounts and business management. The Chairman of the Committee, Mr. N. Vaghul has extensive accounting and related financial management expertise.

The composition of this Committee is in compliance with the requirements of Section 177 of the Act and Regulations 18 and 21 of the Listing Regulations. Mr. Leonard D'Souza, Company Secretary, is the Secretary to the Committee.

#### II. Terms of Reference

The terms of reference of the Audit & Risk Management Committee are aligned with the terms of reference provided under Section 177(4) of the Act, Part C of Schedule II and Regulation 21 of the Listing Regulations.



# REPORT ON CORPORATE GOVERNANCE

## III. Meetings Held

The Audit & Risk Management Committee met five times during the financial year 2018-19, on the following dates:

May 28, 2018	July 30, 2018	September 17, 2018
October 25, 2018	January 28, 2019	

The frequency of the Committee Meetings was more than the minimum limit prescribed under applicable regulatory requirements and the gap between two Committee Meetings was not more than one hundred and twenty days.

The functional/business representatives also attend the meetings periodically and provide such information and clarifications as required by the Committee, which provides a deeper insight into the respective business and functional areas of operation. The Cost Auditors and the Internal Auditors attend the respective Audit & Risk Management Committee Meetings, where cost audit reports/internal audit reports are discussed.

Mr. N. Vaghul, Chairman of the Audit & Risk Management Committee was present at the last AGM.

## B. Nomination and Remuneration Committee

### I. Constitution of the Committee

The Nomination and Remuneration Committee ('NRC') is comprised of four members as per details in the following table:

Name	Category
Mr. N. Vaghul – Chairman	Non-Executive, Independent
Mr. Keki Dadiseth	Non-Executive, Independent
Mr. S. Ramadorai	Non-Executive, Independent
Mr. Ajay G. Piramal	Executive

The composition of this Committee is in compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations.

### II. Terms of Reference

The terms of reference of the NRC are aligned with the terms of reference provided under Section 178 of the Act and Para A of Part D of Schedule II of the Listing Regulations.

### III. Meetings Held

The Committee met two times during the financial year 2018-19 on the following dates:

May 28, 2018	July 30, 2018
--------------	---------------

Mr. N. Vaghul, Chairman of the NRC was present at the last AGM.

### IV. Performance Evaluation Criteria for Independent Directors

The Performance Evaluation Criteria for Independent Directors is comprised of certain parameters like professional qualifications, experience, knowledge and competency, active participation at the Board/Committee meetings, ability to function as a team, initiative, availability and attendance at meetings, commitment and contribution to the Board and the Company, integrity, independence from the Company and other

Directors and whether there is any conflict of interest, voicing of opinions freely, etc. These are in compliance with applicable laws, regulations and guidelines.

## C. Stakeholders Relationship Committee

### I. Constitution of the Committee

The Stakeholders Relationship Committee is comprised of three members, as per details in the following table:

Name	Category
Mr. Deepak Satwalekar – Chairman	Non-Executive, Independent
Mr. Vijay Shah	Executive
Ms. Nandini Piramal #	Executive

# Appointed with effect from November 1, 2018.

The composition of this Committee is in compliance with the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations.

### II. Terms of Reference

The Stakeholders Relationship Committee reviews and ensures the existence of a proper system for timely resolution of grievances of the security holders of the Company inter alia including complaints related to transfer of shares, non-receipt of annual reports, declared dividends, etc.

The terms of reference of the Committee are aligned with those provided under Section 178 of the Act and Para B of Part D of Schedule II of the Listing Regulations.

### III. Meetings Held

The Committee met four times during the financial year 2018-19, on the following dates:

May 28, 2018	July 30, 2018
October 25, 2018	January 28, 2019

Mr. Deepak Satwalekar, Chairman of the Stakeholders Relationship Committee was present at the last AGM.

### IV. Stakeholders Grievance Redressal

There was 1 shareholder complaint pending at the beginning of the year. 38 complaints were received and redressed to the satisfaction of shareholders during the year under review. There was 1 shareholder complaint outstanding as on March 31, 2019. The Company did not receive any complaints relating to Compulsorily Convertible Debentures during the year.

The Registrar and Share Transfer Agents (RTA), M/s. Link Intime India Private Limited, attend to all grievances of shareholders received directly or through SEBI, Stock Exchanges or the Ministry of Corporate Affairs.

The Company maintains continuous interaction with the RTA and takes proactive steps and actions for resolving shareholder complaints/queries. Likewise, the Company also has regular interaction with the Debenture Trustees to ascertain the grievances, if any, of the Debenture holders. There was no grievance received from the Debenture Trustee or from any of the Debenture holders during the financial year 2018-19.

#### V. Compliance Officer

Mr. Leonard D'Souza, Company Secretary, is the Compliance Officer. The Company has designated the email ID [complianceofficer.pel@piramal.com](mailto:complianceofficer.pel@piramal.com) to enable stakeholders to email their queries/grievances.

#### D. Corporate Social Responsibility Committee

##### I. Constitution of the Committee

The Corporate Social Responsibility Committee is comprised of three members, as per details in the following table:

Name	Category
Prof. Goverdhan Mehta – Chairman	Non-Executive, Independent
Ms. Nandini Piramal	Executive
Mr. Vijay Shah	Executive

The composition of the Committee is in compliance with Section 135 of the Act.

#### II. Terms of Reference

The terms of reference of the Corporate Social Responsibility Committee are aligned with those provided under Section 135 of the Act.

##### Meetings Held

The Committee met two times during the financial year 2018-19 on the following dates:

January 28, 2019	March 29, 2019
------------------	----------------

## 4. REMUNERATION OF DIRECTORS

#### A. Remuneration to Executive Directors:

Remuneration payable to the Executive Directors is recommended by the Nomination and Remuneration Committee, approved by the Board and is subject to the overall limits approved by the shareholders.

Details of remuneration of the Executive Directors approved by the Board for the year ended March 31, 2019 are given below:

Name of Director	Designation	Salary & Perquisites	Performance Linked Incentive	Total
Mr. Ajay G. Piramal	Chairman	9,31,48,704	3,47,85,452	12,79,34,156
Dr. (Mrs.) Swati A. Piramal	Vice Chairperson	4,26,93,156	1,49,42,605	5,76,35,761
Ms. Nandini Piramal	Executive Director	3,10,49,568	1,08,67,349	4,19,16,917
Mr. Vijay Shah	Executive Director	5,16,42,360	1,80,74,826	6,97,17,186

The variable component of remuneration (Performance Linked Incentive) for Executive Directors are determined on the basis of several criteria including their individual performance as measured by achievement of their respective Key Result Areas, strategic initiatives taken and being implemented, their respective roles in the organisation, fulfillment of their responsibilities and performance of the Company. This is in accordance with the Company's Remuneration Policy.

#### B. Sitting fees and commission paid to Independent Directors

Details of sitting fees and commission paid/payable to the Independent Directors for the financial year 2018-19 are given below. These are within the limits prescribed under the Act:

Name of Independent Director	Sitting Fees	Commission	Total
Mr. Gautam Banerjee	4,00,000	30,00,000	34,00,000
Mr. Keki Dadiseth	8,00,000	30,00,000	38,00,000
Mr. S. Ramadorai	4,00,000	30,00,000	34,00,000
Mr. Deepak Satwalekar	9,50,000	30,00,000	39,50,000
Dr. R.A. Mashelkar	10,00,000	30,00,000	40,00,000
Prof. Goverdhan Mehta	6,00,000	30,00,000	36,00,000
Mr. Siddharth Mehta	4,50,000	30,00,000	34,50,000
Mr. N. Vaghul	11,00,000	30,00,000	41,00,000
Mrs. Arundhati Bhattacharya^	2,50,000	15,00,000	17,50,000

^Appointed as an Additional Director (Non-Executive, Independent) with effect from October 25, 2018

Notes for Directors' Remuneration:

- Mr. Anand Piramal, Non-Executive Director does not receive any sitting fees or any other remuneration.
- The terms of appointment of Executive Directors as approved by shareholders, are contained in their respective Agreements entered into with the Company. The tenure of office of the Whole-Time Directors is between three to five years from their respective date of appointment. The Agreements also contain clauses relating to termination of appointment in different circumstances, including for breach of terms, the notice period for which is three months. While there is no specific provision



## REPORT ON CORPORATE GOVERNANCE

for payment of severance fees for any of the Executive Directors, the Board is empowered to consider the same at its discretion, taking into account attendant facts and circumstances.

- c) No amount by way of loan or advance has been given by the Company to any of its Directors.
- d) During the year ended March 31, 2019, 12,720 Stock Options were granted to Mr. Vijay Shah, Executive Director at an exercise price of ₹ 1,726 per Option. In addition to the exercise price, applicable tax would also be payable at the time of exercising the Stock Options. Out of the Options so granted, the Nomination and Remuneration Committee/Board of Directors would determine the actual number of Stock Options that would vest, after considering performance and other factors. It may be noted in this regard that since the Company's ESOP Scheme is implemented through the ESOP Trust and the shares given by the ESOP Trust against exercise of Stock Options

are those that have been acquired by the ESOP Trust from the secondary market and no new shares are issued by the Company, there will not be any increase in the share capital of the Company, nor will there be any impact on the Earnings Per Share or other ratios relating to Share Capital, as a result of exercise of the Stock Options.

- e) There was no pecuniary relationship or transactions with Non-Executive Directors vis-à-vis the Company other than sitting fees and commission that is paid to the Non-Executive Independent Directors.
- f) During the financial year ended March 31, 2019, Non-Executive Independent Directors were paid sitting fees of ₹ 1,00,000 for attending each meeting of the Board and Audit & Risk Management Committee and ₹ 50,000 for attending each meeting of other Committees. As regards commission to Non-Executive Independent Directors is concerned, the same is determined by the Board on the basis of performance based criteria and other factors.

### 5. GENERAL BODY MEETINGS

#### A. Details of the AGMs held during the preceding 3 years and Special Resolutions passed thereat are given below:

Annual General Meeting (AGM)	Date	Time	Venue	Details of Special Resolutions passed
69 <sup>th</sup> AGM	August 1, 2016	3.00 p.m.	Walchand Hirachand Hall, Indian Merchants' Chambers Building, 4 <sup>th</sup> Floor, IMC Marg, Churchgate, Mumbai - 400 020.	<ul style="list-style-type: none"> <li>i) Inter-Corporate Investments (₹ 32,500 Crores over and above limit approved by shareholders by Postal Ballot on November 14, 2015).</li> <li>ii) Borrowings (₹ 44,000 Crores over and above the applicable regulatory limit).</li> <li>iii) Payment of commission to Non-Executive Directors (upto 1% of net profits of the Company).</li> <li>iv) Issue of Non-Convertible Debentures on Private Placement basis.</li> </ul>
70 <sup>th</sup> AGM	August 1, 2017	3.00 p.m.	Y. B. Chavan Centre, General Jagannath Bhosale Marg, Opposite Mantralaya, Nariman Point, Mumbai – 400 021.	<ul style="list-style-type: none"> <li>i) Re-appointment of Mr. Ajay G. Piramal as Whole-Time Director designated as Chairman.</li> <li>ii) Re-appointment of Ms. Nandini Piramal as Whole-Time Director.</li> <li>iii) Issue of Non-Convertible Debentures on Private Placement basis.</li> </ul>
71 <sup>st</sup> AGM	July 30, 2018	3.00 p.m.	Rangaswar Auditorium, 4 <sup>th</sup> Floor, Yashwantrao Chavan Pratishthan, General Jagannathrao Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021,	<ul style="list-style-type: none"> <li>i) Re-appointment of Mr. S. Ramadorai as an Independent Director.</li> <li>ii) Re-appointment of Mr. Narayanan Vaghul as an Independent Director.</li> <li>iii) Re-appointment of Dr. R. A. Mashelkar as an Independent Director.</li> <li>iv) Re-appointment of Prof. Goverdhan Mehta as an Independent Director.</li> <li>v) Re-appointment of Mr. Keki Dadiseth as an Independent Director.</li> <li>vi) Re-appointment of Mr. Deepak Satwalekar as an Independent Director.</li> <li>vii) Re-appointment of Mr. Gautam Banerjee as an Independent Director.</li> <li>viii) Re-appointment of Mr. Siddharth Mehta as an Independent Director.</li> <li>ix) Re-appointment of Dr. (Mrs.) Swati A. Piramal as Whole-Time Director designated as Vice-Chairperson of the Company.</li> <li>x) Re-appointment of Mr. Vijay Shah as Whole-Time Director.</li> <li>xi) Issue of Non-Convertible Debentures on Private Placement basis.</li> </ul>

#### B. Postal Ballot

During the financial year 2018-19, no matter was transacted through Postal Ballot except for the meeting convened by the National Company Law Tribunal as mentioned at point C below.

At present, there is no proposal to pass any Special resolution through Postal Ballot.

#### C. National Company Law Tribunal Convened Meeting:

As per the directions of Mumbai Bench of the National Company Law Tribunal ('NCLT'), by its Order dated February 14, 2019, a meeting of the Equity Shareholders of the Company was convened on April 2, 2019 ('NCLT Meeting'), to consider and approve, if thought fit, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation between the Company and Piramal Phytocare Limited and their respective Shareholders ('the Scheme').

Details of voting results on the above resolution are as under:

Particulars	Number of valid votes cast	% of total number of valid votes cast (by Postal Ballot/ Remote e-voting and Ballot Form)	Result
Valid Votes in favour of the resolution	13,72,21,748	99.94	Passed with the requisite majority
Valid Votes against the resolution	80,869	0.06	
<b>Total</b>	<b>13,73,02,617</b>	<b>100.00</b>	

#### Procedure adopted for Postal Ballot

The Notice for the NCLT Meeting, Explanatory Statement, Postal Ballot Form and the Scheme along with necessary annexures were despatched to all the Equity Shareholders, as at the cut-off date i.e. February 22, 2019 in the permitted mode along with a self-addressed pre-paid Business Reply Envelope & electronically to those Equity Shareholders whose e-mail addresses were registered with the Depository(ies) or the RTA.

The advertisement for convening the NCLT Meeting and the despatch of Notice was published in the Newspapers viz. Business Standard (English) and Navshakti (Marathi) on March 1, 2019 giving requisite details as per the provision of the Act and Rules made thereunder.

The Voting period for Postal Ballot and remote e-voting commenced on Sunday, March 3, 2019 at 9.00 a.m. (IST) and ended on Monday, April 1, 2019 at 5.00 p.m. (IST). The NCLT had appointed Ms. Ashwini Inamdar, Partner, Mehta & Mehta, Company Secretaries, Mumbai as Scrutinizer to conduct the voting process in a fair and transparent manner. Mr. Ainesh Jethwa, Practicing Company Secretary and shareholder was appointed at the NCLT Meeting as Shareholders' Scrutinizer to scrutinize the votes cast through Ballot at the meeting as required under the Articles of Association of the Company. The Company had engaged the services of National Securities Depository Limited ('NSDL') as the agency for the purpose of providing remote e-voting facility. Voting at the venue of the NCLT Meeting was conducted through Ballot.

The Scrutinizers submitted a combined Report on April 3, 2019. The resolution was passed on Tuesday, April 2, 2019 with requisite majority which was the date of NCLT meeting.

## 6. DISCLOSURES

### A. Related Party Transactions

- All transactions entered into with Related Parties in terms of provisions under the Act and Regulation 23 of the Listing Regulations during the financial year 2018-19 were undertaken in compliance with the aforesaid regulatory provisions;
- There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company;
- Suitable disclosures as required by the Indian Accounting Standards (IND AS 24) have been made in Note No. 39 of

the standalone financial statements, which forms part of this Annual Report.

- The Board has approved a policy for related party transactions which has been uploaded on the website of the Company and can be accessed at <http://www.piramal.com/investor/overview>.
- The Register of Contracts/statement of related party transactions, is placed before the Board/Audit & Risk Management Committee regularly;

### B. Details of non-compliance, penalties, strictures imposed by the Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets during the last 3 years

SEBI issued an Order dated October 3, 2016 with respect to Piramal Enterprises Limited, Mr. Ajay G. Piramal, Dr. (Mrs.) Swati A. Piramal, Ms. Nandini Piramal and Mr. N. Santhanam (former director) imposing an aggregate penalty of ₹ 6,00,000 (Rupees Six Lakhs only) in respect of certain technical non-compliances with the Model Code of Conduct prescribed under the SEBI (Prohibition of Insider Trading) Regulations, 1992. An appeal has been filed by the Company, Mr. Ajay G. Piramal, Dr. (Mrs.) Swati A. Piramal, Ms. Nandini Piramal with the Securities Appellate Tribunal against the said Order. The appeal has not been disposed off till the date of this report.

No other penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter relating to capital markets during the last 3 years.

### C. Listing Fees

Listing fees for financial year 2019-20 have been paid to the Stock Exchanges on which the shares of the Company are listed.

### D. Vigil Mechanism/Whistle-Blower Policy for Directors and employees

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism/Whistle Blower Policy are posted on the website of the Company and the weblink to the same is <http://www.piramal.com/investor/overview>. No Director/employee has been denied access to the Audit & Risk Management Committee.

### E. Compliance with mandatory/non mandatory requirements

- The Company has complied with all the applicable mandatory requirements of the Listing Regulations.
- During the year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of financial statements with unmodified audit opinion.

# REPORT ON CORPORATE GOVERNANCE

## F. Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.

## G. Auditors Fees

M/s. Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis is given below:

(₹ in Crores)

Particulars	Amount
Services as statutory auditors (including quarterly audits)	0.831
Services for tax matters	0.064
Other matters	1.443
Re-imbursment of out-of-pocket expenses	0.138
<b>Total</b>	<b>2.476</b>

## H. Disclosures under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2019 are given in the Board's Report as well as in the Business Responsibility Report.

## 7. MEANS OF COMMUNICATION

The Company recognises the importance of two way communication with shareholders and of giving a balanced reporting of results and progress and responds to questions and issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the AGM. Some of the modes of communication are mentioned below:

### A. Quarterly Results

The approved financial results are forthwith sent to the Stock Exchanges where the shares are listed and are displayed on the Company's website [www.piramal.com](http://www.piramal.com) and are generally published in Business Standard (all editions) (English) and Mumbai Lakshadweep (Marathi), within forty eight hours of approval thereof.

### B. Presentations

Presentations made to the institutional investors/analysts are intimated to the Stock Exchanges within the prescribed time period under the Listing Regulations and are simultaneously hosted on the website of the Company.

### C. Website

The Company's website [www.piramal.com](http://www.piramal.com) contains a separate dedicated section for investors, the link to which is <http://www.piramal.com/investor/overview> where all information and relevant policies to be provided under applicable regulatory requirements, are available in a user friendly form.

## D. Annual Report

The Annual Report containing *inter alia* the Audited Standalone and Consolidated Financial Statements, Board's Report, Auditors' Report, Corporate Governance Report and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Annual Report is also available on the website of the Company.

## E. Designated Exclusive Email ID

The Company has designated the Email ID [complianceofficer.pel@piramal.com](mailto:complianceofficer.pel@piramal.com) exclusively for investor servicing. This Email ID has been displayed on the Company's website [www.piramal.com](http://www.piramal.com).

## F. SEBI Complaints Redress System (SCORES)

All complaints received through SEBI SCORES are resolved in a timely manner by the Company.

## G. NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (BSE Listing Centre)

NEAPS and BSE Listing Centre are web based application systems for enabling corporates to undertake electronic filing of various periodic compliance related filings like shareholding pattern, results, press releases, etc. All filings made by the Company with the Stock Exchanges are done through NEAPS and BSE Listing Centre.

## 8. GENERAL INFORMATION FOR SHAREHOLDERS

### A. Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24110MH1947PLC005719.

### B. Annual General Meeting

**Day, Date and Time:** Tuesday, July 30, 2019 at 3.00 p.m.

**Venue:** Y. B. Chavan Centre, General Jagannathrao Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai- 400 021

### C. Financial Calendar

The financial year of the Company starts on April 1 and ends on March 31 of next year.

### D. Book Closure Period and Dividend Payment Date

The book closure for dividend will be from Saturday, July 20, 2019 to Tuesday, July 30, 2019 (both days inclusive) and dividend, if approved by the shareholders at the AGM, would be paid after July 30, 2019.

## E. Listing on Stock Exchanges

### a) Equity Shares

Name & Address of the Exchanges	Scrip Code
<b>BSE Limited ('BSE')</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001	500302
<b>National Stock Exchange of India Limited ('NSE')</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	PEL

#### ISIN/Code

**ISIN** : INE140A01024

**Reuter's code** : PIRA.BO

: PIRA.NS

**Bloomberg code** : PIEL:IN

### b) Debt Securities

Non-Convertible Debentures issued by the Company from time to time are listed on the Wholesale Debt Market Segment (WDM) of NSE.

## F. Debenture Trustees

### IDBI Trusteeship Services Limited

Asian Building, Ground Floor, 17, R Kamani Marg,  
Ballard Estate, Mumbai - 400 001.

Tel: +91 22 4080 7007

Fax: +91 22 6631 1776

### Catalyst Trusteeship Limited (erstwhile GDA Trusteeship Limited)

GDA House, Plot No. 85, Bhusari Colony (Right),  
Paud Road, Pune - 411 038

Tel.: +91 20 2528 0081

Fax: +91 20 2528 0275

## G. Stock Market Data

High, Low and Trading Volume of the Company's equity shares during each month of the last financial year 2018-19 at BSE and NSE are given below:

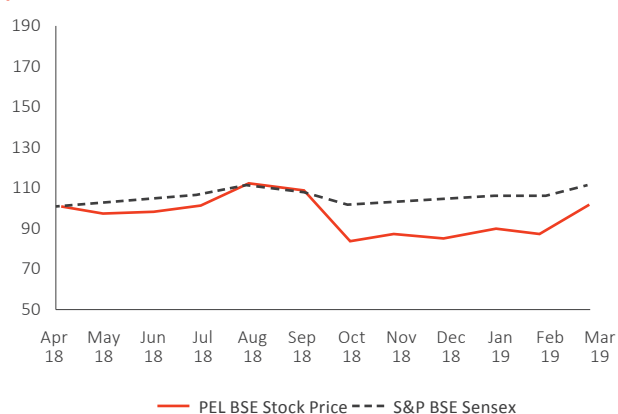
Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
Apr, 2018	2,679.00	2,422.20	8,31,060	2,679.80	2,421.15	29,84,730
May, 2018	2,615.05	2,321.50	2,23,399	2,619.20	2,318.75	38,10,420
Jun, 2018	2,641.75	2,290.00	5,52,930	2,644.75	2,285.00	60,99,171
Jul, 2018	2,736.90	2,404.50	3,17,408	2,743.15	2,402.90	43,20,165
Aug, 2018	3,302.55	2,657.60	7,93,682	3,307.95	2,657.05	1,10,78,035
Sep, 2018	3,244.85	2,254.20	12,15,719	3,255.15	2,252.40	1,18,53,633
Oct, 2018	2,450.00	1,796.75	27,04,487	2,447.90	1,794.90	1,91,18,362
Nov, 2018	2,382.00	2,017.15	10,66,547	2,383.50	2,017.40	1,01,56,854
Dec, 2018	2,409.55	2,001.30	7,63,551	2,410.00	2,010.00	93,05,984
Jan, 2019	2,409.00	2,001.05	12,37,170	2,410.00	2,001.00	1,20,91,482
Feb, 2019	2,349.95	2,037.00	8,98,189	2,349.00	2,025.10	1,01,99,652
Mar, 2019	2,767.75	2,328.05	6,67,033	2,772.65	2,319.00	1,00,20,005

Source: BSE and NSE Websites

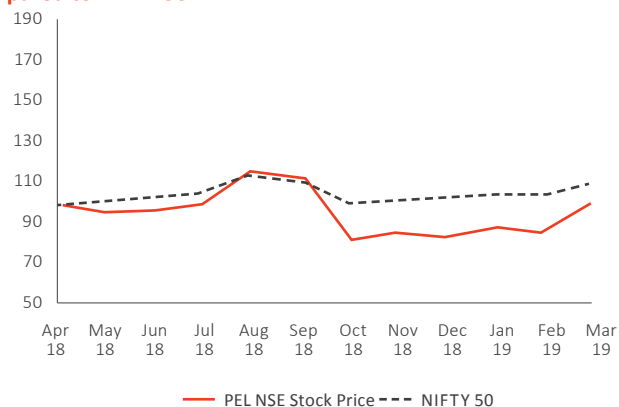
## H. Stock Performance vs S&P BSE Sensex and NIFTY 50

Performance of the Company's equity shares on BSE and NSE relative to the BSE Sensitive Index (S&P BSE Sensex) and CNX Nifty (NIFTY 50) respectively are graphically represented in the charts below:

**Average monthly closing price of the Company's shares on BSE as compared to S&P BSE Sensex**



**Average monthly closing price of the Company's shares on NSE as compared to NIFTY 50**



# REPORT ON CORPORATE GOVERNANCE

## • Liquidity

Shares of the Company are actively traded on BSE and NSE as is seen from the volume of shares indicated in the table containing stock market data and hence ensure good liquidity for the investors.

### I. Share Transfer Agents

M/s. Link Intime India Pvt. Ltd. ('Link Intime'), are the Share Transfer Agents of the Company. The contact details of Link Intime are given below:

#### Link Intime India Pvt. Ltd.

C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400 083.

Tel: +91 22 4918 6000/4918 6270

Fax: +91 22 4918 6060

E-mail ID: [piramal.irc@linkintime.co.in](mailto:piramal.irc@linkintime.co.in)

### J. Share Transfer System (in physical segment)

For administrative convenience and to facilitate speedy approvals, authority has been delegated to the Share Transfer Agents (RTA) and authorised executives to approve share

transfers in physical form. Share transfers/transmissions approved by the RTA and/or the authorised executives are placed before the duly empowered Administrative Committee of the Directors/Board Meeting from time to time.

In case of shares in electronic form, the transfers were processed by NSDL/Central Depository Services (India) Ltd. ('CDSL') through respective Depository Participants.

In case of shares held in physical form, all transfers were completed within 15 days from the date of receipt of complete documents. As at March 31, 2019 there were no equity shares pending for transfer. There were no requests for dematerialisation of equity shares pending as on March 31, 2019.

The Company obtains from a Company Secretary in practice, half yearly certificate of compliance with regards to share transfer and other formalities as required under Regulation 40 of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

### K. Distribution of Shareholding by size as on March 31, 2019

No. of Shares held	No. of shareholders	% to total no. of shareholders	No. of shares	% to total no. of shares
1 to 100	88,132	72.67	22,70,445	1.23
101 to 200	10,460	8.62	14,83,076	0.80
201 to 500	13,772	11.36	42,99,126	2.33
501 to 1000	5,267	4.34	38,02,442	2.06
1001 to 5000	2,958	2.44	54,69,084	2.97
5001 to 10000	252	0.21	17,38,185	0.94
10001 to 20000	166	0.14	23,23,349	1.26
20001 to 30000	50	0.04	12,10,892	0.66
30001 to 40000	42	0.03	14,50,879	0.79
40001 to 50000	28	0.02	12,68,564	0.69
50001 to 100000	51	0.04	36,14,556	1.96
Above 100000	107	0.09	15,55,16,374	84.31
<b>TOTAL</b>	<b>1,21,285</b>	<b>100.00</b>	<b>18,44,46,972</b>	<b>100.00</b>

### L. Dematerialisation of shares

As on March 31, 2019, 17,71,35,048 equity shares (96.04% of the total number of shares) are in dematerialised form as compared to 17,25,53,392 equity shares (95.72% of the total number of shares) as on March 31, 2018.

The Company's shares are compulsorily traded in dematerialised form and are admitted in both the Depositories in India i.e. NSDL and CDSL.

### M. Statement showing shareholding pattern as on March 31, 2019

Category of Shareholder	No. of shareholders	Total no. of shares	% to total no. of shares
<b>Shareholding of Promoter and Promoter Group</b>	19	9,16,786,48	49.70
<b>Non-Promoter – Non-Public</b>			
Piramal Enterprises Limited Senior Employees Welfare Trust	1	14,98,405	0.81
<b>Public shareholding</b>			
Mutual Funds/UTI	49	6,09,237	0.33
Financial Institutions/Banks	26	1,00,93,572	5.47
Central Government/State Government(s)	1	213	0.00
Insurance Companies	1	8,50,000	0.46
Foreign Portfolio Investors (Corporate)/FIIs	463	4,95,48,107	26.86
Foreign Banks	1	333	0.00
<b>Non-Institutions</b>			
Bodies Corporate	1,269	27,40,013	1.49
<b>Individuals</b>			
Indian Public Shareholder	1,12,365	2,04,21,310	11.07
<b>Others</b>			
(i) Non-Resident Indians	2,897	4,34,168	0.24
(ii) Non Resident Indians - Non Repatriable	1,519	5,87,580	0.32
(iii) Foreign Companies	2	43,16,911	2.34
(iv) Overseas Bodies Corporate	1	3,946	0.00
(v) Clearing Member	415	5,62,501	0.30
(vi) Trusts	45	83,375	0.05
(vii) Foreign Nationals	2	175	0.00
(viii) Hindu Undivided Family	2,207	4,20,054	0.23
(ix) Unclaimed Suspense Account	1	14,588	0.01
(x) IEPF	1	5,83,836	0.32
<b>Total Public Shareholding</b>	<b>1,21,265</b>	<b>9,12,69,919</b>	<b>49.49</b>
<b>Total</b>	<b>1,21,285</b>	<b>18,44,46,972</b>	<b>100.00</b>

### N. Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on Equity

As on March 31, 2019, 3,54,655 Compulsorily Convertible Debentures ('CCDs') convertible into 1,41,86,200 equity shares of ₹ 2 each of the Company were outstanding. The Maturity Date for conversion of CCDs into equity shares of ₹ 2 each of the Company was April 19, 2019. As on April 26, 2019 all the CCDs have been converted into equity shares.

### O. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company is exposed to Currency Risk arising from its trade exposures and Capital receipt/payments denominated, in other than the Functional Currency. The Company has a detailed policy which includes setting of the recognition parameters, benchmark targets, the boundaries within which the treasury has to perform and also lays down the checks and controls to ensure the continuing success of the treasury function.

The Company has defined strategies for addressing the risks for each category of exposures (e.g. for exports, for imports, for loans, etc.). The centralised treasury function aggregates the foreign exchange exposure and takes prudent measures to hedge the exposure based on prevalent macro-economic conditions.

The Company is also exposed to interest rate risks on foreign currency loans which are based on floating rate pegged to LIBOR and accordingly the Forex Risk Management Committee of the

Company mandates the centralised treasury function to hedge the same basis its view on interest rate movement.

The Company has adequate risk assessment and minimisation system in place for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018.

### P. Credit Ratings for Debt Instruments

The Credit Ratings reaffirmed/assigned to the debt instruments of the Company during the financial year 2018-19 are given below:

Instrument	Credit Rating	
	ICRA	CARE
Non-Convertible Debentures	AA (Stable) (Re-affirmed)	CARE AA (Stable) (Re-affirmed)
Market Linked Non-Convertible Debentures	PP-MLD ICRA AA (Stable)	-
Short Term Non-Convertible Debentures	-	CARE A1+

Details relating to these Credit Ratings are also available on the website of the Company.



## Q. Plant Locations of the Company and its Subsidiaries

### India:

- Plot No. K-1, Additional M.I.D.C, Mahad, District Raigad, 402 302, Maharashtra.
- Plot No. 67-70, Sector II, Pithampur, District Dhar, 454 775, Madhya Pradesh.
- Digwal Village, Kohir Mandal, Sangareddy District, Zaheerabad, 502 321, Telangana.
- Ennore Express Highway, Ernavur Village, Ennore, Chennai 600 057, Tamil Nadu.
- Light Hall, A wing, Hiranandani Business Park, Saki Vihar Road, Chandivali, Andheri (East), Mumbai - 400 072, Maharashtra.
- Plot Nos.18 and 19 - PHARMEZ, Village Matoda, Sarkhejbawala, NH 8A, Taluka Sanand, Ahmedabad - 382 213, Gujarat.

### Overseas:

#### Piramal Healthcare UK Limited

- Whalton Road, Morpeth, Northumberland, NE61 3YA, UK
- Earls Road, Grangemouth, Stirlingshire, FK 38XG, Scotland, UK

#### Piramal Healthcare (Canada) Limited

110, Industrial Parkway North, Aurora, Ontario, L4G 3H4, Canada.

#### Piramal Critical Care Inc.

3950 Schelden Circle, Brodhead Road, Bethlehem, PA 18017, USA.

#### Piramal Pharma Solutions Inc.

1575 McGrathiana Parkway, Lexington, Kentucky, 40511, USA.

#### Ash Stevens LLC

18655 Krause Street, Riverview, MI 48193, USA

## R. Disclosures with respect to the Demat Suspense Account/Unclaimed Suspense Account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V of Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2018	2,681	14,762
Shareholders who approached the Company for transfer of shares from suspense account and to whom shares were transferred during the year	21	174
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2019	2,660	14,588

The voting rights on such unclaimed/outstanding shares lying in the suspense account as on March 31, 2019 have been frozen and will remain frozen till the rightful owner claims the shares.

## S. Transfer of Unpaid/Unclaimed Dividend and Shares to Investor Education and Protection Fund

Pursuant to the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (hereinafter referred to as 'IEPF Rules'), the amount of dividend remaining unpaid/unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund ('the IEPF'). In pursuance of this, the dividend remaining unclaimed in respect of dividends declared upto the financial year ended March 31, 2011 have been transferred to the IEPF.

Further, in terms of Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more from the date of transfer to the unpaid dividend account are required to be transferred to the demat account of the Investor Education and Protection Fund Authority ('IEPFA'). Accordingly, all the shares in respect of which dividends were declared upto the financial year ended March 31, 2011 and remained unclaimed for a continuous period of seven years have been transferred to the demat account of IEPFA.

The details of unpaid/unclaimed dividend and equity shares so transferred are uploaded on the website of the Company at <http://www.piramal.com/investor/overview> as well as that of the Ministry of Corporate Affairs, Government of India at [www.mca.gov.in](http://www.mca.gov.in).

During the financial year 2018-19, the Company had transferred ₹ 1,95,36,751 of unpaid/unclaimed dividends and 49,834 shares to IEPFA.

In the interest of shareholders, the Company sends periodic reminders to the individual shareholders to claim their dividends in order to avoid transfer of dividend/shares to the IEPFA.

The following table provides the due dates for the transfer of outstanding unpaid/unclaimed dividend by the Company as on March 31, 2019:

Financial Year	Date of declaration of Dividend	Due date for transfer
2011-12	July 19, 2012	August 19, 2019
2012-13	July 25, 2013	August 25, 2020
2013-14	July 25, 2014	August 25, 2021
2014-15	August 6, 2015	September 6, 2022
2015-16 (Interim)	March 9, 2016	April 9, 2023
2016-17	August 1, 2017	September 1, 2024
2017-18	July 30, 2018	August 30, 2025

## T. Address for Correspondence with the Company

### Registered Office:

Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla West, Mumbai - 400 070.

Tel.: (91 22) 3802 3083

Fax: (91 22) 3802 3084

## 9. SUBSIDIARY COMPANIES

The subsidiaries of the Company function independently, with adequately empowered Boards of Directors.

### Policy for Material Subsidiaries

A Policy for determining Material Subsidiaries has been formulated in compliance with the requirements of Regulation 16 of the Listing Regulations. This Policy has been uploaded on the website of the Company and can be accessed at <http://www.piramal.com/investor/overview>.

## 10. CODE OF CONDUCT

The Board has laid down a Code of Conduct and Ethics for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for financial year 2018-19. Requisite declaration signed by the Executive Director to this effect is given below.

"I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation that they have complied with the Codes of Conduct and Ethics for Directors and Senior Management of the Company in respect of the financial year 2018-19."

### Vijay Shah

#### Executive Director

Copies of the aforementioned Codes have been put on the Company's website and can be accessed at <http://www.piramal.com/investor/overview>.

## 11. CODE FOR PREVENTION OF INSIDER TRADING

The Company has adopted the revised Code of Conduct to regulate, monitor and report trading by designated persons in securities of the Company and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

## 12. CERTIFICATE ON CORPORATE GOVERNANCE

Certificate from M/s. N. L. Bhatia & Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations, is attached to the Board's Report forming part of the Annual Report.

# BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 72<sup>nd</sup> Annual Report on the business and operations of the Company and the Audited Financial Statements for the financial year ended March 31, 2019.

(₹ in Crores)

Particulars	Consolidated		Standalone	
	FY2019	FY2018	FY2019	FY2018
Net Sales	13,215.34	10,639.35	3,671.40	3,296.95
Non-operating other income	312.80	259.53	446.32	639.79
Total income	13,528.14	10,898.88	4,117.72	3,936.74
Other Expenses	6,120.74	5,479.48	1,993.55	2,082.16
OPBIDTA	7,407.40	5,419.40	2,124.17	1,854.58
Interest Expenses	4,409.74	2,978.30	1,496.61	989.55
Depreciation	520.15	477.33	131.18	111.58
<b>Profit before tax &amp; exceptional items</b>	<b>2,477.51</b>	<b>1,963.77</b>	<b>496.38</b>	<b>753.45</b>
Exceptional items expenses	465.64	-	1,287.96	-
Income tax	861.13	(2,876.42)	70.40	234.98
<b>Net Profit/ (Loss) after tax</b>	<b>1,150.74</b>	<b>4,840.19</b>	<b>(861.98)</b>	<b>518.47</b>
Share of Net profit of Associates and Joint ventures	319.38	280.09		
Net Profit/ (Loss) after tax and after Share of Net profit of Associates and Joint ventures	1,470.12	5,120.28	(861.98)	518.47
Net Profit/ (Loss) Margin %	11.12%	48.12%	(23.48%)	15.72%
Normalised Net Profit <sup>1</sup>	1,935.76	1,551.10	425.98	518.47
Normalised Net Profit Margin %	14.65%	14.58%	11.60%	15.72%
Basic EPS	74.16	281.75	(43.40)	28.52
Diluted EPS (₹/share) <sup>2</sup>	73.86	281.67	(43.40)	28.51
Normalised Basic EPS (₹/share) <sup>1</sup>	97.61	85.40	21.45	28.52
Normalised Diluted EPS (₹/share) <sup>1</sup>	97.21	85.37	21.36	28.51

## Notes:

- FY2019 normalised net profit excludes non-recurring and non-cash accounting charge towards sale of the Imaging business & non-recurring exceptional item. FY2018 normalised net profit after tax excludes synergies on account of merger of subsidiaries in the financial services segment.
- Diluted EPS for March 31, 2019 and March 31, 2018 have been restated for effect of Rights Issue.

## DIVIDEND

The Board has recommended dividend of ₹ 28 (Rupees Twenty Eight only) i.e. @ 1400% per equity share of the face value of ₹ 2 each for the financial year ended March 31, 2019.

The dividend declared by the Company for the financial year ended March 31, 2019 is in compliance with the Dividend Distribution Policy of the Company.

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has adopted a Dividend Distribution Policy which is enclosed as Annexure A to this Report and is also available on the website of the Company at [www.piramal.com](http://www.piramal.com).

## SHARE CAPITAL

During the year under review, the Company had:

- issued and allotted 41,62,000 equity shares of the face value of ₹ 2 each pursuant to conversion of 1,04,050 Compulsorily Convertible Debentures ('CCDs'). The CCDs were convertible

into equity shares in the ratio of 40 equity shares of the face value of ₹ 2 each per CCD;

- allotted 11,298 equity shares of the face value of ₹ 2 each at an issue price of ₹ 2,380 per share (including premium of ₹ 2,378 per share) out of the Rights equity shares reserved for CCD holders [as per Regulation 53 of erstwhile SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('SEBI ICDR')] and the Rights equity shares were kept in abeyance under the Rights Issue made by the Company vide Letter of Offer dated February 1, 2018. As on March 31, 2019, 7,88,764 Rights equity shares were reserved for the CCD Holders [as per Regulation 53 of SEBI ICDR] and 24,639 Rights equity shares were in abeyance.

Subsequent to the year end, the Company had issued and allotted 1,42,03,785 equity shares of face value of ₹ 2 each upon conversion of CCDs and issue of Rights equity shares. Accordingly, the issued share capital of the Company stood at ₹ 39,88,93,150 made up of 19,94,46,575 equity shares of ₹ 2 each and the subscribed and paid – up share capital of the Company was at ₹ 39,73,01,514 made up of 19,86,50,757 equity shares of ₹ 2 each.

## UTILISATION OF ISSUE PROCEEDS

There has been no deviation in the utilisation of issue proceeds of Qualified Institutional Placement of CCDs, from the Objects stated in the Placement Document dated October 17, 2017.

Also, there has been no deviation in the utilisation of Rights Issue proceeds from the Objects stated in the Letter of Offer dated February 1, 2018.

## CHANGES IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Changes in subsidiaries, joint ventures and/ or associate companies during the year under review are listed in Annexure B to this Report.

## FINANCIAL DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 (the 'Act'), a statement containing salient features of the financial statements of subsidiaries, associates and joint venture companies in Form AOC-1 is attached to the financial statements. The separate audited financial statements of the subsidiaries shall be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting.

The separate financial statements of the subsidiaries are also available on the website of the Company at [www.piramal.com](http://www.piramal.com) and will also be made available upon request of any Member of the Company who is interested in obtaining the same.

## SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR 2019

### Sold Piramal Imaging SA to Alliance Medical Group

In June 2018, relevant agreements were executed by Piramal Holdings (Suisse) SA (wholly-owned subsidiary of the Company) concluding the sale of the Imaging business comprising of Piramal Imaging SA and its subsidiaries Piramal Imaging Ltd. and Piramal Imaging GmbH to Alliance Medical Group (AMG). The sale of the business resulted in a non-recurring and non-cash accounting charge of ₹ 452 Crores towards Imaging Assets.

### Supreme Court exempted Saridon from the list of banned FDCs

In February 2019, the Supreme Court of India ruled in favour of Saridon, a heritage brand from the healthcare product portfolio of the Company, exempting its formulation from the list of banned FDCs (Fixed Dose Combinations). Saridon is amongst India's most widely distributed analgesic tablets with a strong distribution network across 9 lakh outlets in India.

## Launch of Cinacalcet by the Company's partner, Slate Run Pharmaceuticals, in USA

In March 2019, one of the Company's partners for its global pharma businesses - Slate Run Pharmaceuticals LLC., launched generic Cinacalcet Hydrochloride tablets (30mg, 60mg and 90mg) in the United States of America. Cinacalcet tablets are indicated for treatment of secondary hyperthyroidism (HPT) in adult chronic kidney disease patients on dialysis and hypercalcemia in adult patients with parathyroid carcinoma.

## Scheme of Amalgamation between Piramal Phytocare Ltd. (PPL) and Piramal Enterprises Ltd. (PEL)

In May 2018, the Board of Directors of the Company had approved the draft Scheme of Amalgamation between PPL ('Transferor Company') and PEL ('Transferee Company') and their respective shareholders ('the Scheme'). Upon the Scheme being approved by the National Company Law Tribunal ('NCLT'), PEL will issue and allot 1 (one) fully paid up equity share of face value of ₹ 2 each for every 70 (seventy) fully paid up equity shares having face value of ₹ 10 each held by the equity shareholders of PPL, as on the Record Date which will be determined for this purpose.

The Scheme was approved by the requisite majority of the equity shareholders of the Company (including public shareholders) at the NCLT convened meeting of the shareholders held on April 2, 2019. The details are provided under the Report on Corporate Governance forming part of this Annual Report.

Apart from the updates mentioned above, there were no significant events after the balance sheet date.

## OPERATIONS REVIEW

### Standalone

Total income from operations on a standalone basis for the year grew by 11.36% to ₹ 3,671.40 Crores as compared to ₹ 3,296.95 Crores in FY2018. Profit before interest, depreciation and tax for FY2019 on a standalone basis grew by 14.54% to ₹ 2,124.17 Crores as compared to ₹ 1,854.58 Crores in FY2018. In June 2018, the Company's wholly owned subsidiary, Piramal Holdings (Suisse) SA ('PHSA') sold its entire ownership interest in its wholly owned subsidiary Piramal Imaging SA and its subsidiaries. Consequently, the Company's cost of equity investment in PHSA amounting to ₹ 1,287.96 Crores has been provided for. Net Loss for the year was ₹ 861.98 Crores as compared to Net Profit of ₹ 518.47 Crores in FY2018.

### Consolidated

The Company's consolidated revenue grew by 24% to ₹ 13,215 Crores in FY2019 as compared with ₹ 10,639 Crores in FY2018. The rise in revenue is primarily driven by growth in Financial Services segment. Revenue generated in foreign currencies is 40% of the Company's FY2019 revenue.

## BOARD'S REPORT

A detailed discussion on operations for the year ended March 31, 2019 is provided in the Management Discussion and Analysis Report, which is presented in a separate section forming part of this Annual Report.

### SUBSIDIARY COMPANIES

#### **Piramal Healthcare Inc. [Consolidated]**

Piramal Healthcare Inc. [consolidated] includes financials of its wholly owned subsidiaries Piramal Critical Care Inc. and Piramal Pharma Inc. Net sales of Piramal Healthcare Inc. [consolidated] for FY2019 were at ₹ 1,189.04 Crores. Profit before interest, depreciation and tax for the year was at ₹ 342.16 Crores. Piramal Healthcare Inc. [consolidated] reported a net profit of ₹ 167.56 Crores for the year.

#### **PEL Pharma Inc. [Consolidated]**

PEL Pharma Inc. [consolidated] includes financials of its wholly owned subsidiaries Piramal Pharma Solutions Inc. and Ash Stevens LLC. Net sales of PEL Pharma Inc. [consolidated] for FY2019 were at ₹ 371.80 Crores. Loss before interest, depreciation and tax for the year was at ₹ 12.52 Crores. PEL Pharma Inc. [consolidated] reported a net loss of ₹ 79.95 Crores for the year.

#### **Piramal Dutch IM Holdco B.V. [Consolidated]**

Piramal Dutch IM Holdco B.V. [consolidated] includes financials of its wholly owned subsidiaries PEL-DRG Dutch Holdco B.V. and the Decision Resources Group. Net sales of this group for FY2019 were at ₹ 1,330.74 Crores. Profit before interest, depreciation and tax for the year was at ₹ 233.96 Crores. Net loss for the year was at ₹ 217.98 Crores for the year.

#### **Piramal Healthcare UK Limited**

Net sales of Piramal Healthcare UK Limited for FY2019 were at ₹ 789.01 Crores. Profit before interest, depreciation and tax for the year was at ₹ 98.62 Crores. Piramal Healthcare UK Limited reported a net profit of ₹ 65.36 Crores for the year.

#### **Piramal Healthcare (Canada) Limited**

Net sales of Piramal Healthcare (Canada) Limited for FY2019 were at ₹ 251.26 Crores. Profit before interest, depreciation and tax for the year was at ₹ 75.55 Crores. Piramal Healthcare (Canada) Limited reported a net profit of ₹ 68.88 Crores for the year.

#### **Piramal Critical Care Limited**

Net sales of Piramal Critical Care Limited for FY2019 were at ₹ 678.58 Crores. Profit before interest, depreciation and tax for the year was at ₹ 283.34 Crores. Piramal Critical Care Limited reported a net profit of ₹ 10.42 Crores for the year.

#### **Piramal Critical Care Italia SPA**

Net sales of Piramal Critical Care Italia SPA for FY2019 were at ₹ 38.56 Crores. Profit before interest, depreciation and tax for the year was at ₹ 2.90 Crores. Piramal Critical Care Italia SPA reported a net profit of ₹ 0.97 Crores for the year.

#### **Piramal Critical Care South Africa (Pty.) Ltd.**

Net sales of Piramal Critical Care South Africa for FY2019 were at ₹ 12.26 Crores. Profit before interest, depreciation and tax for the year was at ₹ 0.68 Crores. Piramal Critical Care Italia SPA reported a net profit of ₹ 1.17 Crores for the year.

#### **Piramal Critical Care Deutschland GmbH**

Net sales of Piramal Critical Care Deutschland GmbH for FY2019 were at ₹ 17.14 Crores. Loss before interest, depreciation and tax for the year was at ₹ 9.50 Crores. Piramal Critical Care Deutschland GmbH reported a net loss of ₹ 10.79 Crores for the year.

#### **Piramal Critical Care BV**

Net sales of Piramal Critical Care BV for FY2019 were at ₹ 1.62 Crores and the entity reported a net loss of ₹ 4.34 Crores for the year.

#### **Piramal Capital & Housing Finance Limited**

Income from operations for FY2019 was at ₹ 5,454.84 Crores. Profit before depreciation and tax for the year was at ₹ 2,218.32 Crores. Piramal Capital & Housing Finance Limited reported a net profit of ₹ 1,442.56 Crores for the year.

#### **Piramal Fund Management Private Limited [Consolidated]**

Piramal Fund Management Private Limited [consolidated] includes financials of Indiareit Investment Management Co., Piramal Asset Management Private Limited and Asset Resurgence Mauritius Manager. Income from operations for FY2019 was at ₹ 51.68 Crores. Loss before depreciation and tax for the year was at ₹ 47.36 Crores. Piramal Fund Management Private Limited [consolidated] reported a net loss of ₹ 41.62 Crores for the year.

#### **Piramal Securities Limited**

Piramal Securities Limited has received its merchant banking license from SEBI in January 2019. It had no Income from operations for FY2019. Loss before depreciation and tax for the year was at ₹ 15.24 Crores. Piramal Securities Limited reported a net loss of ₹ 15.27 Crores for the year.

#### **PHL Fininvest Private Limited**

Income from operations for FY2019 was at ₹ 571.03 Crores. Profit before depreciation and tax for the year was at ₹ 88.91 Crores. PHL Fininvest Private Limited reported a net profit ₹ 78.00 Crores for the year.

#### **Searchlight Health Private Limited**

Income from operations for FY2019 was at ₹ 1.45 Crores. Loss before Finance cost, depreciation and tax for the year was at ₹ 5.91 Crores. Searchlight Health Private Limited reported a net loss of ₹ 6.07 Crores for the year.

### JOINT VENTURES AND ASSOCIATE COMPANIES

Investment in joint ventures and associates are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of post-acquisition profits or losses and other comprehensive income of joint ventures and associates. Dividends received or receivable from associates or joint ventures are recognised as a reduction in the carrying amount of the investment.

Convergence Chemicals Private Limited is a 51:49 joint venture between the Company and Navin Fluorine International Limited set up to develop, manufacture and sell speciality fluorochemicals. Share of profit (including consolidation adjustments) considered in consolidation for FY2019 amounts to ₹ 1.79 Crores.



The Company has an effective 20% equity stake in Shriram Capital Limited. Share of profit of Shriram Capital Limited considered in consolidation for FY2019 amounts to ₹ 274.62 Crores.

The Company owns 49% equity stake in Allergan India Private Limited. Share of profit of Allergan India Private Limited considered in consolidation for FY2019 amounts to ₹ 50.99 Crores.

The Company's share of profit of ₹ 1.00 Crore in Bluebird Aero Systems Limited (Associate Company) has been considered in consolidation for FY2019.

India Resurgence ARC Private Limited is a 50:50 joint venture between the Company and Bain Capital Credit India Investments (a company existing under the laws of the Republic of Mauritius). The share of loss of India Resurgence ARC Private Limited has been considered in consolidation for FY2019 and amounts to ₹ 0.32 Crores.

India Resurgence Asset Management Business Private Limited is a 50:50 joint venture between the Company and Bain Capital Credit India Investments. The share of loss of India Resurgence Asset Management Business Private Limited has been considered in consolidation for FY2019 and amounts to ₹ 9.87 Crores.

## DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from the public and as such, no amount of principal or interest was outstanding as on the balance sheet date.

## STATUTORY AUDITORS AND AUDITORS' REPORT

The Auditors Report does not contain any qualification, reservation or adverse remark on the financial statements for the year ended March 31, 2019. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

In accordance with Section 139 of the Act, M/s Deloitte Haskins & Sells LLP ('Deloitte'), Chartered Accountants (Firm Registration Number 117366W/W-100018), were appointed by the shareholders of the Company at the Annual General Meeting held on August 1, 2017, as Statutory Auditors for a period of 5 years to hold office until the conclusion of the 75<sup>th</sup> Annual General Meeting ('AGM') of the Company to be held in the year 2022.

The Ministry of Corporate Affairs vide its Notification dated May 7, 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, approval of the Shareholders for the ratification of Auditor's appointment is not being sought at the ensuing AGM.

Deloitte has furnished a certificate of their eligibility and consent under Sections 139(1) and 141 of the Act and the Rules framed thereunder for their continuance as Statutory Auditors of the Company for the financial year 2019-20.

## CORPORATE SOCIAL RESPONSIBILITY

The annual report on Corporate Social Responsibility (CSR) including a brief outline of the CSR Policy and the activities undertaken during the FY2019 is enclosed as Annexure C to this Report. The CSR policy is available on the website of the Company at [www.piramal.com](http://www.piramal.com).

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars regarding Conservation of energy, technology absorption and foreign exchange earnings and outgo are given as Annexure D to this Report.

## EXTRACT OF ANNUAL RETURN

The extract of the Annual Return for FY2019 is given in Annexure E in the prescribed Form No. MGT-9, which is a part of this Report. The same is also available on <http://www.piramal.com/investor/overview>.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Articles of Association of the Company, Dr. (Mrs.) Swati A. Piramal (DIN: 00067125) retires by rotation at the ensuing AGM and being eligible offers herself for re- appointment. The Board recommends her re- appointment for the consideration of the Members of the Company at the ensuing AGM.

The Board of Directors had, on the recommendation of Nomination and Remuneration Committee, appointed Mrs. Arundhati Bhattacharya (DIN: 02011213) as an Additional Director of the Company and also as an Independent Director, not liable to retire by rotation, for a term of 5 years i.e. from October 25, 2018 to October 24, 2023, subject to approval of the Members. In line with the Act and the Articles of Association of the Company, Mrs. Bhattacharya is eligible to be appointed as an Independent Director at the ensuing AGM.

The Company has received declarations from all its Independent Directors, confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

## BOARD EVALUATION

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and the Non- Executive Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects. The performance of the Executive Directors is evaluated on the basis of achievement of their Key Result Areas.

The Board of Directors has expressed its satisfaction with the evaluation process.

## NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year, five Board Meetings were convened and held, details of which are given in the Report on Corporate Governance forming part of the Annual Report.



## BOARD'S REPORT

### VIGIL MECHANISM/ WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism/ Whistle Blower Policy are posted on the website of the Company and the weblink to the same is <http://www.piramal.com/investor/overview>.

### AUDIT & RISK MANAGEMENT COMMITTEE

The Audit & Risk Management Committee comprises of the following three members, all of whom are Independent Directors:

1. Mr. N. Vaghul – Chairman
2. Mr. Keki Dadiseth
3. Dr. R.A. Mashelkar

Further details on the Audit & Risk Management Committee are provided in the Report on Corporate Governance forming part of the Annual Report.

### NOMINATION AND REMUNERATION POLICIES

The Board of Directors has approved a Policy which lays down a framework for selection and appointment of Directors and Senior Management and for determining qualifications, positive attributes and independence of Directors.

The Board has also approved a Policy relating to remuneration of Directors, members of Senior Management and Key Managerial Personnel.

## MANAGERIAL REMUNERATION

### A) Remuneration to Directors and Key Managerial Personnel

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during FY2019 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY2019 are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for FY2019 (₹ in Lakhs)	% increase/ decrease in Remuneration in FY2019	Ratio of remuneration of each Whole – Time Director to median remuneration of employees
1.	Ajay G. Piramal Chairman	1,214.98	8.01%	291.34
2.	Swati A. Piramal Vice – Chairperson	544.97	8.02%	130.68
3.	Nandini Piramal Executive Director	409.42	8.06%	98.18
4.	Vijay Shah Executive Director	649.12	2.71%	155.66
5.	Anand Piramal Non – Executive Director	N.A.	N.A.	N.A.
6.	Gautam Banerjee Independent Director	31	N.A.	N.A.
7.	Keki Dadiseth Independent Director	35	N.A.	N.A.

Details of the Nomination Policy and the Remuneration Policy are given in Annexure F to this Report and the weblink to the same is <http://www.piramal.com/investor/overview>.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Reference may be made to Note nos. 6 and 13 of the standalone financial statements for loans to bodies corporate and Note no. 39 for guarantees provided by the Company.

As regards details of Investments in bodies corporate are given in Note no. 4 of the standalone financial statements.

### RELATED PARTY TRANSACTIONS

During the year, the Company had entered into contract/ arrangement/ transaction with related parties which were on arms' length basis but which were considered material in accordance with the definition of materiality as included in the policy of the Company on Related Party Transaction. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is enclosed as Annexure G to this Report.

Systems are in place for obtaining prior omnibus approval of the Audit & Risk Management Committee on an annual basis for transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties are placed before the Audit & Risk Management Committee for their review on a periodic basis.

The Company has formulated a policy for dealing with related party transactions which is also available on website of the Company at <http://www.piramal.com/investor/overview>.

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for FY2019 (₹ in Lakhs)	% increase/ decrease in Remuneration in FY2019	Ratio of remuneration of each Whole – Time Director to median remuneration of employees
8.	S. Ramadorai Independent Director	31	N.A.	N.A.
9.	Deepak Satwalekar Independent Director	36.5	N.A.	N.A.
10.	R. A. Mashelkar Independent Director	37	N.A.	N.A.
11.	Goverdhan Mehta Independent Director	33	N.A.	N.A.
12.	Siddharth Mehta Independent Director	31.5	N.A.	N.A.
13.	N. Vaghul Independent Director	38	N.A.	N.A.
14.	Arundhati Bhattacharya <sup>§</sup> Independent Director	2.5	N.A.	N.A.
15.	Vivek Valsaraj Chief Financial Officer	179.57	22.64%	N.A.
16.	Leonard D'Souza Company Secretary	100.88	6.64%	N.A.

Note:

- Independent Directors are entitled to sitting fees and commission as per the statutory provisions and within the limits approved by shareholders. Remuneration details for Independent Directors in the above table, is comprised of sitting fees and commission. Details in the corresponding columns are applicable for Whole-Time Directors and KMPs.
- Mr. Vijay Shah, Mr. Vivek Valsaraj and Mr. Leonard D'Souza also receive ESOPs under the Company's ESOP Scheme.
- Mr. Anand Piramal, Non-Executive Director does not receive any sitting fees or any other remuneration.
- Remuneration details have been provided on the basis of remuneration/ commission paid during FY2019 and sitting fees for meetings attended during FY2019.
- § Appointed as an Additional Director (Non-Executive, Independent) w.e.f. October 25, 2018.

- The median remuneration of employees of the Company during FY2019 was ₹ 4,17,024;
- In the financial year, there was 8% increase in the median remuneration of employees;
- There were 4,017 permanent employees on the rolls of the Company as on March 31, 2019;
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. FY2019 was 11%. As regards comparison of Managerial Remuneration of FY2019 over FY2018, details of the same are given in the above table at Sr. No. (i);
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

- None of the Whole-Time Directors received any commission nor any remuneration from any of the Company's subsidiaries.
- The following details are given in the Report on Corporate Governance forming part of this Annual Report:
  - all elements of remuneration package of all the Directors;
  - details of fixed component and performance linked incentives of Whole-Time Directors along with the performance criteria;
  - service contracts, notice period, severance fees of Whole- Time Directors;
  - stock option details of Whole-Time Director;
- Requisite details relating to ESOPs are available on the Company's website, the weblink to which is <http://www.piramal.com/investor/overview>.

## B) Employee Particulars

Details of employee remuneration as required under the provisions of Section 197 of the Act and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate statement and forms part of the Annual Report. Further, this Report is being sent to the Members excluding the said statement. The said statement is available for inspection by Members at the Registered Office of the Company during working hours upto the date of the AGM and shall be made available to any Member on request. The said statement is also available on the Company's website, the weblink to which is <http://www.piramal.com/investor/overview>.

## SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Rules made thereunder, the Company has appointed M/s. N. L. Bhatia & Associates, Practising Company Secretaries as the Secretarial

## BOARD'S REPORT

Auditor of the Company. The Secretarial Audit Report is annexed as Annexure H and forms an integral part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

As per the requirements of the Listing Regulations, the material subsidiary of the Company viz. Piramal Capital and Housing Finance Limited has undertaken secretarial audit for the Financial Year 2018-19.

### CORPORATE GOVERNANCE CERTIFICATE

The Report on Corporate Governance as stipulated in the Listing Regulations forms part of the Annual Report. The requisite Certificate from M/s. N. L. Bhatia & Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is annexed hereto as Annexure I and forms part of this Report.

### RISK MANAGEMENT FRAMEWORK

The Company has a robust Risk Management framework to identify, measure, manage and mitigate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business strategy and enhance the Company's competitive advantage. This risk framework thus helps in managing market, credit and operational risks and quantifies potential impact at a Company level. Further information on the risk management process of the Company is contained in the Management Discussion & Analysis Report which forms part of this Annual Report.

### COMPLIANCE WITH SECRETARIAL STANDARDS

The Company complies with applicable secretarial standards.

### DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and systems of compliance which are established and maintained by the Company, audits conducted by the Internal, Statutory and Secretarial Auditors including audit of internal financial controls over financial reporting by the Statutory Auditors and reviews by the Management and the relevant Board Committees, including the Audit & Risk Management Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY2019.

The Directors confirm to the best of their knowledge and ability, that:

- (a) in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed with no material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the loss of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance

with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) the Directors have prepared the annual financial statements on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### COST AUDIT

M/s. G.R. Kulkarni & Associates, Cost Accountants have been duly appointed as Cost Auditors for conducting Cost Audit in respect of products manufactured by the Company which are covered under the Cost Audit Rules for the financial year ending March 31, 2020. They were also the cost auditors for the financial year ended March 31, 2019. As required by Section 148 of the Act, necessary resolution has been included in the Notice convening the AGM, seeking ratification by Members to the remuneration proposed to be paid to the Cost Auditors for the financial year ending March 31, 2020.

The Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Act and accordingly such accounts and records are made and maintained by the Company in the prescribed manner.

### BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report of the Company for FY2019 as required under Regulation 34(2)(f) of the Listing Regulations is enclosed as Annexure J to this Report.

### DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a robust policy on prevention of sexual harassment at workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee ('ICC') has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. ICC has its presence at corporate office as well as at site locations.

The Policy is gender neutral. During the year under review, 1 (one) complaint with allegation of sexual harassment was filed with ICC,

detailed investigation was carried out and same was disposed-off as per the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## OTHERS

The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions related to these items during the year under review:

1. Details relating to issue of sweat equity shares and shares with differential rights as to dividend, voting or otherwise, since there was no such issue of shares;
2. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

During the year under review, none of the Auditors of the Company have reported any fraud as specified under Section 143(12) of the Act.

## ACKNOWLEDGEMENT

We take this opportunity to thank the employees for their dedicated service and contribution to the Company.

We also thank our banks, business associates shareholders and other stakeholders for their continued support to the Company.

For and on behalf of the  
**Board of Directors**

Place: Mumbai  
Date: April 26, 2019

**Chairman**

## ANNEXURE A

### DIVIDEND DISTRIBUTION POLICY

#### 1. Regulatory Framework

The Securities and Exchange Board of India ("SEBI") on July 8, 2016 inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy.

Piramal Enterprises Limited ('PEL') being one of the top five hundred listed companies as per market capitalization as on the last day of the immediately preceding financial year, has framed this policy to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 2. Circumstances under which the Shareholders of the Company may or may not expect Dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

- i. Proposed expansion plans requiring higher capital allocation
- ii. Decision to undertake any acquisitions, amalgamation, merger, joint ventures, new product launches, etc. which requires significant capital outflow
- iii. Requirement of higher working capital for the purpose of business of the Company
- iv. Proposal for buy-back of securities or other corporate actions
- v. In the event of loss or inadequacy of profit

However, the final decision for declaring dividend vests with the Board, who may, decide to declare dividend despite existence of the above circumstances.

#### 3. The financial parameters that shall be considered while declaring dividend

The dividend pay-out decision of the Board depends upon the following financial parameters:

- i. Operating cash flow of the Company
- ii. Profit earned during the year
- iii. Profit available for distribution
- iv. Earnings Per Share (EPS)
- v. Likelihood of crystallization of contingent liabilities, if any
- vi. Creation of contingency fund
- vii. Cost of external financing
- viii. Past dividend payout ratio/ trends

These are general indicative financial parameters. The Board may consider other financial parameters which may not be covered above.

#### 4. Internal and external factors that shall be considered for declaration of dividend

##### Internal factors

- i. Working capital requirements
- ii. Capital expenditure requirement
- iii. Business expansion and growth
- iv. Capital required for Financial Services Business
- v. Additional investment in subsidiaries and associates of the company
- vi. Upgradation of technology and physical infrastructure
- vii. Acquisition of brands and business
- viii. Financial parameters referred to above.

##### External factors

- i. Economic environment
- ii. Capital markets
- iii. Global conditions
- iv. Statutory provisions and guidelines

The Board may consider other internal and external factors, which may not be covered above.

#### 5. Utilization of Retained Earnings

The Board may retain its earnings in order to make better use of the available funds and/or increase shareholder value. The decision of utilization of the retained earnings of the Company will be based on the following factors:

- i. Market expansion plan
- ii. Product expansion plan
- iii. Increase in production capacity
- iv. Modernization plan
- v. Diversification of business
- vi. Mergers & Acquisitions

The Board may also consider other factors on the basis of which profits may be retained in the business.

#### 6. Parameters that shall be adopted with regard to various classes of shares

Since the Company has issued only one class of equity shares in its paid up share capital, with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. Specific parameters to be adopted for any other classes of shares that may be issued in future, shall be adopted at that time.

#### 7. Disclosures

The Dividend Distribution Policy shall be disclosed in the Annual Report and will also be available on the website of the Company i.e. at [www.piramal.com](http://www.piramal.com).

## ANNEXURE B

Changes in Company's Subsidiaries, Joint Ventures and/ or Associate Companies during FY2019:

### COMPANIES WHICH HAVE BECOME SUBSIDIARIES:

- a) Piramal Securities Limited
- b) Piramal Asset Management Private Limited
- c) Piramal Capital International Limited
- d) Piramal Pharma Solutions (Dutch) BV
- e) Decision Resources Japan K.K.

### COMPANIES WHICH HAVE CEASED TO BE SUBSIDIARIES:

- a) Piramal Capital Limited
- b) Piramal Finance Limited
- c) Piramal Imaging SA
- d) Piramal Imaging Limited
- e) Piramal Imaging GmbH
- f) Context Matters, Inc.
- g) Activate Networks, Inc.

No entity has ceased to be a Joint Venture during FY2019.

No entity has become nor has ceased to be an Associate Company during FY2019.

## ANNEXURE C

### Annual Report on Corporate Social Responsibility activities for the financial year 2018-19

#### 1. BRIEF OUTLINE OF THE COMPANY'S CORPORATE SOCIAL RESPONSIBILITY ('CSR') POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS.

The CSR initiatives of the Company are either undertaken as projects or programs or activities, whether new or ongoing, in line with the CSR Policy, or by way of providing donations, contributions or financial assistance to such projects or to other CSR companies or entities undertaking such projects, as may be permitted under the Companies Act, 2013 ('the Act') and applicable Rules prescribed thereunder.

During the year ended March 31, 2019, the Company discharged its CSR obligations through projects and programs of Piramal Foundation for Education Leadership and Piramal Swasthya Management and Research Institute ('Piramal Swasthya') (collectively referred to as 'CSR entities') in the education and health sector.

The CSR entities develop innovative solutions to resolve issues that are critical roadblocks towards improving India's health and education issues. The Company firmly believes that considerable

positive change can occur, when the Company collaborates with likeminded partners and nurture projects that are scalable ensuring a long term impact.

- **Piramal Swasthya** strives to provide accessible and affordable healthcare across demographics with a stress on the most vulnerable in society.

To implement this on the ground and make sure that healthcare services reach the remotest sections of the country, Piramal Swasthya provides three clinically certified services as follows:

- a. Health Information Helpline – A health contact centre that acts as a medical advisor, counsellor and grievance addresser.
- b. Telemedicine service which brings healthcare specialists closer to the patient by using technology for connectivity and communication.
- c. Mobile Health Services where paramedics and healthcare experts, travel to remote locations in vans and try and address the humongous challenge of accessibility of healthcare in rural India.

Key achievements during FY2019:

- Piramal Swasthya continued its outreach program with 286 Mobile Medical Units across 13 districts of Andhra Pradesh, in collaboration with Government of Andhra Pradesh. The objective was to extend the services of Public Health system by using resources, where possible, in screening, making referrals, mobilizing and following up with people with risk of chronic diseases, those requiring Maternal or Child Healthcare services and addressing minor ailment.



## BOARD'S REPORT

Piramal Swasthya also continued its Mother and Child initiative for the remote tribal population in the Araku Valley in Andhra Pradesh. This initiative aims to combat tribal healthcare challenges and deliver primary healthcare to inaccessible tribal belts. Mobile health workers travel to remote habitations while specialist doctor consultations are facilitated through telemedicine centres. The Program's Gosthani Nutrition intervention brings awareness of the importance and benefits of healthy and nutritious diet. Dedicated community nutrition hubs have been set up to help prepare and preserve nutritional, traditional and local, food items for families. The program is also actively working with the Integrated Tribal Development Agency and Integrated Child Development Services teams locally to address the challenges of the tribal location including initiatives such as trainings and capacity building, community based interventions for better engagement, awareness and education of local population.

- An electronic platform namely 'Integrated Electronic Medical Record' provides each beneficiary with a Unique Identification Number whereby his/ her Electronic Health Record is created, which immensely helps in clinical management of diseases and conditions. Accordingly, the beneficiaries need not have to worry about carrying their health records. Accessible Medical Records via Integrated Technologies (AMRIT) as a platform is built to capture data for Antenatal Care, Postnatal Care, Non Communicable Diseases (including cervical, breast and oral cancer).
- Piramal Swasthya had launched its community-based screening programme – Detect Early and Save Her & Him (D.E.S.H.) for oral, breast and cervical cancers in Kamrup in the financial year 2017-18. The programme was continued this year as well across components which included creating community awareness, screening for the cancer of oral cavity, breast and cervix through mobile cancer screening units, mobility for the patients detected positive to a treatment centre and tracking and follow-up. The Mobile Cancer Screening Unit is equipped with a mammography unit and staffed by doctors, nurses and radiographers and they screen the local population for oral, breast and cervical cancer. Patients identified with cancer are referred to Dr. B. Borooah Cancer Institute, Guwahati for treatment.
- **Piramal Foundation for Education Leadership ('PFEL')** provides quality education in the government educational system, the objective being to shape the leaders who will dedicate themselves to making a positive difference in society.

It believes in creating positive interventions at every level of the education ecosystem - from headmasters, teachers, community leaders, government education officials to motivated youth from India's leading colleges and policy makers in the education department.

PFEL also provides employment to rural women in Rajasthan and Gujarat who operate in the Virtual Field Support Centers to provide pedagogy services to teachers while providing administrative and leadership support to education officials.

A total of 27,192 calls were completed to provide support to teachers and education officials.

During FY2019 PFEL impacted more than 2,000 government officials by expanding its State Transformation Program (STP) to 10 states. The interventions of STP not only aims to improve processes of educational institution but enhance the motivation of teachers and government officials as well.

Through the School Leadership and Development Program, PFEL has also partnered with the Government education department of Rajasthan and Haryana to improve the classroom practices and leadership abilities of teachers and headmaster of Government primary school. These interventions have led to enhanced the learning outcomes of students in maths and language.

Key Achievements of PFEL during the year were:

- Initiated the Early Childhood Development Program by collaborating with 182 'Anganwadi Workers' to develop their capability in early childhood education.
- Launched alumni chapters for Gandhi Fellows in four major cities of India to provide Learning & Development and networking opportunities to more than 700 Gandhi fellows.

The Company has been awarded with the following awards for its philanthropic activities during the financial year 2018-19:

- Golden Peacock Award for Corporate Social Responsibility
- Economic Times 2 Good 4 Good Rating scheme – highest rating was achieved
- Business Standard Socially Aware Award

The CSR Policy is posted on the Company's website, the web link to which is: <http://www.piramal.com/investor/overview>.

## 2. COMPOSITION OF THE CSR COMMITTEE

Name	Category
Prof. Goverdhan Mehta – Chairman	Non - Executive, Independent Director
Ms. Nandini Piramal	Executive Director
Mr. Vijay Shah	Executive Director

The composition of the Committee is in compliance with Section 135 of the Act.

## 3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS

Average Net Profits are ₹ 811.80 Crores computed in line with the requirements of Section 135 of the Act.

## 4. PRESCRIBED CSR EXPENDITURE

CSR Expenditure of ₹ 16.24 Crores

## 5. DETAILS OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR

- a) Total amount spent for the financial year – ₹ 31.20 Crores
- b) Amount unspent, if any – Not Applicable
- c) Manner in which the amount spent during the financial year is detailed below:

(₹ in Crores)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR Project/ Activity	Sector	Locations	Amount outlay (budget) project or program wise	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent directly or through Implementing Agency
1	Building Leadership of Government Schools	Education	Rajasthan	24.53	19.00	83.48	Implementing Agency - Piramal Foundation for Education Leadership
2	Operating a Rural BPO & providing livelihood to women	Women Empowerment	Uttarakhand	0.15	0.11	1.92	Implementing Agency - Kalimath Ghati Krishi Vywasay Bahuuddeshye Swayat Sahkarita
3.	Providing Primary Healthcare to Rural population	Healthcare	Rajasthan Telangana Andhra Pradesh Assam Karnataka Maharashtra	7.16	6.91	22.30	Implementing Agency- Piramal Swasthya Management & Research Institute
4.	Establishment of Children's Hospital	Healthcare	Maharashtra	0.00	0.00	7.00	Donation to Society for Rehabilitation of Crippled Children
5.	Establishment of Educational Training Centre	Education	Pan India	0.00	0.00	4.00	Donation to Pratham Education Foundation
6.	Informal Education of Tribal children	Education	Madhya Pradesh	0.20	0.20	0.92	Donation to Friends of Tribal Society
7.	Leadership Training and Career Guidance Camps for youth with limited access, Training programs for teachers	Education	Gujarat Andhra Pradesh Tamil Nadu Karnataka Maharashtra Goa	0.20	0.18	0.83	Donation to M.R.Pai Foundation
8.	Donations to support CSR activities under Schedule VII of the Act	Various CSR activities	Pan India	0.00	0.00	0.57	Company's matching contribution to Give India under Employee Payroll Giving Program
9.	Rehabilitation & Care of those with Chemical Dependency and HIV-AIDS, including relevant Statistical Research	Healthcare	Maharashtra Goa Karnataka West Bengal Manipur Nagaland Meghalaya Gujarat Uttar Pradesh	0.10	0.10	0.37	Donation to Kripa Foundation
10.	Empowering women who are subjected to Domestic Violence and relevant Advocacy for State's effective response action	Women Empowerment	Maharashtra Haryana Gujarat Rajasthan	0.00	0.00	0.30	Donation to Impact Foundation India
11.	Care of visually challenged by giving sight and fighting against preventable blindness	Healthcare	Maharashtra	0.00	0.00	1.00	Donation to Vision Foundation India
12.	Providing artificial limbs and rehabilitating patients	Healthcare	Maharashtra	0.00	0.00	0.31	Donation to Yuvak Pratishthan
13	Building and implementing Integrated Electronic Medical Records Platform/ Software	Healthcare	Telangana	6.25	4.70	7.70	Donation to Piramal Swasthya Management & Research Institute
<b>Total (A)</b>				<b>38.59</b>	<b>31.20</b>	<b>130.70</b>	

# BOARD'S REPORT

(₹ in Crores)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR Project/ Activity	Sector	Locations	Amount outlay (budget) project or program wise	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent directly or through Implementing Agency
14	Management and Overhead Costs for running the Company's CSR Programs	Corporate Social Responsibility	Pan India	1.10	1.10	17.04	Directly
	<b>Total (B)</b>			<b>1.10</b>	<b>1.10</b>	<b>17.04</b>	
	<b>Total (A+B)</b>			<b>39.69</b>	<b>32.30</b>	<b>147.74</b>	

## Note:

In addition to what is stated above, subsidiaries of the Company and Group Companies contributed towards the following CSR activities:

- Building Leadership of Government Schools (Education Sector): ₹ 19.60 Crores by way of donation to Piramal Foundation for Education Leadership (Implementing Agency);
- Enabling Primary Healthcare (Healthcare Sector): ₹ 7.04 Crores by way of donation to Piramal Swasthya Management and Research Institute (Implementing Agency).

The Promoter Group and the Company have been involved in CSR activities even before this requirement became mandatory. One of the significant CSR initiatives being undertaken by the Promoter Group is through Piramal Water Private Limited (Sarvajal) to innovate, demonstrate, enable and promote affordable safe-drinking water solutions using top-of-the-line technology, making pure, affordable drinking water accessible to the underserved sections of the Society, through community based solutions. However, no contribution was made by the Company or its subsidiaries to the Promoter Group for this CSR initiative, during the period under report.

## 6. IN CASE THE COMPANY HAS FAILED TO SPEND THE TWO PER CENT OF THE AVERAGE NET PROFIT OF THE LAST THREE FINANCIAL YEARS OR ANY PART THEREOF, THE COMPANY SHALL PROVIDE THE REASONS FOR NOT SPENDING THE AMOUNT IN ITS BOARD REPORT.

Not Applicable

## 7. RESPONSIBILITY STATEMENT OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

**Prof. Goverdhan Mehta**  
(Chairman - CSR Committee)

**Nandini Piramal**  
(Executive Director)

## ANNEXURE D

### Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014 for the year ended March 31, 2019.

#### A. CONSERVATION OF ENERGY

##### (i) Steps taken for conservation of energy

During the year, the Company introduced the following measures at its plant locations to conserve energy:

##### Pithampur

- Reduction in power consumption and better environmental control on account of replacement of old dust extractors of few blocks and warehouse with energy efficient dust extractors.

- Reduction in carbon footprint and power consumption by replacing old air conditioners with new energy efficient air conditioners operating on eco-friendly refrigerant.
- Installation of energy efficient fan motor and pump for cooling tower.
- Energy saving by using Light Emitting Diode ('LED') Lights.

##### Ennore

- Replacement of 60 HP air compressors with new 40 HP energy efficient air compressor, which resulted in reduced power consumption of 10,800 units per annum.
- Replacement of more than 95% conventional street lights with LED, which resulted in energy saving of 23,745 units per annum.

### Mahad

1. Replacement of reciprocating air compressors with energy efficient screw type air compressors, which resulted in energy savings.
2. Reduced power consumption by replacing centrifugal type recirculation pumps of cooling tower with energy efficient pumps.
3. Installation of heat pump for hot water generation resulted in reduction of chilling load by 20 Ton of Refrigeration ('TR').

### Digwal

1. Conversion of existing chilled water circuit to closed loop system.
2. Installation of Pressure Reducing Valve (PRV) at user point in compressed air lines.
3. Installation of cooling tower fan energy saver & installation of Star-Delta converter in air compressor.
4. Replacement of water ring type vacuum pumps with dry vacuum pumps-8nos.
5. Modification of Air Handling Unit (AHUs) from V-Belt Drive to Flat belt.
6. Replacement of Flap type Non Return Valve (NRV) with Float type ball NRV's in cooling tower pumps.
7. Installation of high efficiency energy saving cooling tower fan.
8. Utilization of Effluent Treatment Plant - Reverse osmosis (ETP-RO) permeate.
9. Increase in the condensate recovery & reduction in Boiler fresh water consumption (from 25% to 40%).

### Ahmedabad

1. Modification of chilled water distribution pump system to improve efficiency, resulting in reduced power consumption.
2. Replacement of more than 80% conventional lights with LED lights resulting in energy saving.
3. Installation of energy efficient cooling tower, resulting in operation of only one chiller during summer peak season. Earlier we were operating two chillers during summer season.

The Company's Plants have collectively made capital investments in energy conservation equipment aggregating to ₹ 2.2 Crores.

### (ii) Steps taken by the Company for utilizing alternate sources of energy

The Company continuously explores avenues for using alternate sources of energy keeping in mind several parameters including environment, production and cost efficiencies. The Company is currently exploring initiatives for generating solar power energy for some of its plants.

## B. TECHNOLOGY ABSORPTION

### Pithampur

1. P-Block coating machine has been modified to handle products requiring controlled humidity conditions.
2. Autoclave of Ophthalmic area has been upgraded to meet regulatory and product requirements and also for energy efficiency.
3. New technology has been introduced at site viz. Roll Compactor, Planetary Mixer and EU Serialization for capability enhancement.
4. Existing Form Fill Seal machine modified for manufacturing preservative free unit dose ophthalmic products.
5. Installation of Biometric access control across the plant for authorized man movement.
6. Quality Systems (Investigation for Deviation, Incident, Out of Specifications) modules designed in Trackwise system (software).
7. Alarm management for manufacturing equipment done through software designed by in-house team along with vendor.
8. Compression machine and coating machine Programmable Logic Controller (PLC) upgraded to comply with regulatory requirements.
9. Software implemented for automated backup of Non-CDS system (like Ultraviolet Spectrophotometer (UV) and Fourier-Transform Infrared Spectroscopy (FTIR)).
10. High-Performance Liquid Chromatographs (HPLC) and Gas Chromatography (GC) software (EMPOWER) utilized for auto calculations and online review e-Signature of chromatographs.

### Ennore

1. Effluent Treatment Plant (Zero Liquid Discharge) was upgraded with latest technology to achieve best and consistent results:
  - a. Dissolved Air Flootation (DAF) system has been introduced in HPS primary treatment to reduce Total Suspended Solids.
  - b. Membrane Bio Reactor (MBR) has been introduced to improve quality of Reverse Osmosis ('RO') feed and to increase RO efficiency.
  - c. Mechanical filter presses and Decanter centrifuge have been introduced to eliminate usage of open sludge drying beds to protect the environment.
2. New Kilo lab – The Heating, Ventilation and Air-Conditioning ('HVAC') system has been provided with VRF (Variable Refrigerant Flow) technology.
3. Advanced optimisation tool Easy max-400 has been added at the site.

### Mahad

1. PLC based HVAC system having motors with EC (Electronically Commutated) fans have been installed in the new facility for Piramal Nutrition Solution ('PNS').

# BOARD'S REPORT

## Digwal

1. Increase in capacity of Trazadone from 8 MT per month to 10 MT per month with improvement in process method of analysis of Loss on Drying (LOD) test.
2. Increase in capacity of Vitamin A Palmitate (Tocopherol) from 10 MT per month to 13 MT per month.
3. Increase in capacity of Verapamil Abbott process from 4.5 MT to 7.5 MT with improvement in process method of analysis of LOD test.
4. All the 32 chromatographic instruments were made 21 CFR part 11 compliant. These instruments are hooked to "Empower 3" and QCMS (Quality Control Management System) Software (Server and Client architecture) for online data saving and protecting data generated.

## Ahmedabad

1. Capability enhancement for mini-tablet development by upgradation of equipment like lower size cam track for compression machine, coating pan with fine perforations and short Wurster column for Fluid Bed Coater.
2. Modification of Co-mill to enhance safety by introducing close loop system to allow handling of molecules with low ignition energy.
3. Sonic sifter for particle size distribution testing in which sample requirement is very low i.e. 5gm.

## Expenditure on R&D

The Company incurred an expenditure of ₹ 54.69 Crores on Research and Development during FY2019.

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, foreign exchange earnings were ₹ 1,520.04 Crores as against outgo of ₹ 488.88 Crores.

## ANNEXURE E

### FORM NO. MGT 9

#### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014.

#### I REGISTRATION & OTHER DETAILS:

i	CIN	L24110MH1947PLC005719
ii	Registration Date	April 26, 1947
iii	Name of the Company	Piramal Enterprises Limited
iv	Category/Sub-category of the Company	Company Limited by Shares/Indian Non-Government Company
v	Address of the Registered office & contact details	Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai - 400 070 Tel No: (91 22) 3802 3000/4000 Fax No: (91 22) 3802 3084
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083. Tel: (91 22) 4918 6000 Fax: (91 22) 4918 6060 Email: <a href="mailto:piramal.irc@linkintime.co.in">piramal.irc@linkintime.co.in</a>

#### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given below:-

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company <sup>#</sup>
1	Pharmaceuticals	210 - Manufacture of pharmaceuticals, medicinal, chemical and botanical products	49.52%
2	Financial Services	649 - Other financial service activities, except insurance and pension funding	40.58%

# On the basis of Gross Turnover

### III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held <sup>#</sup>	Applicable Section
1	Piramal Asset Management Private Limited	Piramal Tower, 4 <sup>th</sup> Floor, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U65999MH2018PTC310752	Subsidiary	100.00	2(87)(ii)
2	Piramal Securities Limited	Piramal Tower, 4 <sup>th</sup> Floor, B Wing, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U74999MH2018PLC310476	Subsidiary	100.00	2(87)(ii)
3	Piramal Capital & Housing Finance Limited (formerly known as Piramal Housing Finance Limited)	Piramal Tower, 2 <sup>nd</sup> Floor, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U65999MH2017PLC291071	Subsidiary	100.00	2(87)(ii)
4	PHL Fininvest Private Limited	Piramal Tower, 3 <sup>rd</sup> Floor, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U67120MH1994PTC078840	Subsidiary	100.00	2(87)(ii)
5	Piramal Fund Management Private Limited	Ground Floor, Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U67190MH2005PTC154781	Subsidiary	100.00	2(87)(ii)
6	Piramal Systems & Technologies Private Limited	1 <sup>st</sup> Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U93030MH2011PTC218110	Subsidiary	100.00	2(87)(ii)
7	Piramal Investment Advisory Services Private Limited	1 <sup>st</sup> Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, (W) Mumbai - 400 013	U65191MH2013PTC244440	Subsidiary	100.00	2(87)(ii)
8	Piramal International	33, Edith Cavell Street, Port Louis, 11324, Mauritius	NA	Subsidiary	100.00	2(87)(ii)
9	Piramal Holdings (Suisse) SA	Rue des Pierres-du-Niton, 17, 1207 Geneva, Switzerland	NA	Subsidiary	100.00	2(87)(ii)
10	Piramal Pharma Inc.	251 Little Falls Drive, Wilmington, County of New Castle, DE 19808, USA	NA	Subsidiary	100.00	2(87)(ii)
11	Piramal Healthcare Inc.	251 Little Falls Drive, Wilmington, County of New Castle, DE 19808, USA	NA	Subsidiary	100.00	2(87)(ii)
12	Piramal Critical Care Limited	Suite 4, Ground Floor Heathrow Boulevard - East Wing, 280 Bath Road, West Drayton, England, UB7 0DQ	NA	Subsidiary	100.00	2(87)(ii)
13	Piramal Healthcare UK Limited	Whalton Road, Morpeth, Northumberland, NE61 3YA, UK	NA	Subsidiary	100.00	2(87)(ii)
14	Piramal Healthcare Pension Trustees Limited	Whalton Road, Morpeth, Northumberland, NE61 3YA, UK	NA	Subsidiary	100.00	2(87)(ii)
15	Piramal Healthcare (Canada) Limited	110 Industrial Parkway North Aurora, Ontario L4G3H4, Canada	NA	Subsidiary	100.00	2(87)(ii)
16	Piramal Critical Care Italia, SPA	San Giovanni Lupatoto (VR), Via XXIV Maggio 62/A, Cap 37057, Italy	NA	Subsidiary	100.00	2(87)(ii)
17	Piramal Critical Care Inc.	1209 Orange Street, Wilmington, New Castle, Delaware, 19801, USA	NA	Subsidiary	100.00	2(87)(ii)
18	Indiareit Investment Management Company	IFS Court, Twenty Eight Cybercity, Ebene, Mauritius	NA	Subsidiary	100.00	2(87)(ii)
19	Piramal Technologies SA	Route de l'Ecole 13, c/o Pascale Nguyen, 1753 Matran, Switzerland	NA	Subsidiary	100.00	2(87)(ii)
20	Piramal Dutch Holdings N.V.	WTC Tower B – 9 <sup>th</sup> floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands	NA	Subsidiary	100.00	2(87)(ii)
21	Piramal Critical Care Deutschland GmbH	Am Soeldnermoos 17, 85399, Hallbergmoos, Germany	NA	Subsidiary	100.00	2(87)(ii)
22	Decision Resources Inc.	1209 Orange Street Wilmington, DE 19801, USA	NA	Subsidiary	100.00	2(87)(ii)
23	Piramal Asset Management Private Limited	9 Battery Road #15-01, Straits Trading Building, Singapore (049910)	NA	Subsidiary	100.00	2(87)(ii)
24	Decision Resources International Inc.	155 Federal Street, Suite 700, Boston, MA 02110, USA	NA	Subsidiary	100.00	2(87)(ii)
25	Decision Resources Group UK Limited	Hill House, 1 Little New Street, London EC4A 3TR, UK	NA	Subsidiary	100.00	2(87)(ii)
26	DR/ Decision Resources LLC	1209 Orange Street Wilmington, DE 19801, USA	NA	Subsidiary	100.00	2(87)(ii)
27	DRG UK Holdco Limited	Hill House, 1 Little New Street, London EC4A 3TR, UK	NA	Subsidiary	100.00	2(87)(ii)



## BOARD'S REPORT

Sl. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held <sup>#</sup>	Applicable Section
28	Millennium Research Group Inc.	175 Bloor Street East South Tower Suite 400 Toronto, Ontario, Canada M4W 3R8	NA	Subsidiary	100.00	2(87)(ii)
29	Sigmatic Limited	Hill House, 1 Little New Street, London EC4A 3TR, UK	NA	Subsidiary	100.00	2(87)(ii)
30	Decision Resources Group Asia Limited	3806, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong	NA	Subsidiary	100.00	2(87)(ii)
31	Convergence Chemicals Private Limited	Plot No D- 2/11/A1 G.I.D.C. Phase-II Dahej Tal Vagra Dahej Gujarat - 392 130	U24100GJ2014PTC081290	Subsidiary	51.00	2(87)(ii)
32	Allergan India Private Limited	Prestige Obelisk, Level 6 and Level 7, Kasturba Road, Bangalore - 560 001	U33201KA1994PTC023162	Associate	49.00	2(6)
33	PEL Finhold Private Limited	Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, (West) Mumbai - 400 013	U65190MH2014PTC257414	Subsidiary	100.00	2(87)(ii)
34	Piramal Pharma Solutions Inc.	421 West Main Street, Frankfurt, KY 40601, USA	NA	Subsidiary	100.00	2(87)(ii)
35	DRG Holdco Inc.	2711 Centerville Road Street 400, Wilmington, New Castle, 19808, Delaware, USA	NA	Subsidiary	100.00	2(87)(ii)
36	Piramal IPP Holdings LLC	2711 Centerville Road Street 400, Wilmington, New Castle, 19808, Delaware, USA	NA	Subsidiary	100.00	2(87)(ii)
37	India Resurgence ARC Private Limited (formerly known as Piramal Assets Reconstruction Private Limited)	304, 3 <sup>rd</sup> Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013.	U67190MH2016PTC272471	Associate	50.00	2(6)
38	India Resurgence Asset Management Business Private Limited (formerly known as PEL Asset Resurgence Advisory Private Limited)	3 <sup>rd</sup> Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.	U74900MH2016PTC273377	Associate	50.00	2(6)
39	PEL-DRG Dutch Holdco B.V.	WTC Tower B – 9 <sup>th</sup> floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands	NA	Subsidiary	100.00	2(87)(ii)
40	Piramal Dutch IM Holdco B.V.	WTC Tower B – 9 <sup>th</sup> floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands	NA	Subsidiary	100.00	2(87)(ii)
41	Piramal Consumer Products Private Limited	8 <sup>th</sup> Floor, Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U74120MH2012PTC233525	Subsidiary	100.00	2(87)(ii)
42	DRG Analytics & Insights Private Limited	1 <sup>st</sup> Floor, Tower B, Prestige Shantiniketan, Krishnarajapuram Hobli, Bangalore South Taluk, Bangalore-560 048	U74900KA2015FTC080238	Subsidiary	100.00	2(87)(ii)
43	Piramal Critical Care South Africa (Pty) Ltd	Office 2, Ground Floor, Kipersol Hous, Stonemill Office Park, 300 Acacia Road Darrenwood, Gauteng 2194, South Africa	NA	Subsidiary	100.00	2(87)(ii)
44	DRG Singapore Pte. Ltd.	RHT Corporate Advisory Pte. Ltd, 6 Battery Road, #, 0-01 Singapore 049909	NA	Subsidiary	100.00	2(87)(ii)
45	Ash Stevens LLC	18655 Krause Street, Riverview, Michigan 48193, USA	NA	Subsidiary	100.00	2(87)(ii)
46	PEL Pharma Inc.	2711, Centerville Road, Suite 400, County of New Castle, Wilmington, DE 19808.	NA	Subsidiary	100.00	2(87)(ii)
47	Bluebird Aero Systems Private Limited	8 Hamatechet Street, Kadima, 60920, Israel	NA	Associate	27.83	2(6)
48	Searchlight Health Private Limited	M.C.No.294/295, Amarjyothi Layout Domlur Extension Bangalore Bangalore - 560 071, Karnataka, India	U85100KA2007PTC124079	Subsidiary	51.00	2(87)(ii)
49	Shrilekha Business Consultancy Private Limited	Shriram House, No.4, Burkit Road, T Nagar Chennai, 600 017	U74999TN2017PTC114086	Subsidiary	74.95	2(87)(ii)
50	Zebra Management Services Private Limited	101/105 B Wing, Shiv Chambers, Sector 11 CBD Belapur, Navi Mumbai- 400 614	U74140MH2002PTC211185	Subsidiary	74.95 <sup>®</sup>	2(87)(ii)
51	Shriram Capital Limited	Shriram House, No.4, Burkit Road, T. Nagar, Chennai- 600 017	U65993TN1974PLC006588	Associate	20.00 <sup>®</sup>	2(6)
52	Sharp Insight Limited	Hill House, 1 Little New Street, London EC4A 3TR, UK	NA	Subsidiary	100.00	2(87)(ii)
53	Piramal Critical Care B.V.	WTC Tower B – 9 <sup>th</sup> floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands	NA	Subsidiary	100.00	2(87)(ii)
54	Piramal Pharma Solutions (Dutch) B.V.	WTC Tower B – 9 <sup>th</sup> floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands	NA	Subsidiary	100.00	2(87)(ii)

Sl. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held <sup>#</sup>	Applicable Section
55	Piramal Critical Care Pty. Ltd.	Level 20, Tower A, The Zenith, 821 Pacific Highway, Chatswood, New South Wales 2067, Australia	NA	Subsidiary	100.00	2(87)(ii)
56	Decision Resources Japan K.K	Shibakoen Denki Building, 7 <sup>th</sup> floor, 1-1-12 Shibakoen, Minato-ku, Tokyo, Japan	NA	Subsidiary	100.00	2(87)(ii)
57	Piramal Capital International Limited	IFS Court Bank Street Twenty Eight, Cybercity Ebene 72201 Mauritius	NA	Subsidiary	100.00 <sup>@</sup>	2(87)(ii)
58	Asset Resurgence Mauritius Manager	Suite 110, 10 <sup>th</sup> floor, Ebene Heights Building, 34 Ebene Cybercity Ebene, Mauritius	NA	Associate	50.00	2(6)

@ Representing controlling interest

# Representing aggregate % of share held by the Company and/ or its subsidiaries.

#### IV SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS % OF TOTAL EQUITY)

##### (i) Category - wise shareholding

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Shareholding of Promoter and Promoter Group</b>										
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	6,79,827	0	6,79,827	0.38	5,06,110	0	5,06,110	0.27	(0.11)
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	90,28,184	0	90,28,184	5.01	90,28,184	0	90,28,184	4.89	(0.12)
(d)	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify) - Trusts	8,29,20,336	0	8,29,20,336	45.99	8,21,44,354	0	8,21,44,354	44.54	(1.45)
	<b>Sub Total (A)(1)</b>	<b>9,26,28,347</b>	<b>0</b>	<b>9,26,28,347</b>	<b>51.38</b>	<b>9,16,78,648</b>	<b>0</b>	<b>9,16,78,648</b>	<b>49.70</b>	<b>(1.68)</b>
[2]	Foreign									
(a)	Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b>	<b>9,26,28,347</b>	<b>0</b>	<b>9,26,28,347</b>	<b>51.38</b>	<b>9,16,78,648</b>	<b>0</b>	<b>9,16,78,648</b>	<b>49.70</b>	<b>(1.68)</b>
<b>(B) Public Shareholding</b>										
[1]	Institutions									
(a)	Mutual Funds	12,18,249	3,729	12,21,978	0.68	6,05,883	3,354	6,09,237	0.33	(0.35)
(b)	Financial Institutions / Banks	47,70,513	579	47,71,092	2.65	1,00,92,993	579	1,00,93,572	5.48	2.83
(c)	Central Govt	213	0	213	0.00	213	0	213	0.00	0.00
(d)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	8,91,391	0	8,91,391	0.49	8,50,000	0	8,50,000	0.46	(0.03)
(g)	FII/FPIs	4,88,80,299	6	4,88,80,305	27.12	4,95,48,101	6	4,95,48,107	26.86	(0.26)
(h)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other -									
	i) Foreign Bank	333	0	333	0.00	333	0	333	0.00	0.00
	ii) AIF	24,453	0	24,453	0.01	0	0	0	0.00	(0.01)
	<b>Sub Total (B)(1)</b>	<b>5,57,85,451</b>	<b>4,314</b>	<b>5,57,89,765</b>	<b>30.95</b>	<b>6,10,97,523</b>	<b>3,939</b>	<b>6,11,01,462</b>	<b>33.13</b>	<b>2.18</b>
[3]	Non-Institutions									
(a)	Bodies Corporates									
	i) Indian	25,83,243	41,828	26,25,071	1.46	22,52,384	38,839	22,91,223	1.24	(0.22)
	ii) Overseas	3,946	0	3,946	0.00	3,946	0	3,946	0.00	0.00
(b)	Individuals									
	i) Individual shareholders holding nominal share capital upto ₹ 1 lakh.	1,53,82,917	33,31,592	1,87,14,509	10.38	1,51,68,347	28,73,413	1,80,41,760	9.78	(0.60)
	ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	25,33,817	0	25,33,817	1.41	23,79,550	0	23,79,550	1.29	(0.12)

# BOARD'S REPORT

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c)	<b>Any Other (Specify)</b>									
	i) NBFCs registered with RBI	0	0	0	0.00	4,48,790	0	4,48,790	0.24	0.24
	ii) Non Resident Indians (Repat)	3,42,609	23,360	3,65,969	0.20	4,11,503	22,665	4,34,168	0.24	0.04
	iii) Non Resident Indians (Non Repat)	5,30,768	2,261	5,33,029	0.30	5,85,375	2,205	5,87,580	0.32	0.02
	iv) Foreign Companies	0	43,16,911	43,16,911	2.39	0	43,16,911	43,16,911	2.34	(0.05)
	v) Clearing Member	1,49,292	0	1,49,292	0.08	5,62,501	0	5,62,501	0.30	0.22
	vi) Trusts	18,126	16	18,142	0.01	29,423	53,952	83,375	0.05	0.04
	vii) Foreign Nationals	100	0	100	0.00	175	0	175	0.00	0.00
	viii) Hindu Undivided Family	4,50,794	0	4,50,794	0.25	4,20,054	0	4,20,054	0.23	(0.02)
	ix) IEPF	5,34,012	0	5,34,012	0.30	5,83,836	0	5,83,836	0.32	0.02
	x) Ltd Liability Partnership	41	0	41	0.00	0	0	0	0.00	0.00
	xi) Unclaimed Suspense Account	14,762	0	14,762	0.01	14,588	0	14,588	0.01	0.00
	<b>Sub Total (B)(2)</b>	<b>2,25,44,427</b>	<b>77,15,968</b>	<b>3,02,60,395</b>	<b>16.79</b>	<b>2,28,60,472</b>	<b>73,07,985</b>	<b>3,01,68,457</b>	<b>16.36</b>	<b>(0.43)</b>
	<b>Total Public Shareholding(B)=(B)(1)+(B)(2)</b>	<b>7,83,29,878</b>	<b>77,20,282</b>	<b>8,60,50,160</b>	<b>47.74</b>	<b>8,39,57,995</b>	<b>73,11,924</b>	<b>9,12,69,919</b>	<b>49.49</b>	<b>1.75</b>
(C)	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00	0	0	0	0.00	0.00
(D)	<b>Non Promoter - Non Public</b>									
	Employee Benefit Trust [under SEBI (Share based Employee Benefit) Regulations, 2014]	15,95,167	0	15,95,167	0.88	14,98,405	0	14,98,405	0.81	(0.07)
	<b>Total (A)+(B)+(C)+(D)</b>	<b>17,25,53,392</b>	<b>77,20,282</b>	<b>18,02,73,674</b>	<b>100.00</b>	<b>17,71,35,048</b>	<b>73,11,924</b>	<b>18,44,46,972</b>	<b>100.00</b>	<b>0.00</b>

## (ii) Shareholding of Promoters and Promoter Group

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1	The Sri Krishna Trust [Trustees: Mr. Ajay G. Piramal and Dr. (Mrs.) Swati A. Piramal]	7,88,06,574	43.72	0.00	7,87,54,817	42.70	0.00	(1.02)
2	Piramal Welfare Trust [Formerly known as Piramal Enterprises Executive Trust] [Trustee: Piramal Corporate Services Limited]	31,45,216	1.75	0.00	21,95,517	1.20	0.00	(0.55)
3	The Ajay G Piramal Foundation	8,69,478	0.48	0.00	8,69,478	0.47	0.00	(0.01)
4	Mr. Anand Piramal	2,76,945	0.15	0.00	1,68,568	0.09	0.00	(0.06)
5	Mr. Ajay G Piramal (Karta of Gopikisan Piramal HUF)	1,07,121	0.06	0.00	1,07,121	0.06	0.00	0.00
6	Ms. Nandini A Piramal	1,08,377	0.06	0.00	6,712	0.00	0.00	(0.06)
7	Piramal Phytocare Limited Senior Employees Option Trust (Formerly known as Piramal Life Sciences Limited Senior Employees Options Scheme) [Trustees: Mr. P. K. Gothi and Mr. Suhail Nathani]	99,068	0.06	0.00	99,068	0.05	0.00	(0.01)
8	Mr. Peter DeYoung	98,000	0.05	0.00	98,000	0.05	0.00	0.00
9	AASAN Info Solutions (India) Private Limited	54,271	0.03	0.00	54,271	0.03	0.00	0.00
10	Ms. Anya Piramal Deyoung	43,000	0.02	0.00	43,000	0.02	0.00	0.00
11	Master Dev Piramal Deyoung	38,000	0.02	0.00	43,000	0.02	0.00	0.00
12	Mr. Ajay G Piramal (Karta of Ajay G Piramal HUF)	5,448	0.00	0.00	5,448	0.00	0.00	0.00
13	Dr. (Mrs.) Swati A. Piramal	1,217	0.00	0.00	32,542	0.02	0.00	0.02
14	Mr. Ajay G. Piramal	1,089	0.00	0.00	1,089	0.00	0.00	0.00
15	Mrs. Lalita G Piramal	630	0.00	0.00	630	0.00	0.00	0.00
16	PRL Realtors LLP	89,73,913	4.98	0.00	89,73,913	4.87	0.00	(0.11)
17	Anand Piramal Trust	0	0.00	0.00	1,17,097	0.06	0.00	0.06
18	Nandini Piramal Trust	0	0.00	0.00	1,08,377	0.06	0.00	0.06
	<b>Total</b>	<b>9,26,28,347</b>	<b>51.38</b>	<b>0.00</b>	<b>9,16,78,648</b>	<b>49.70</b>	<b>0.00</b>	<b>(1.68)</b>

**(iii) Change in Promoters' Shareholding**

Sl. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	No. of shares	% of total shares of the Company <sup>®</sup>	No. of shares	% of total shares of the Company <sup>®</sup>	
<b>1</b>	<b>The Sri Krishna Trust [Trustees: Mr. Ajay G. Piramal and Dr. (Mrs.) Swati A. Piramal]</b>				
	<b>At the beginning of the year</b>	<b>7,88,06,574</b>	<b>42.73</b>	<b>7,88,06,574</b>	<b>42.73</b>
	01.06.2018 - Transfer	(15,432)	(0.01)	7,87,91,142	42.72
	04.06.2018 - Transfer	(5,000)	(0.00)	7,87,86,142	42.72
	20.03.2019 - Transfer	(31,325)	(0.02)	7,87,54,817	42.70
	<b>At the end of the year</b>			<b>7,87,54,817</b>	<b>42.70</b>
<b>2</b>	<b>Piramal Welfare Trust [Formerly known as Piramal Enterprises Executive Trust] [Trustee: Piramal Corporate Services Limited]</b>				
	<b>At the beginning of the year</b>	<b>31,45,216</b>	<b>1.71</b>	<b>31,45,216</b>	<b>1.71</b>
	13.04.2018 - Transfer	(100)	(0.00)	31,45,116	1.71
	22.05.2018 - Transfer	(1,900)	(0.00)	31,43,216	1.71
	04.06.2018 - Transfer	(70,000)	(0.04)	30,73,216	1.67
	05.06.2018 - Transfer	(1,00,000)	(0.05)	29,73,216	1.62
	06.06.2018 - Transfer	(70,000)	(0.04)	29,03,216	1.58
	07.06.2018 - Transfer	(1,00,000)	(0.05)	28,03,216	1.53
	08.06.2018 - Transfer	(1,20,000)	(0.07)	26,83,216	1.46
	11.06.2018 - Transfer	(75,000)	(0.04)	26,08,216	1.42
	12.06.2018 - Transfer	(1,00,000)	(0.05)	25,08,216	1.37
	21.06.2018 - Transfer	(5,913)	(0.00)	25,02,303	1.37
	25.06.2018 - Transfer	(1,00,000)	(0.05)	24,02,303	1.32
	26.06.2018 - Transfer	(1,97,607)	(0.11)	22,04,696	1.21
	14.08.2018 - Transfer	(1,945)	(0.00)	22,02,751	1.21
	23.10.2018 - Transfer	(624)	(0.00)	22,02,127	1.21
	26.11.2018 - Transfer	(6,600)	(0.01)	21,95,527	1.20
	02.01.2019 - Transfer	(10)	(0.00)	21,95,517	1.20
	<b>At the end of the year</b>			<b>21,95,517</b>	<b>1.20</b>
<b>3</b>	<b>Mr. Anand Piramal</b>				
	<b>At the beginning of the year</b>	<b>2,76,945</b>	<b>0.15</b>	<b>2,76,945</b>	<b>0.15</b>
	12.06.2018 - Transfer	(1,08,377)	(0.06)	1,68,568	0.09
	<b>At the end of the year</b>			<b>1,68,568</b>	<b>0.09</b>
<b>4</b>	<b>Anand Piramal Trust</b>				
	<b>At the beginning of the year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	01.06.2018 - Transfer	15,432	0.01	15,432	0.01
	12.06.2018 - Transfer	1,01,665	0.05	1,17,097	0.06
	<b>At the end of the year</b>			<b>1,17,097</b>	<b>0.06</b>
<b>5</b>	<b>Nandini Piramal Trust</b>				
	<b>At the beginning of the year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	04.06.2018 - Transfer	5,000	0.00	5,000	0.00
	08.06.2018 - Transfer	(5,000)	(0.00)	0	0.00
	12.06.2018 - Transfer	1,08,377	0.06	1,08,377	0.06
	<b>At the end of the year</b>			<b>1,08,377</b>	<b>0.06</b>
<b>6</b>	<b>Dev Piramal DeYoung</b>				
	<b>At the beginning of the year</b>	<b>38,000</b>	<b>0.02</b>	<b>38,000</b>	<b>0.02</b>
	08.06.2018 - Transfer	5,000	0.00	43,000	0.02
	<b>At the end of the year</b>			<b>43,000</b>	<b>0.02</b>
<b>7</b>	<b>Ms. Nandini A Piramal</b>				
	<b>At the beginning of the year</b>	<b>1,08,377</b>	<b>0.06</b>	<b>1,08,377</b>	<b>0.06</b>
	12.06.2018 - Transfer	(1,01,665)	(0.06)	(6,712)	0.00
	<b>At the end of the year</b>			<b>6,712</b>	<b>0.00</b>

# BOARD'S REPORT

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company <sup>@</sup>	No. of shares	% of total shares of the Company <sup>@</sup>
<b>8</b>	<b>Dr. (Mrs.) Swati A. Piramal</b>				
	<b>At the beginning of the year</b>	<b>1,217</b>	<b>0.00</b>	<b>1,217</b>	<b>0.00</b>
	29.03.2019 - Transfer	31,325	0.02	32,542	0.02
	<b>At the end of the year</b>			<b>32,542</b>	<b>0.02</b>
<b>9</b>	<b>Swati Piramal Trust</b>				
	<b>At the beginning of the year</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	20.03.2019 - Transfer	31,325	0.02	31,325	0.02
	20.03.2019 - Transfer	(31,325)	(0.02)	0	0.00
	<b>At the end of the year</b>			<b>0</b>	<b>0.00</b>

@ % have been calculated on the paid up share capital of the Company as on 31.03.2019

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company <sup>@</sup>	No. of shares	% of total shares of the Company <sup>@</sup>
<b>1</b>	<b>Life Insurance Corporation of India</b>				
	<b>At the beginning of the year</b>	<b>46,54,076</b>	<b>2.52</b>	<b>46,54,076</b>	<b>2.52</b>
	01.06.2018 - Transfer	30,000	0.02	46,84,076	2.54
	08.06.2018 - Transfer	1,39,728	0.08	48,23,804	2.62
	15.06.2018 - Transfer	2,40,308	0.13	50,64,112	2.75
	22.06.2018 - Transfer	86,419	0.05	51,50,531	2.80
	30.06.2018 - Transfer	2,48,660	0.13	53,99,191	2.93
	06.07.2018 - Transfer	2,31,967	0.13	56,31,158	3.06
	13.07.2018 - Transfer	70,238	0.04	57,01,396	3.10
	20.07.2018 - Transfer	1,21,644	0.07	58,23,040	3.17
	27.07.2018 - Transfer	61,582	0.03	58,84,622	3.20
	03.08.2018 - Transfer	61,970	0.03	59,46,592	3.23
	10.08.2018 - Transfer	37,848	0.02	59,84,440	3.25
	24.08.2018 - Transfer	48,379	0.03	60,32,819	3.28
	31.08.2018 - Transfer	39,191	0.02	60,72,010	3.30
	07.09.2018 - Transfer	62,383	0.03	61,34,393	3.33
	21.09.2018 - Transfer	69,169	0.04	62,03,562	3.37
	29.09.2018 - Transfer	1,45,025	0.08	63,48,587	3.45
	21.12.2018 - Transfer	28,275	0.02	63,76,862	3.47
	18.01.2019 - Transfer	1,13,477	0.06	64,90,339	3.53
	25.01.2019 - Transfer	4,26,159	0.23	69,16,498	3.76
	01.02.2019 - Transfer	5,55,734	0.30	74,72,232	4.06
	08.02.2019 - Transfer	4,46,830	0.24	79,19,062	4.30
	15.02.2019 - Transfer	4,25,285	0.23	83,44,347	4.53
	22.02.2019 - Transfer	3,11,673	0.17	86,56,020	4.70
	01.03.2019 - Transfer	3,34,745	0.18	89,90,765	4.88
	08.03.2019 - Transfer	60,569	0.03	90,51,334	4.91
	15.03.2019 - Transfer	2,19,395	0.12	92,70,729	5.03
	29.03.2019 - Transfer	99,004	0.05	93,69,733	5.08
	<b>At the end of the year</b>			<b>93,69,733</b>	<b>5.08</b>
<b>2</b>	<b>East Bridge Capital Master Fund Limited</b>				
	<b>At the beginning of the year</b>	<b>63,18,868</b>	<b>3.43</b>	<b>63,18,868</b>	<b>3.43</b>
	19.10.2018 - Transfer	20,745	0.01	63,39,613	3.44
	26.10.2018 - Transfer	3,955	0.00	63,43,568	3.44
	<b>At the end of the year</b>			<b>63,43,568</b>	<b>3.44</b>
<b>3</b>	<b>East Bridge Capital Master Fund I Limited</b>				
	<b>At the beginning of the year</b>	<b>50,81,801</b>	<b>2.76</b>	<b>50,81,801</b>	<b>2.76</b>
	22.06.2018 - Transfer	2,51,116	0.13	53,32,917	2.89
	<b>At the end of the year</b>			<b>53,32,917</b>	<b>2.89</b>

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company <sup>®</sup>	No. of shares	% of total shares of the Company <sup>®</sup>
<b>4</b>	<b>Indiahold Limited</b>				
	At the beginning of the year	<b>41,76,468</b>	<b>2.26</b>	<b>41,76,468</b>	<b>2.26</b>
	At the end of the year			<b>41,76,468</b>	<b>2.26</b>
<b>5</b>	<b>Aberdeen Global Indian Equity Limited</b>				
	At the beginning of the year	<b>27,12,109</b>	<b>1.47</b>	<b>27,12,109</b>	<b>1.47</b>
	06.04.2018 - Transfer	(12,519)	(0.01)	26,99,590	1.46
	13.04.2018 - Transfer	(1,40,000)	(0.08)	25,59,590	1.38
	06.07.2018 - Transfer	(1,35,000)	(0.07)	24,24,590	1.31
	13.07.2018 - Transfer	(1,35,000)	(0.07)	22,89,590	1.24
	07.09.2018 - Transfer	(1,45,931)	(0.08)	21,43,659	1.16
	21.09.2018 - Transfer	(82,042)	(0.04)	20,61,617	1.12
	21.12.2018 - Transfer	59,202	0.03	21,20,819	1.15
	28.12.2018 - Transfer	2,60,798	0.15	23,81,617	1.30
	22.03.2019 - Transfer	(70,385)	(0.04)	23,11,232	1.26
	29.03.2019 - Transfer	(49,615)	(0.03)	22,61,617	1.23
	At the end of the year			<b>22,61,617</b>	<b>1.23</b>
<b>6</b>	<b>WF Asian Smaller Companies Fund Limited*</b>				
	At the beginning of the year	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	03.08.2018 - Transfer	1,67,636	0.09	1,67,636	0.09
	10.08.2018 - Transfer	5,04,186	0.27	6,71,822	0.36
	29.09.2018 - Transfer	1,90,044	0.10	8,61,866	0.46
	09.11.2018 - Transfer	3,94,944	0.21	12,56,810	0.67
	25.01.2019 - Transfer	1,95,700	0.11	14,52,510	0.78
	01.02.2019 - Transfer	3,87,900	0.21	18,40,410	0.99
	08.02.2019 - Transfer	47,900	0.03	18,88,310	1.02
	At the end of the year			<b>18,88,310</b>	<b>1.02</b>
<b>7</b>	<b>Piramal Enterprises Limited Senior Employees Welfare Trust [Formerly known as Piramal Healthcare Limited Senior Employee Option Scheme]<sup>§</sup></b>				
	At the beginning of the year	<b>15,95,167</b>	<b>0.86</b>	<b>15,95,167</b>	<b>0.86</b>
	20.04.2018 - Transfer	(3,584)	(0.00)	15,91,583	0.86
	08.06.2018 - Transfer	(1,566)	(0.00)	15,90,017	0.86
	22.06.2018 - Transfer	(2,699)	(0.00)	15,87,318	0.86
	06.07.2018 - Transfer	(5,671)	(0.01)	15,81,647	0.85
	20.07.2018 - Transfer	(803)	(0.00)	15,80,844	0.85
	10.08.2018 - Transfer	(1,500)	(0.00)	15,79,344	0.85
	17.08.2018 - Transfer	(5,018)	(0.00)	15,74,326	0.85
	24.08.2018 - Transfer	(954)	(0.00)	15,73,372	0.85
	31.08.2018 - Transfer	(1,849)	(0.00)	15,71,523	0.85
	14.09.2018 - Transfer	(3,600)	(0.00)	15,67,923	0.85
	21.09.2018 - Transfer	(3,520)	(0.00)	15,64,403	0.85
	29.09.2018 - Transfer	(4,035)	(0.00)	15,60,368	0.85
	05.10.2018 - Transfer	(1,428)	(0.00)	15,58,940	0.85
	26.10.2018 - Transfer	(4,498)	(0.00)	15,54,442	0.85
	09.11.2018 - Transfer	(256)	(0.00)	15,54,186	0.85
	30.11.2018 - Transfer	(24,019)	(0.02)	15,30,167	0.83
	07.12.2018 - Transfer	(10,500)	(0.01)	15,19,667	0.82
	21.12.2018 - Transfer	(25)	(0.00)	15,19,642	0.82
	04.01.2019 - Transfer	(2,683)	(0.00)	15,16,959	0.82
	11.01.2019 - Transfer	(25)	(0.00)	15,16,934	0.82
	15.02.2019 - Transfer	(13,524)	(0.01)	15,03,410	0.81
	29.03.2019 - Transfer	(5,005)	(0.00)	14,98,405	0.81
	At the end of the year			<b>14,98,405</b>	<b>0.81</b>
<b>8</b>	<b>Vanguard Emerging Markets Stock Index Fund, A series of Vanguard International Equity Index Fund</b>				
	At the beginning of the year	<b>15,01,464</b>	<b>0.81</b>	<b>15,01,464</b>	<b>0.81</b>
	06.04.2018 - Transfer	(33,908)	(0.02)	14,67,556	0.79
	04.05.2018 - Transfer	(2,540)	(0.00)	14,65,016	0.79
	11.05.2018 - Transfer	(2,413)	(0.00)	14,62,603	0.79



# BOARD'S REPORT

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company <sup>®</sup>	No. of shares	% of total shares of the Company <sup>®</sup>
	01.06.2018 - Transfer	(1,905)	(0.00)	14,60,698	0.79
	15.06.2018 - Transfer	(1,905)	(0.00)	14,58,793	0.79
	22.06.2018 - Transfer	(50,146)	(0.03)	14,08,647	0.76
	30.06.2018 - Transfer	(28,960)	(0.02)	13,79,687	0.74
	06.07.2018 - Transfer	(3,510)	(0.00)	13,76,177	0.74
	13.07.2018 - Transfer	(5,590)	(0.00)	13,70,587	0.74
	29.09.2018 - Transfer	(27,261)	(0.02)	13,43,326	0.72
	16.11.2018 - Transfer	2,040	0.00	13,45,366	0.72
	23.11.2018 - Transfer	5,304	0.00	13,50,670	0.73
	07.12.2018 - Transfer	2,584	0.00	13,53,254	0.73
	21.12.2018 - Transfer	7,344	0.01	13,60,598	0.73
	28.12.2018 - Transfer	(34,419)	(0.02)	13,26,179	0.71
	01.02.2019 - Transfer	7,830	0.01	13,34,009	0.72
	08.02.2019 - Transfer	24,043	0.02	13,58,052	0.74
	15.02.2019 - Transfer	932	0.00	13,58,984	0.74
	29.03.2019 - Transfer	3,105	0.00	13,62,089	0.74
	<b>At the end of the year</b>			<b>13,62,089</b>	<b>0.74</b>
<b>9</b>	<b>Vanguard Total International Stock Index Fund</b>				
	<b>At the beginning of the year</b>	<b>11,35,735</b>	<b>0.61</b>	<b>11,35,735</b>	<b>0.61</b>
	11.05.2018 - Transfer	16,239	0.01	11,51,974	0.62
	08.06.2018 - Transfer	31,912	0.02	11,83,886	0.64
	20.07.2018 - Transfer	22,598	0.01	12,06,484	0.65
	24.08.2018 - Transfer	16,117	0.01	12,22,601	0.66
	14.09.2018 - Transfer	11,866	0.01	12,34,467	0.67
	19.10.2018 - Transfer	22,843	0.01	12,57,310	0.68
	23.11.2018 - Transfer	26,189	0.01	12,83,499	0.69
	04.01.2019 - Transfer	188	0.00	12,83,687	0.69
	11.01.2019 - Transfer	16,244	0.01	12,99,931	0.70
	08.03.2019 - Transfer	55,555	0.03	13,55,486	0.73
	<b>At the end of the year</b>			<b>13,55,486</b>	<b>0.73</b>
<b>10</b>	<b>Elara India Opportunities Fund Limited</b>				
	<b>At the beginning of the year</b>	<b>12,99,613</b>	<b>0.71</b>	<b>12,99,613</b>	<b>0.71</b>
	01.06.2018 - Transfer	800	0.00	13,00,413	0.71
	30.06.2018 - Transfer	(1,350)	(0.00)	12,99,063	0.71
	02.11.2018 - Transfer	2,500	0.00	13,01,563	0.71
	08.02.2019 - Transfer	3,450	0.00	13,05,013	0.71
	<b>At the end of the year</b>			<b>13,05,013</b>	<b>0.71</b>
<b>11</b>	<b>Government of Singapore</b>				
	<b>At the beginning of the year</b>	<b>9,75,947</b>	<b>0.52</b>	<b>9,75,947</b>	<b>0.52</b>
	06.04.2018 - Transfer	1,174	0.00	9,77,121	0.52
	20.04.2018 - Transfer	(13,024)	(0.01)	9,64,097	0.51
	27.04.2018 - Transfer	(845)	(0.00)	9,63,252	0.51
	04.05.2018 - Transfer	(867)	(0.00)	9,62,385	0.51
	18.05.2018 - Transfer	(2,155)	(0.00)	9,60,230	0.51
	25.05.2018 - Transfer	(497)	(0.00)	9,59,733	0.51
	01.06.2018 - Transfer	(47,509)	(0.03)	9,12,224	0.48
	08.06.2018 - Transfer	49,314	0.03	9,61,538	0.51
	15.06.2018 - Transfer	35,068	0.02	9,96,606	0.53
	22.06.2018 - Transfer	8,067	0.01	10,04,673	0.54
	13.07.2018 - Transfer	27,207	0.01	10,31,880	0.55
	20.07.2018 - Transfer	9,702	0.01	10,41,582	0.56
	27.07.2018 - Transfer	(567)	(0.00)	10,41,015	0.56
	03.08.2018 - Transfer	(822)	(0.00)	10,40,193	0.56
	10.08.2018 - Transfer	(6,915)	(0.01)	10,33,278	0.55
	24.08.2018 - Transfer	21,922	0.01	10,55,200	0.56
	31.08.2018 - Transfer	46,326	0.03	11,01,526	0.59

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company <sup>®</sup>	No. of shares	% of total shares of the Company <sup>®</sup>
	07.09.2018 - Transfer	28,094	0.02	11,29,620	0.61
	14.09.2018 - Transfer	20,854	0.01	11,50,474	0.62
	21.09.2018 - Transfer	16,612	0.01	11,67,086	0.63
	12.10.2018 - Transfer	(1,342)	(0.00)	11,65,744	0.63
	19.10.2018 - Transfer	4,259	0.00	11,70,003	0.63
	02.11.2018 - Transfer	2,742	0.00	11,72,745	0.63
	23.11.2018 - Transfer	9,555	0.01	11,82,300	0.64
	30.11.2018 - Transfer	47,127	0.03	12,29,427	0.67
	07.12.2018 - Transfer	(3,271)	(0.00)	12,26,156	0.67
	14.12.2018 - Transfer	(31,141)	(0.02)	11,95,015	0.65
	21.12.2018 - Transfer	13,258	0.01	12,08,273	0.66
	28.12.2018 - Transfer	(695)	(0.00)	12,07,578	0.66
	04.01.2019 - Transfer	8,161	0.01	12,15,739	0.67
	08.02.2019 - Transfer	25,087	0.01	12,40,826	0.68
	01.03.2019 - Transfer	(16,527)	(0.01)	12,24,299	0.67
	08.03.2019 - Transfer	(27,570)	(0.02)	11,96,729	0.65
	22.03.2019 - Transfer	8,008	0.01	12,04,737	0.66
	<b>At the end of the year</b>			<b>12,04,737</b>	<b>0.66</b>
<b>12</b>	<b>Guardian Point, L.P.<sup>#</sup></b>				
	<b>At the beginning of the year</b>	<b>10,00,000</b>	<b>0.54</b>	<b>10,00,000</b>	<b>0.54</b>
	19.10.2018 - Transfer	1,00,000	0.05	11,00,000	0.59
	25.01.2019 - Transfer	(92,000)	(0.05)	10,08,000	0.54
	01.02.2019 - Transfer	(1,80,517)	(0.10)	8,27,483	0.44
	08.02.2019 - Transfer	(67,483)	(0.03)	7,60,000	0.41
	29.03.2019 - Transfer	(60,000)	(0.03)	7,00,000	0.38
	<b>At the end of the year</b>			<b>7,00,000</b>	<b>0.38</b>

<sup>®</sup> % have been calculated on the paid up share capital of the Company as on 31.03.2019

\* Not in the list of Top 10 shareholders as on 01.04.2018. The same is reflected above since the shareholder was one of the top 10 shareholders as on 31.03.2019

<sup>#</sup> Ceased to be in the list of Top 10 shareholders as on 31.03.2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2018

<sup>§</sup> Classified as Non Promoter Non Public

#### (v) Shareholding of Directors & KMP

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company <sup>®</sup>	No. of shares	% of total shares of the Company <sup>®</sup>
<b>1</b>	<b>Mr. Ajay G. Piramal</b>				
	At the beginning of the year	<b>1,13,658</b>	<b>0.06</b>	<b>1,13,658</b>	<b>0.06</b>
	At the end of the year			<b>1,13,658</b>	<b>0.06</b>
<b>2</b>	<b>Dr. (Mrs.) Swati A. Piramal</b>				
	At the beginning of the year	<b>1,217</b>	<b>0.00</b>	<b>1,217</b>	<b>0.00</b>
	29.03.2019 - Transfer	31,325	0.02	32,542	0.02
	At the end of the year			<b>32,542</b>	<b>0.02</b>
<b>3</b>	<b>Mr. Deepak Satwalekar</b>				
	At the beginning of the year	<b>10,434</b>	<b>0.01</b>	<b>10,434</b>	<b>0.01</b>
	At the end of the year			<b>10,434</b>	<b>0.01</b>
<b>4</b>	<b>Prof. Goverdhan Mehta</b>				
	At the beginning of the year	<b>5,000</b>	<b>0.00</b>	<b>5,000</b>	<b>0.00</b>
	At the end of the year			<b>5,000</b>	<b>0.00</b>
<b>5</b>	<b>Mr. Keki Dadiseth</b>				
	At the beginning of the year	<b>5,217</b>	<b>0.00</b>	<b>5,217</b>	<b>0.00</b>
	At the end of the year			<b>5,217</b>	<b>0.00</b>
<b>6</b>	<b>Mr. N. Vaghul</b>				
	At the beginning of the year	<b>10,434</b>	<b>0.01</b>	<b>10,434</b>	<b>0.01</b>
	At the end of the year			<b>10,434</b>	<b>0.01</b>
<b>7</b>	<b>Dr. R. A. Mashelkar</b>				
	At the beginning of the year	<b>8,125</b>	<b>0.00</b>	<b>8,125</b>	<b>0.00</b>
	At the end of the year			<b>8,125</b>	<b>0.00</b>

## BOARD'S REPORT

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company <sup>®</sup>	No. of shares	% of total shares of the Company <sup>®</sup>
<b>8</b>	<b>Ms. Nandini Piramal</b>				
	At the beginning of the year	<b>1,08,377</b>	<b>0.06</b>	<b>1,08,377</b>	<b>0.06</b>
	12.06.2018 - Transfer	(1,01,665)	(0.06)	6,712	0.00
	At the end of the year			<b>6,712</b>	<b>0.00</b>
<b>9</b>	<b>Mr. Vijay Shah<sup>#</sup></b>				
	At the beginning of the year	<b>1,24,483</b>	<b>0.07</b>	<b>1,24,483</b>	<b>0.07</b>
	At the end of the year			<b>1,24,483</b>	<b>0.07</b>
<b>10</b>	<b>Mr. Gautam Banerjee</b>				
	At the beginning of the year	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	At the end of the year			<b>NIL</b>	<b>NIL</b>
<b>11</b>	<b>Mr. Siddharth Mehta</b>				
	At the beginning of the year	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	At the end of the year			<b>NIL</b>	<b>NIL</b>
<b>12</b>	<b>Mr. S. Ramadorai</b>				
	At the beginning of the year	<b>5,300</b>	<b>0.00</b>	<b>5,300</b>	<b>0.00</b>
	At the end of the year			<b>5,300</b>	<b>0.00</b>
<b>13</b>	<b>Mr. Anand Piramal</b>				
	At the beginning of the year	<b>2,76,945</b>	<b>0.15</b>	<b>2,76,945</b>	<b>0.15</b>
	12.06.2018 - Transfer	(1,08,377)	(0.06)	1,68,568	0.09
	At the end of the year			<b>1,68,568</b>	<b>0.09</b>
<b>14</b>	<b>Mrs. Arundhati Bhattacharya<sup>*</sup></b>				
	As on 25.10.2018	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	At the end of the year			<b>NIL</b>	<b>NIL</b>
<b>15</b>	<b>Mr. Vivek Valsaraj</b>				
	At the beginning of the year	<b>9,995</b>	<b>0.01</b>	<b>9,995</b>	<b>0.01</b>
	22.06.2018 - Transfer	1,450	0.00	11,445	0.01
	09.07.2018 - Transfer	1,305	0.00	12,750	0.01
	05.09.2018 - Transfer	(300)	(0.00)	12,450	0.01
	27.09.2018 - Transfer	1,435	0.00	13,885	0.01
	26.10.2018 - Transfer	948	0.00	14,833	0.01
	04.01.2019 - Transfer	800	0.00	15,633	0.01
	At the end of the year			<b>15,633</b>	<b>0.01</b>
<b>16</b>	<b>Mr. Leonard D'Souza</b>				
	At the beginning of the year	<b>8,000</b>	<b>0.00</b>	<b>8,000</b>	<b>0.00</b>
	21.08.2018 - Transfer	(500)	(0.00)	7,500	0.00
	At the end of the year			<b>7,500</b>	<b>0.00</b>

<sup>®</sup> % have been calculated on the paid up share capital of the Company as on 31.03.2019

<sup>\*</sup> Appointed as an Additional Director (Non-Executive, Independent) w.e.f 25.10.2018

<sup>#</sup> Includes shareholding as joint shareholder

## V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	5,025.27	8,871.00	-	13,896.27
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	8.15	148.20	-	156.35
<b>Total (i+ii+iii)</b>	<b>5,033.42</b>	<b>9,019.20</b>	<b>-</b>	<b>14,052.62</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	9,931.71	51,712.33	-	61,644.04
Reduction:				
Loans Repayment	4,163.08	54,118.33	-	58,281.41
Exchange Difference (gain)/Loss	32.89	1.84	-	34.73
<b>Net Change</b>	<b>5,801.52</b>	<b>(2,404.16)</b>	<b>-</b>	<b>3,397.36</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	10,826.00	6,466.84	-	17,292.84
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	134.84	(37.49)	-	97.35
<b>Total (i+ii+iii)</b>	<b>10,960.84</b>	<b>6,429.35</b>	<b>-</b>	<b>17,390.19</b>

Note: During the previous year 4,64,330 CCDs having face value of ₹ 1,07,600 amounting to ₹ 4,996.19 Crores were issued by the Company. As at 31.03.2019 354,655 CCDs (Previous Year 458,705 CCDs) amounting to ₹ 3,816.09 Crores (Previous year ₹ 4,935.67 Crores) are outstanding.

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A) Remuneration to Managing Director, Whole time director and/or Manager:

(₹)

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount
		Ajay G. Piramal	Swati A. Piramal	Nandini Piramal	Vijay Shah	
1	Gross salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	8,69,35,459	3,86,40,427	2,94,02,068	4,44,85,528	19,94,63,482
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	62,797	44,005	39,600	12,99,600	14,46,002
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock option	-	-	-	#	-
3	Sweat Equity	-	-	-	-	-
4	Commission as % of profit others (specify)	-	-	-	-	-
5	Others, please specify : Performance Pay for FY2018	3,44,99,520	1,58,12,280	1,14,99,840	1,91,26,800	8,09,38,440
	<b>Total (A)</b>	<b>12,14,97,776</b>	<b>5,44,96,712</b>	<b>4,09,41,508</b>	<b>6,49,11,928</b>	<b>28,18,47,924</b>
	Ceiling as per the Act: @5% of Profits for each Director @10% of Profits for all Directors	27,14,88,574	27,14,88,574	27,14,88,574	27,14,88,574	54,29,77,148

# Mr. Vijay Shah also receives ESOPs under the Company's ESOP Scheme.

# BOARD'S REPORT

## B) Remuneration to other directors:

(₹)										
Independent Directors	Gautam Banerjee	Keki Dadiseth	R. A. Mashelkar	Goverdhan Mehta	Siddharth Mehta	S. Ramadorai	Deepak Satwalekar	N. Vaghul	Arundhati Bhattacharya <sup>§</sup>	Total Amount
(a) Fee for attending board / committee meetings	4,00,000	8,00,000	10,00,000	6,00,000	4,50,000	4,00,000	9,50,000	11,00,000	2,50,000	59,50,000
(b) Commission	27,00,000	27,00,000	27,00,000	27,00,000	27,00,000	27,00,000	27,00,000	27,00,000	-	2,16,00,000
(c) Others, please specify	-	-	-	-	-	-	-	-	-	-
<b>Total (1)</b>	<b>31,00,000</b>	<b>35,00,000</b>	<b>37,00,000</b>	<b>33,00,000</b>	<b>31,50,000</b>	<b>31,00,000</b>	<b>36,50,000</b>	<b>38,00,000</b>	<b>2,50,000</b>	<b>2,75,50,000</b>
Other Non - Executive Directors <sup>@</sup>										
(a) Fee for attending board committee meetings	-	-	-	-	-	-	-	-	-	-
(b) Commission	-	-	-	-	-	-	-	-	-	-
(c) Others, please specify.	-	-	-	-	-	-	-	-	-	-
<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (B)=(1+2)</b>	<b>31,00,000</b>	<b>35,00,000</b>	<b>37,00,000</b>	<b>33,00,000</b>	<b>31,50,000</b>	<b>31,00,000</b>	<b>36,50,000</b>	<b>38,00,000</b>	<b>2,50,000</b>	<b>2,75,50,000</b>
<b>Total Managerial Remuneration (A+B)<sup>#</sup></b>										30,34,47,924
<b>Overall Ceiling as per the Act</b>										59,72,74,863

# Exclusive of Sitting Fees

§ Appointed as an Additional Director (Non-Executive, Independent) w.e.f 25.10.2018

@ Mr. Anand Piramal, Non-Executive Director does not receive any sitting fees or any other remuneration.

Remuneration details have been provided on the basis of remuneration/ commission paid during FY2019 and sitting fees for meetings attended during FY2019.

## C) Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No. Particulars of Remuneration		Key Managerial Personnel		
		Mr. Vivek Valsaraj CFO	Mr. Leonard D'Souza Company Secretary	Total
1	Gross Salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,79,24,257	99,69,181	2,78,93,438
(b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	32,400	1,18,578	1,50,978
(c)	Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option <sup>@</sup>	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit	-	-	-
	- Others (specify)	-	-	-
5	Others, specify	-	-	-
	<b>Total</b>	<b>1,79,56,657</b>	<b>1,00,87,759</b>	<b>2,80,44,416</b>

@ Mr. Vivek Valsaraj & Mr. Leonard D'Souza also receives ESOPs under the Company's ESOP Scheme.

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES** - There were no penalties/ punishment/compounding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other officers in default, if any, during the year.

## ANNEXURE F

### NOMINATION POLICY

#### I. Preamble

The Nomination and Remuneration Committee ('NRC') of Piramal Enterprises Limited (the 'Company'), has adopted the following policy and procedures with regard to identification and nomination of persons who are qualified to become directors and who maybe appointed in senior management.

This policy is framed in compliance with the applicable provisions of Regulation 19 read with Part D of the Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('the Regulations') and Section 178 and other applicable provisions of the Companies Act, 2013.

#### II. Criteria for identifying persons for appointment as Directors and Senior Management:

##### A. Directors

1. Candidates for Directorship should possess appropriate qualifications, skills and expertise in one or more fields of finance, law, general corporate management, information management, science and innovation, public policy, financial services, sales & marketing and other disciplines as may be identified by the NRC and/or the Board from time to time, that may be relevant to the Company's business.
2. Such candidates should also have a proven record of professional success.
3. Every candidate for Directorship on the Board should have the following positive attributes:
  - a) Possesses a high level of integrity, ethics, credibility and trustworthiness;
  - b) Ability to handle conflict constructively and possess the willingness to address critical issues proactively;
  - c) Is familiar with the business of the Company and the industry in which it operates and displays a keen interest in contributing at the Board level to the Company's growth in these areas;
  - d) Possesses the ability to bring independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management and resource planning;
  - e) Displays willingness to devote sufficient time and attention to the Company's affairs;
  - f) Values Corporate Governance and possesses the skills and ability to assist the Company in implementing good corporate governance practices;
  - g) Possesses leadership skills and is a team player.
4. Criteria for Independence applicable for selection of Independent Directors:
  - a) Candidates for Independent Directors on the Board of the Company should comply with the criteria for Independence as stipulated in the Companies Act, 2013

and the Regulations, as amended or re-enacted or notified from time to time. Such candidates should also comply with other applicable regulatory requirements relating to Independence or as may be laid down by the Board from time to time.

- b) Such Candidates shall submit a Declaration of Independence to the NRC/ Board, initially and thereafter, annually, based upon which, the NRC/ Board shall evaluate compliance with this criteria for Independence.

##### 5. Change in status of Independence

Every Independent Director shall be required to inform the NRC/ Board immediately in case of any change in circumstances that may put his or her independence in doubt, based upon which, the NRC/ Board may take such steps as it may deem fit in the best interest of the organization.

##### 6. Extension of existing term of Independent Directors

Upon the expiry of the prevailing term and subject to the eligibility of the Independent Director ('ID'), under the applicable provisions of the Act, Rules, Listing Regulations and other applicable law(s), as prevailing from time to time, the Board may, on the recommendations of the NRC and subject to the outcome of performance evaluation and in compliance with applicable regulatory requirements, at its discretion, recommend to the shareholders an extension or renewal of the ID's existing term for such period as it may deem fit and proper, in the best interest of the organization.

##### B. Members of Senior Management

1. For the purpose of this Policy, the term 'Senior Management' shall have the same meaning as defined in the Companies Act, 2013 and the Regulations, as amended from time to time.
2. The eligibility criteria for appointments to Senior Management and continuity thereof shall include integrity and ethics, in addition to possessing qualifications, expertise, experience and special competencies relevant to the position for which purpose the executive is being or has been appointed.
3. Any candidate being considered for the post of senior management should be willing to comply fully with the PEL Code of Conduct for senior management, PEL – Code of Conduct for Prevention of Insider Trading and other applicable policies, in force from time to time.

#### III. Process for identification & shortlisting of candidates

##### A. Directors

1. The NRC shall identify the need for appointment of new Directors on the Board on the basis of the evaluation process for Board as a whole and of individual Directors or as it may otherwise determine.



2. Candidates for Board membership may be identified from a number of sources, including but not limited to past and present members of the Board and Directors database.
3. NRC shall evaluate proposals for appointment of new Directors on the basis of qualification criteria and positive attributes referred to hereinabove and make its recommendations to the Board.

### **B. Members of Senior Management**

1. The NRC shall consider the recommendations of the management while evaluating the selection of executives in senior management. The NRC may also identify potential candidates for appointment to Senior Management through referrals and recommendations from past and present members of the Board or from such other sources as it may deem fit and proper.
2. The NRC shall evaluate proposals for appointments to Senior Management on the basis of eligibility criteria referred to hereinabove and such other criteria as it may deem appropriate.
3. Based on such evaluation, the NRC shall shortlist the desired candidate and make its recommendations to the Board for appointment.

## **IV. Removal**

### **A. Directors**

1. If a Director incurs any disqualification mentioned under the Companies Act, 2013 or any other applicable law, regulations, statutory requirement, the NRC may recommend to the Board with reasons recorded in writing, the removal of the said Director subject to the provisions of and compliance with the statutory provisions.
2. Such recommendations may also be made on the basis of performance evaluation of the Directors or as may otherwise be thought fit by the NRC.

### **B. Members of Senior Management**

1. The NRC shall consider the recommendations of the management while making recommendations to the Board for dismissal/ removal of those in Senior Management.
2. Such recommendations may also be made on the basis of performance evaluation of members of Senior Management to the extent applicable or as may otherwise be thought fit by the NRC.

## **V. Review**

The NRC shall periodically review the effectiveness of this Policy and recommend any revisions that maybe required to this Policy to the Board for consideration and approval.

## **REMUNERATION POLICY**

### **1. Preamble**

- 1.1. The Nomination and Remuneration Committee ('NRC') of Piramal Enterprises Limited (the "Company"), has adopted the following policy and procedures with regard to remuneration of Directors, Key Managerial Personnel and other employees.
- 1.2. The Remuneration Policy ('Policy') is framed in compliance with the applicable provisions of Regulation 19 read with Part D of the Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('the Regulations') entered by the Company with the Stock Exchanges and Section 178 and other applicable provisions of the Companies Act, 2013.
- 1.3. This Policy reflects the Company's core values viz. Knowledge, Action, Care and Impact.

### **2. Designing of Remuneration Packages**

- 2.1. While designing remuneration packages, the following factors are taken into consideration:
  - a. Ability to attract, motivate and retain the best talent in the industries in which the Company operates;
  - b. Current industry benchmarks;
  - c. Cost of living;
  - d. Maintenance of an appropriate balance between fixed performance linked variable pay and long term incentives reflecting long and short term performance objectives aligned to the working of the company and its goals;
  - e. Achievement of Key Result Areas (KRAs) of the employee, the concerned department/ function and of the Company.

### **3. Remuneration to Directors**

#### **A. Non- Executive/ Independent Directors:**

- The Non- Executive/ Independent directors are entitled to the following:
- i. **Sitting Fees:** The Non- Executive/ Independent Director receive remuneration in the form of sitting fees for attending meetings of Board or Committee thereof of the Company and its subsidiaries where such Director maybe so appointed. The Independent Directors also receive sitting fees for attending separate meetings of the Independent Directors. Provided that the amount of such fees shall not exceed such amount per meeting as may be prescribed by the Central Government from time to time.
  - ii. **Commission:** Commission may be paid within the monetary limit approved by shareholders subject to compliance with applicable regulatory requirements.

#### **B. Remuneration to Whole – Time Directors**

- i. The remuneration to be paid to the Whole – Time Directors shall be in compliance with the applicable

regulatory requirements, including such requisite approvals as required by law.

- ii. Increments may be recommended by the Committee to the Board which shall be within applicable regulatory limits.
- iii. The Board may at the recommendation of the NRC and its discretion, may consider the payment of such additional remuneration within the framework of applicable laws and regulatory requirements.

#### 4. Remuneration to Key Managerial Personnel and Senior Management

Remuneration to Key Managerial Personnel and other Senior Management shall be as per the HR Policy of the Company in force from time to time and in compliance with applicable regulatory requirements. Total remuneration comprises of:

- A fixed Basic Salary;
- Perquisites as per Company Policy;
- Retirement benefits as per Company Rules and statutory requirements;
- Performance linked incentive (on an annual basis) based on the achievement of pre-set KRAs and long term incentives based on value creation.

In addition to the above mentioned remuneration package, Key Managerial Personnel and Senior Management may also be provided Employee Stock Options (ESOPs) in compliance with applicable regulatory requirements.

#### 5. Remuneration to Other Employees

The remuneration packages of other employees are also formulated in accordance with HR Policy of the Company in force from time to time. In addition to basic salary and other components forming part of overall salary package, employees are also provided with perquisites and retirement benefits as per the HR Policy of the Company and statutory requirements, where applicable.

#### 6. Disclosure

As per existing Applicable Regulatory Requirements, the Remuneration Policy shall be disclosed in the Board's Report.

#### 7. Review

The NRC shall periodically review the effectiveness of this Policy and recommend any revisions that maybe required to this Policy to the Board for consideration and approval.

## ANNEXURE G

### FORM NO. AOC – 2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 ('the Act') and Rule 8(2) of the Companies (Accounts) Rules, 2014]

#### Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Act including certain arm's length transactions under third proviso thereto

##### 1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2019, which were not at arm's length basis.

##### 2. Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2019 are as follows:

Sr. No	Name(s) of the related party & Nature of relationship	Nature, salient features of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Date(s) of approval by the Board, if any	Amount paid
1.	Piramal Capital and Housing Finance Limited (Wholly owned subsidiary of the Company) (PCHFL)*	The Company has down-sold a portion of its lending portfolio forming part of its financial services business to PCHFL and PHL Fininvest	May 28, 2018 and ongoing	May 28, 2018	₹ 2,207.72 Crores
2.	PHL Fininvest Private Limited (Wholly owned subsidiary of the Company) (PHL Fininvest)		May 28, 2018 and ongoing	May 28, 2018	₹ 694.41 Crores

\*formerly known as Piramal Housing Finance Limited

Place: Mumbai  
Date: April 26, 2019

For and on behalf of the  
**Board of Directors**

**Chairman**

## ANNEXURE H

To,  
The Members,

### **Piramal Enterprises Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For N. L. Bhatia & Associates**  
Practising Company Secretaries  
UIN: P1996MH055800

**N. L. Bhatia**  
Managing Partner  
FCS: 1176  
C.P. No.: 422

Place: Mumbai  
Date: April 26, 2019

## SECRETARIAL AUDIT REPORT FORM NO. MR-3

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**Piramal Enterprises Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Piramal Enterprises Limited (herein after called '**the Company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- a) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
  - b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
  - c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - d) Foreign Exchange Management Act, 1999 ('FEMA') and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
    - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
    - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
    - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;- **Not Applicable for the financial year ended March 31, 2019;**
    - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;- **Not Applicable for the financial year ended March 31, 2019; and**
- Amongst the various laws which are applicable to the Company, following are the laws which are specifically applicable to the Company:**
- i. Central Goods and Services Tax Act, 2017;
  - ii. Integrated Goods and Services Tax Act, 2017;
  - iii. Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1940;
  - iv. Drugs (Price Control) Order, 2013;
  - v. Foods Standard & Safety Act (FSSA), 2006, Food Safety and Standards Rules, 2011, Food Safety and Standards (Licensing and Registration of Food Businesses), Regulations, 2011;
  - vi. The Narcotic Drugs and Psychotropic Substances Act, 1985;
  - vii. The Legal Metrology Act & Legal Metrology (Packaged Commodities) Rules, 2011;
  - viii. The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 and Rules, 1955;
  - ix. Gujarat Special Economic Zone Act, 2004;
  - x. Maharashtra Prohibition Act 1949 (Bombay Act No. XXV of 1949);
  - xi. Tamil Nadu Spirituous Preparations (Control) Rules, 1984;
  - xii. National Ambient Air Quality Standards (NAAQS), 2009;
  - xiii. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
  - xiv. Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
  - xv. Bio-Medical Waste (Management and Handling) Rules, 1998;
  - xvi. The Chemical Weapons Convention Act, 2000;
  - xvii. Ozone Depleting Substance (R&C) Rules, 2000;
  - xviii. Maharashtra Non-Biodegradable Wastes Act, 2006;
  - xix. Pharmaceutical Policy 2002;
  - xx. Good Clinical Practice Guidelines;
  - xxi. NABL Accreditation India Requirements;

## BOARD'S REPORT

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that**, The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and Board Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes where applicable. **All the decisions at the Board Meetings were passed unanimously and with requisite majority in General Meetings.**

**We further report that**, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines. All the notices and orders received by the Company pursuant to the abovementioned laws have been adequately dealt with/ duly replied/ complied with.

We further report that, during the period under review,

- a. The Board of Directors of the Company at its meeting held on May 28, 2018, has subject to the approval of the Hon'ble National Company Law Tribunal, Bench at Mumbai ('NCLT') and such other approvals as may be necessary, approved the Scheme of Amalgamation ('Scheme') under Sections 230 to 232 of the Companies Act, 2013 between Piramal Phytocare Limited ('PPL' or 'Transferor Company') and the Company and their respective shareholders;
- b. The Administrative Committee has approved the allotment of 41,62,000 equity shares of ₹ 2/- each at a conversion premium of ₹ 2,688/- per share pursuant to conversion of 1,04,050 Compulsory Convertible Debentures ('CCDs') of face value of ₹ 1,07,600/- each aggregating to ₹ 11,19,57,80,000/-;
- c. The Committee of Directors (Rights Issue) has approved the allotment of the following Rights Equity Shares of face value of ₹ 2/- each at an issue price of ₹ 2,380/- per equity share including a premium of ₹ 2,378 per equity share:
  - a. 8,984 Rights Equity Shares to the CCD holders out of the Right Equity shares reserved for them [as per regulation 53 of erstwhile Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009];
  - b. 2,314 Rights Equity Shares which were kept under abeyance during the Rights Issue made vide Letter of Offer dated February 1, 2018;
  - d. The Company has transferred certain assets and liabilities forming part of the financial services business of the Company to Piramal Capital & Housing Finance Limited and PHL Fininvest Private Limited, wholly owned subsidiaries of the Company. Since the proposed transaction was less than 20% of the net value of the financial services business in the books of the Company as at the last financial year, no other approvals were required.
  - e. The Members, at the Annual General Meeting held on July 30, 2018, had approved and authorised the Board to:
    - e.1 Issue secured/ unsecured redeemable Non-Convertible Debentures (NCDs) on private placement basis, up to an aggregate amount which shall be within the overall borrowing limit approved by the shareholders under Section 180(1)(c) of the Companies Act, 2013.
    - f. Pursuant to the approval under clause e.1 above, the Administrative Committee has allotted:
      - f.1 50,900 rated, listed, redeemable, unsecured NCDs of the nominal value of ₹ 10,00,000 each aggregating to ₹ 5,090 Crores; and
      - f.2 1,500 rated, listed, redeemable, secured Non-Convertible Market Linked Debentures of the nominal value of ₹ 10,00,000 each aggregating to ₹ 150 Crores.
    - g. The Administrative Committee has approved the repurchase of 4,500 NCDs of ₹ 10,00,000/- each in accordance with the terms of the respective Disclosure Documents and the consents received from the Debenture Trustee and the NCD holders.

**For N. L. Bhatia & Associates**  
Practising Company Secretaries  
UIN: P1996MH055800

**N. L. Bhatia**  
Managing Partner  
FCS: 1176  
C.P. No.: 422

Place: Mumbai  
Date: April 26, 2019

## ANNEXURE I

### CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
**Piramal Enterprises Limited**

We have examined all the relevant records of Piramal Enterprises Limited ('the Company') for the purpose of certifying compliance of the conditions of the Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period from April 1, 2018 to March 31, 2019. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For N. L. Bhatia & Associates**  
Practising Company Secretaries  
UIN: P1996MH055800

**N. L. Bhatia**  
Managing Partner  
FCS: 1176  
C.P. No.: 422

Place: Mumbai  
Date: April 26, 2019



# BUSINESS RESPONSIBILITY REPORT

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company:**  
L24110MH1947PLC005719
- Name of the Company:**  
Piramal Enterprises Limited ('the Company' or 'PEL')
- Registered Address:**  
Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, Kurla (West), Mumbai – 400 070
- Website:**  
[www.piramal.com](http://www.piramal.com)
- E-mail ID:**  
[complianceofficer.pel@piramal.com](mailto:complianceofficer.pel@piramal.com)
- Financial Year reported:**  
Financial year 2018-19
- Sector(s) that the Company is engaged in (industrial activity code-wise)**
  - 210: Manufacturing of pharmaceuticals, medicinal, chemical and botanical products
  - 649: Other Financial service activities, except insurance and pension funding
- List three key products/services that the Company manufactures/provides (as in balance sheet)**
  - Pharmaceuticals
  - Financial Services
  - Healthcare Insight and Analytics
- Total number of locations where business activity is undertaken by the Company:**
  - Number of International Locations: We have 7 locations of which 2 are in UK, 4 are in USA and 1 in Canada
  - Number of National Locations: We have 9 locations spread across Mumbai (3) & Mahad (1) in Maharashtra, Pithampur (1) in Madhya Pradesh, Digwal (1) in Telangana, Chennai (1) in Tamil Nadu and Ahmedabad (2) in Gujarat
- Markets served by the Company – Local/State/National/International:**  
We serve Local/State/National/International markets.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid Up Capital (₹)	₹ 36.89 Crores
2	Total Turnover (₹)	₹ 3671.40 Crores
3	Total Profit/(Loss) after Taxes (₹)	₹ (861.98) Crores
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)	As per the provisions of the Companies Act, 2013, PEL spent ₹ 31.2 Crores*
5	List of activities in which the expenditure in 4 above has been incurred	Donation towards: a) Education b) Gender Equality c) Women Empowerment d) Healthcare

\*During the year, the Company incurred losses due to certain exceptional items. Accordingly the spending on CSR cannot be provided as a percentage of the Profit after Tax. However, the amount spent is in excess of the statutory requirement. Details of the same are contained in the annual report on Corporate Social Responsibility activities for the financial year 2018-19 which is annexed to the Board's Report.

## SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/Companies?**  
Yes, PEL has subsidiary companies in India and overseas.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**  
The Subsidiary Companies of PEL carry out their BR initiatives on a standalone basis.
- Do any other entity/entities (e.g. Supplier, distributor etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? [Less than 30%, 30 – 60% and More than 60%]**  
PEL is mindful of its duties as a responsible organisation and extends its Business Responsibility throughout its value chain. Providing a safe and healthy work environment for colleagues, contractors, visitors, business partners and stakeholders is a business priority and is linked with Piramal's core values. In order to increase awareness on sustainable business practices, the organisation uses a number of initiatives to engage with suppliers and vendors who are critical to its operations. Piramal uses the 'Creating Optimal and Responsible Environment' (CORE) platform to sensitise our supply chain about the benefits of health & safety and the environment and also encourage them to carry out sustainable business practices. As a part of the organisation's endeavour to forge stronger relationships across its value chain, periodic suppliers' meets are organised by the Company. Currently, less than 30% of our vendors and suppliers participate in our BR initiatives and we constantly strive to extend this across our supply chain.

## SECTION D: BR INFORMATION

### 1. Details of Director/Directors responsible for BR

- Details of the Director/Director responsible for implementation of the Business Responsibility policy/policies**

Name	DIN	Designation
Mr. Vijay Shah	00021276	Executive Director

- Details of the Business Responsibility Head**

DIN (if applicable)	NA
Name	Mr. Bharat Londhe
Designation	Head - Environment, Health and Safety, Corporate
Telephone number	022 38023630
E-mail ID	bharat.londhe@piramal.com

## 2. Principle-wise (as per NVGs) BR Policy/Policies

### a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		All the policies have been formulated in consultation with the Management of the Company								
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are in line with the applicable national and international standards and compliant with the principles of the National Voluntary Guidelines (NVG) issued by the Ministry of Corporate Affairs.								
4	Has the policy been approved by the Board? If yes, has it been signed by the MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		All the policies relating to the 9 principles of the NVG have been approved by the Board and have been signed by the Executive Director.								
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		PEL has appointed an Executive Director who is responsible for implementation of BR policies and a BR head to oversee the BR performance								
6	Indicate the link to view the policy online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The link to view the policies online is: <a href="http://www.piramal.com/investor/overview">http://www.piramal.com/investor/overview</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement its policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policiesw?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The queries relating to BR polices can be sent to <a href="mailto:bharat.londhe@piramal.com">bharat.londhe@piramal.com</a>								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

### b) If answer against any principle, is 'No', please explain why:

NA

## 3. Governance related to BR

- a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The BR performance of PEL is reviewed annually by the Board of Directors.

- b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, the Business Responsibility Report has been published along with the Annual Report of PEL for Financial year 2018-19 and it can be viewed at: <http://www.piramal.com/investor/overview>.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

No, the policy relating to ethics, bribery and corruption extends beyond the Company. At PEL, we are driven by the philosophy of "Doing Well and Doing Good" and are committed towards ethical and transparent business practices. The PEL Code of Conduct for Board Members, PEL Code of Conduct for Senior Management and the PEL Code of Conduct applicable to all employees of the Company are

testaments to the Company's efforts in ensuring that ethical conduct is not compromised. PEL has implemented a Vigil Mechanism across the organisation to encourage reporting of unethical, unlawful or inappropriate activities and to act in accordance with the highest standards of integrity. These policies propose directives in relation to matters like conflict of interest, unethical conduct, abuse of authority etc. Our values act as guiding principles to steer the path in forming the right partnerships in creating long-term stakeholder value. We have laid down a Business Code for Contractors (BCC) covering vendors and sub-vendors whom we engage with.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

PEL upholds high standards of integrity and ethical practices and acknowledges that accountability and transparency are essential for creating value for all stakeholders. Various Committees have been constituted and are in operation to address the needs/grievances/complaints of our various stakeholders. For instance, the Audit & Risk Management Committee of PEL is responsible for addressing complaints from whistle blowers, an Internal Committee has been constituted to address complaints of sexual harassment and the Stakeholder's Relationship Committee reviews grievances of shareholders and debenture holders on a quarterly basis. Complaints received are thoroughly investigated and systematically resolved. For details of complaints relating to sexual harassment which have been received and addressed, please refer to Principle 3 of this report and for details of complaints received from investors and addressed, please refer to the 'Stakeholders Grievance Redressal' section in the Corporate Governance Report.

## Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

We at PEL, care about Planet & People and always make an effort to incorporate concerns related to them whilst developing our products. We rigorously work on innovating our products to make them best for our customers and the environment. Our products that have incorporated environmental or social concerns, risks and opportunities in design stage have been listed below:

- Trazadone
- Verapamil
- Mebeverine Hydrogen Chloride
- Vitamins

2. For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.

- (i) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?
- (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

We at PEL are focused on optimising resource utilisation in the manufacturing of our products thereby resulting in developing a strategy for consumption of resources in a sustainable manner.

### • Trazadone:

About: It is a phenylpiperazine compound of the serotonin antagonist and reuptake inhibitor (SARI) class. This antidepressant medication is used to treat major depressive disorders, anxiety disorders and alcohol dependence.

Technical Improvements: Increase in the production capacity of Trazadone from 8MT per month to 10MT per month was accomplished by improvement in the method of analysing the Loss on Drying (LOD) test.

Outcome: This has reduced the batch cycle time and consumption of electricity in the process. The overall product yield increased to 345 kg against budgeted yield of 331 kg

### • Verapamil Abbott:

About: Verapamil is a calcium channel blocker. It is used to treat high blood pressure and hypertension.

Technical improvement: The process capacity for Verapamil Abbott increased from 4.5 MT to 7.5 MT with improvement in the method of analysis of the LOD test.

Outcome: Reduced solvent consumption and higher cost savings were achieved due to the single purification method. The procedure has led to an increase in total Verapamil crude yield from 420 kg to 440 kg.

### • Mebeverine Hydrogen Chloride:

About: It is an anti-spasmodic drug used to treat Irritable Bowel Syndrome (IBS), relapsing disorder characterised by abdominal pain/discomfort and altered bowel habits. Intestinal motility impairment and visceral hypersensitivity are the key factors among its multifactorial pathogenesis, both of which require effective treatment.

Technical Improvement: Decrease in crystallisation time from 12 hours to 3 hours due to change in the in-process method of analyzing of product quality.

Outcome: Significant capacity enhancement was achieved from the existing 13.5 MT to 15.5 MT per month along with reduced energy requirements for the process.

### • Vitamins:

About: Vitamins are one of the essential nutrients that an organism requires in limited amounts. Vitamins have been produced as commodity chemicals and made widely available as inexpensive semisynthetic and synthetic source multivitamins, dietary and food supplements and additives.

Technical Improvements: Reduction in testing time of intermediate product.

Outcome: A 30% increase in the production capacity of Vitamin A palmitate (Tocopherol) from 10 MT per month to 13 MT per month was achieved. There have been savings in energy and time associated with the first stage of production.

- Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.

Yes, PEL has procedures in place for sustainable sourcing throughout its supply chain. In our mission to reduce our environmental impact, the involvement of our supply chain partners is vital. We encourage our partners to adopt sustainable practices in their operations for improvement in their environmental performance. Management of the supply chain is guided by our Sustainable Procurement Policy as well as the Standard Operating Process (SOP) which evaluates suppliers and vendors on material risk assessment, compliance to environmental regulations and labour laws, carbon footprint and health and safety parameters for procurement process. CORE showcases the importance of a safe and healthy work environment for all members of our supply chain. Our EHS Policy, Sustainability Policy and Safety management principles set out guidance to our vendors for sustainable procurement practices. PEL places special importance to consequences of design, materials, manufacture, production, logistics, service delivery, operations, maintenance, recycling, and disposal that is fundamental to its supplier selection process. By means of the above systems we were able to procure around 60% of our goods and services sustainably.

Some of the initiatives that we have undertaken during the reporting year to reduce our CO2 footprint with respect to supply chain management are described below:

- Electricity Consumption** – Earlier, electricity was purchased from Electricity Board Grid. We have integrated with Group Captive Generators and are now purchasing 85% of our power requirement from the Group Captive Grid. Due to this shift, the consumption of coal was optimised thereby doing away with creation of individual co-generation system.

Outcome: 319 MT of CO2 was saved by the effective use of the captive power plant.

- IT** – The consumption of power by 15 conventional servers is estimated to be more than that of 1 VX Rail Storage. We replaced conventional servers with Power and Cooling “Dell Power Edge” (VX Rail Storage servers).

Outcome: 45.27 MT of CO2 was saved (energy savings) by substituting the conventional rack servers with VX Rail storage servers.

- Logistics** – In an import clearance, the container is usually taken from Port Terminal to Container Freight Station (CFS) first and only then is the shipment cleared to be sent to the factory. We have implemented the Direct Port Delivery (DPD) model during the reporting period, due to which we were able to source the shipment directly from the Port to our site thereby phasing out additional transit by which we have achieved reduction in fuel consumption by saving of 18,102 km/year of transport.

Outcome: 5.6 MT of CO2 was saved due to optimisation of the logistics system.

- Reducing Waste** – With a view to minimising the waste generated, we have partially replaced coffee paper cups with re-usable mugs and disposable paper tissues with dryers. As a result of these replacements, a reduction in usage of 230 paper cups and 12 paper rolls per day was achieved.

Outcome: 7.9 MT of CO2 was saved on account of these replacements

- Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, PEL sources goods from local and small producers. With the purpose of achieving sustainable procurement, local sourcing is an essential aspect in developing the supply chain. Sourcing of packing materials, commodity items, raw materials and other goods and services from small producers in the vicinity of our operations is mutually beneficial as it decreases the transportation costs associated with logistics. In order to enable our suppliers to meet quality norms and standards, they are subjected to regular audits. Our officials consult with them on various topics like facility up-gradations, process operations, Effluent Treatment Plant (ETP) and waste disposal requirements. Post the audit, the suppliers are also provided with recommendations and guidance on norms that they must adhere to. Under the ‘CORE’ programme, PEL raises awareness about environmental and social sustainability among its vendors. We also conduct supplier meets where we discuss methods of improving existing procedures with our supply chain partners.

- Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste.

Yes, PEL understands the role of recycling in protecting the environment and has mechanisms in place to recycle the waste generated. As our core business is pharmaceutical, the products cannot be recycled. However effluent water generated is 100% recycled at our Digwal, Ennore and Pithampur sites. These are also certified as Zero Liquid Discharge facilities where the treated water is used for daily plant needs. In cases where there is a lack of alternatives for waste disposal, we make efforts to use the most environmentally friendly procedures. Some of the

# BUSINESS RESPONSIBILITY REPORT

systems set up for recycling and disposal of wastes at our sites are stated below:

- The residue generated from effluent treatment is sent to cement industries where they are used as alternate fuel.
- Solid waste generated from the Effluent Treatment Plant is sent to a Total Solid Disposal Facility controlled by the CPCB for land filling.
- Used solvents are treated, reused or sent to authorised solvent recyclers.
- Fly ash is sent to brick manufacturers as raw material.
- Metal catalysts are recovered & reused in production.
- Metal scrap and paper waste is sold to authorised vendors, for recycling.
- At the Digwal Site, 100% of the generated effluent water is recycled.
- At the Ahmedabad site, 80% of waste is recycled through external approved agencies.
- At the Ennore (Chennai) site, 25% of waste generated is recycled.

### Principle 3: Businesses should promote the well-being of all employees

1. Please indicate the total number of employees  

PEL had a total of 4,017 employees as on March 31, 2019.
2. Please indicate the total number of employees hired on temporary/contractual/casual basis  

PEL hired 1,744 employees on temporary/contractual/casual basis as on March 31, 2019.
3. Please indicate the number of permanent women employees  

PEL had 388 permanent women employees as on March 31, 2019.
4. Please indicate the number of permanent employees with disabilities  

PEL had 1 permanent employee with disability as on March 31, 2019.
5. Do you have an employee association that is recognised by management  

Yes, we have recognised trade unions at Pithampur, Digwal & Mahad sites that represent the interests of the workmen and staff.
6. What percentage of your permanent employees are members of this recognised employee association?  

At PEL, 13.9% of permanent employees are members of recognized employee associations.
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

The details of cases received under different sections is presented below:

Category	No. of complaints received during the financial year	No. of complaints pending at the end of the financial year
Child Labour/Forced Labour/ Involuntary Labour	0	0
Sexual Harassment	1	0
Discriminatory employment	0	0

As a responsible corporate citizen, PEL does not have nor encourages any form of child labour, forced labour or bonded labour. Through our 'Zero tolerance policy' we ensure that sexual harassment is not tolerated throughout the organisation and the Company has a robust grievance handling mechanism to deal with the same. During the year, 32 awareness programmes against sexual harassment were conducted.

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

PEL understands that employees are the cornerstone to its business and is wholly committed to their wellbeing and development. We lay high importance on being well informed and we incorporate the best employment practices in the industry.

During the reporting year, all permanent and contractual employees posted at our plant sites and corporate offices were given safety training. We at PEL, emphasise on staying well-informed and encourage capability and knowledge building at work. A plethora of learning programmes are conducted to enhance various skill sets amongst our employees. Piramal Learning University (PLU) is the central learning and development platform for the entire group providing behavioral and functional skill building programmes as needed.

Employee category	% of Employees that were given safety training	% of Employees that were given skill up-gradation training
Permanent employees	100	95
Number of Temporary/contractual/ casual Employees	100	70
Number of permanent women employees	100	100
Number of employees with disabilities	100	100

Leadership Development for High Performers: In 2017, PLU's Leadership Academy was institutionalised to augment behavioral and leadership excellence. The flagship Piramal Leadership Series (PLS) programmes were created with the goal of equipping a targeted profile of leaders at every critical career stage with essential leadership skills in line with defined 'Piramal Success Factors'. In year 2 (i.e. during the reporting period), based on feedback from the pilot programmes, changes have been made to the blended journey including a shift to higher learner accountability.

Building Functional Expertise: PLU's functional/business academies focus on structured upskilling of employees on technical skills that are core to their current role. In 2017, this concept was piloted with the launch of HR Academy. Based on key learnings, the framework



is now a lot sharper and more focused, to maximise impact. The journey is also a lot more objective and personalised with the introduction of 'Skill Cards' that report a learner's skill proficiency pre and post the learning journey. The other academies that are currently operational at Piramal include the IT Academy and the Pharma Solutions Business Academies.

At PEL, we are committed to creating a robust succession pipeline through impactful development programmes. PEL Talent function was constituted with an objective "to grow our own leaders" and ensure "every critical role has a ready successor identified and groomed". To support this vision, the SUMMIT, ASCEND and IGNITE programmes were launched to identify and develop high potential talent across senior, mid and junior levels by PEL. We aspire to have 60% of our open positions at senior and mid management staffed by internal promotions of high potentials in a 3 year time frame.

At entry level, we aim to augment the talent pipeline with fresh, high quality external talent and groom them to take on larger leadership roles. At junior, middle and senior management levels, we aim to strengthen our focus on systematically identifying our high potential employees, offering focused development opportunities for them and facilitating internal talent movements across PEL.

**Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantaged, vulnerable, and marginalised.**

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes, PEL has mapped its internal and external stakeholders. We value our stakeholders and the Company's CSR initiatives are aimed at building trust and mutually rewarding partnerships with internal and external stakeholders. We use formal and informal means as engagement channels to reach out to stakeholders on matters that are of concern. Our stakeholders also exhibit some of our core values in implementing processes and form an important part of our journey in becoming a sustainable organisation.

The stakeholders of PEL are listed below:

**Internal**

- Employees

**External**

- Customers
- Shareholders
- Investors
- Regulatory bodies
- Suppliers
- Vendors
- Distributors
- CSR beneficiaries
- Governments
- Knowledge and academic partners
- Government officials, Policy makers
- Headmasters and teachers
- Research organizations
- National/International organisations

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders

Yes, PEL has identified disadvantaged, vulnerable & marginalised stakeholders as listed below:

- Young mothers
- Adolescent girls
- Infants, neonates and children under 5 years
- Pregnant women in tribal setups
- Beneficiaries of age group 30-60 years who are already suffering from diabetes and/or hypertension or are at a risk of such diseases
- Students studying in government primary schools
- Rural community women, parents and youth

PEL cares for the community and has developed a framework for contributing to their overall development. Our CSR Policy defines our purpose of serving the disadvantaged, marginalised, vulnerable groups and weaker sections of the society.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable, and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.

PEL's CSR initiatives are largely conducted through Piramal Foundation for Education Leadership (PFEL) and Piramal Swasthya Management Research Institute (Piramal Swasthya). PFEL and Piramal Swasthya have undertaken special initiatives to engage with identified disadvantaged, vulnerable & marginalised stakeholders. The major interventions undertaken are mentioned below:

**1. Healthcare initiatives**

- a) For Young Mothers, Adolescent girls, Infants, Neonates, Children under 5 years and pregnant women in tribal setups and beneficiaries of age-group 30-60 years who are already suffering from diabetes and hypertension or have a risk of having such diseases:
  - Use of technologies that are cost effective in order to provide healthcare services that reach out to vulnerable and remotely located populations.
  - Support to Government Healthcare Systems by remote health advisory and intervention services and community outreach models. Our engagement with various stakeholders enables larger coverage and deepens the traction with the communities.
  - Door to door interaction, ASHAs (Accredited Social Health Activities)/ANMs (Auxiliary Nurse Midwifery) and other community volunteers spread awareness on healthy practices for patients and encourage them to pass on this knowledge to their friends and family members.
  - Information on healthy practices, immunisation, nutrition and cooking nutritive meals with locally available resources and nearest medical centres is communicated to pregnant women and family members.



- b) Community and influential leaders are made aware about healthy practices to be followed and various services provided by Piramal Swasthya. They are also encouraged to spread awareness throughout the community (including mothers, young children, etc.) to avail the services.

## 2. Education initiatives

- a) Students of government primary schools:  
The major concern for these students is their reduced chances of development of life skills due to an underprivileged economic and social background. In order to address the concerns of the stakeholders, PFEL has developed the following programmes – The School Leadership Development Program, District Transformation Programme and State Transformation Programme which ultimately aim at upliftment of the marginalised sections of society through empowering and training education administrators.
- b) Education officials, headmasters and teachers:  
With the aim to support government school teachers, headmasters, students and parents, 'Virtual Field Support' was started in the reporting year that will provide assistance through outbound and inbound calls.
- c) Rural community parents and youth:  
The primary concern of these groups is social and economic development. The Virtual Field Support Programme focuses on empowering rural women while all the aforementioned programmes aim to improve the life chances of these stakeholders.

## Principle 5: Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The PEL Code of Conduct includes clauses on human rights applicable to all group Companies/suppliers/vendors/NGOs associated with PEL. We recognize that human rights denotes respect for individuals and communities and are committed to safeguarding these rights. PEL respects the dignity of labour and takes efforts in ensuring freedom of association. PEL is an equal opportunity employer and is committed to supporting gender diversity across all levels. All contracts of PEL with suppliers and vendors ensure legal viability and set out the minimum requirements of compliance with clauses on human rights failing which PEL reserves the right to terminate any purchase or other agreement with the contractor. Besides this, we also sensitize our stakeholders on the importance of Human Rights.

2. How many stakeholder complaints have been received in the past financial year on breach of human rights and what percent was satisfactorily resolved by the management?

There have been no complaints against breach of human rights aspects in the reporting period.

## Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others.

The policy related to Principle 6 extends to all permanent and contractual employees, suppliers and vendors. PEL accords highest priority to employee health, safety and protection of environment and has the below policies in place:

- Environment, Health & Safety Policy
- Sustainable Development Policy

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Yes, PEL has recognised potential for harm caused by climate change, including rising sea levels, fresh water scarcity, severe weather events, and adverse public health impact. We understand the implications of climate change and aspire to minimise its impact on the environment and maximise the effective use of resources. We have developed the CORE programme that is a cornerstone for all sustainability practices at PEL. A robust governance framework comprising a Governance Committee, Global Sustainability Coordinator, Site Sustainability Sponsor, Site Sustainability Lead and Site Sustainability Champions ensure effective implementation of various initiatives. Details on CORE can be found on our website: <http://piramalpharmasolutions.com/environment-health-safety>

Few initiatives that have been undertaken at PEL are mentioned below:

- a) With the aim to make our supply chain more sustainable, key suppliers were identified and were guided towards incorporation of sustainability initiatives into their operations. A number of programmes aimed at sensitising suppliers and creating awareness has been implemented. Sustainability performance scorecards have also been prepared to measure the performance of key suppliers.
- b) PEL monitors its direct energy consumption and indirect energy consumption GHG Emissions periodically through internal systems. We calculate these emissions based on the internationally adopted accounting framework set by the GHG Protocol. We aim to identify, quantify and disclose our GHG emissions with these systems.
- c) PEL continues to capture data on tree species and tree numbers under the tree census programme.
- d) PEL is committed to procuring and using energy in an efficient, cost effective and environmentally responsible manner. Conservation of energy through energy efficient equipment forms the basis of our energy efficiency policy for which PEL has installed the latest energy efficient

technologies for its operations. For instance, at our Digwal plant providing auto On/Off interlock to cooling tower fans with supply water temperature helped to reduce evaporation loss. This has resulted in reduced power consumption, evaporation loss and operating costs.

3. Does the Company identify and assess potential environmental risks? Y/N

Yes, PEL identifies climate change, scarcity of water and other environmental risks that can impede business operations and impact the future growth of the Company. Energy cost and availability is also a concern for the Company. The changing weather patterns, extreme events like floods and droughts can cause disruption in logistics, material sourcing and affect our entire supply chain. We have been recording our energy consumption over the last few years in order to help achieve our year 2030 public goal of a 5% reduction in energy consumption from a year 2015 baseline. Assessment of viable energy efficient projects like renewables for our existing plants and processes is a key focus area for PEL.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No, PEL does not have any projects registered with the United Nations Framework Convention on Climate Change (UNFCCC) as a Clean Development Mechanism (CDM) project in the reporting year. However, we are committed to continual improvement of environmental performance of our activities, products and services and prevention of pollution. PEL has set targets for itself for reducing GHG Emissions, waste disposal, energy usage and water withdrawal in addition to using alternate sources of energy and risk review for sustainable design which is outlined in our Sustainable Development Policy.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page, etc.

Yes, PEL has established Energy Efficiency Guidelines, an objective of which is to reduce energy consumption through vigilant energy management and for the adoption of emerging efficient renewable technologies. We also understand the responsibility of a business to conserve energy and take into consideration various aspects such as environment, manufacturing and costs while exploring new possibilities in energy conservation. PEL has undertaken various initiatives on clean technology, energy efficiency and renewable energy at various locations of its operations.

The measures introduced by PEL for conservation of energy at its plant locations is contained in the Report on Conservation of Energy and Technology Absorption which forms part of the Board's Report. The weblink to the same is:

<http://www.piramal.com/investor/overview>.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

PEL is mindful of its responsibilities towards the environment in which it operates and endeavours to protect and conserve the same to the best of its ability and continued to do so during the reporting period.

7. Number of show cause or legal notices received from CPCB or SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

PEL has no pending show cause or legal notices from CPCB/SPCB as on March 31, 2019.

### Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, PEL is a member of the following Trade and Chamber associations in India:

- Confederation of Indian Industry – (CII)
- Associated Chamber of Commerce and Industry – (ASSOCHAM)
- World Economic Forum
- Bulk Drug Manufacturers Association India
- National Safety Council
- Federation of Indian Chambers of Commerce & Industry – (FICCI)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

Yes, PEL through its association with industrial chambers advocates issues related to societal causes. We work towards the advancement/improvement of public good through our CSR activities. The Senior Management represents PEL in various industry forums and is cognisant of the responsibility they shoulder as they engage in constructive dialogues and discussions. They ensure that they refrain from influencing public policy with vested interests.

### Principle 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, the Company has specified initiatives in pursuit of the policy related to Principle 8.

# BUSINESS RESPONSIBILITY REPORT

PEL is committed to contributing towards the development of the community and society at large. Corporate Social Responsibility at PEL is steered by our CSR policy which profiles the vision of the Company in playing a meaningful role in public welfare. We have developed programmes and initiatives for the communities associated with us. The major focus areas of our CSR initiatives include:

- Healthcare
- Education
- Gender equality
- Rural development
- Women empowerment

PEL has an ongoing Employee Social Impact (ESI) programme coordinated by Piramal Foundation (a company registered under Section 8 of the Companies Act, 2013) which provides volunteering opportunities to its employees. ESI is an attempt that envisages to foster a sense of responsibility and provide opportunity to the employees of the Piramal Group towards being socially responsible at an individual level for strategic volunteering. In FY 2018-19 a total of 60,569 employee volunteering hours were recorded under the ESI programme.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

PEL's CSR initiatives during the reporting year were undertaken through its CSR partners, PFEL and Piramal Swasthya.

The entities that we are associated with for carrying out particular initiatives have been listed below:

- Remote Health Advisory & Intervention Services – Government bodies
- Community Outreach Programme (Mobile Medical Vans) – Government bodies, External NGOs
- Telemedicine – Piramal Swasthya, Government bodies, External NGOs
- ASARA Tribal Health Programme – Piramal Swasthya
- DESH (Cancer Screening Program) – Piramal Swasthya
- AMRIT – Piramal Swasthya
- District Transformation Programme – PFEL
- State Transformation Programme – PFEL
- School Leadership Development Programme – PFEL
- Virtual Field Support – PFEL

3. Have you done any impact assessment of your initiative?

Yes, impact assessments of key CSR initiatives is undertaken by PEL. These initiatives are intended to have large beneficiaries and are aimed at serving the interests of community welfare. The projects associated with healthcare are assessed for their outcomes based on beneficiary registrations, number of consultations provided and individual patient disease management provided by customised patient treatment. Progress made in health education and the condition of the beneficiaries is gauged through healthy practices, increase in number of institutional deliveries, visits made to health facility centres which ultimately leads to decline in the Maternal Mortality and Infant Mortality Rates (MMR and IMR) in the

targeted areas. Third-Party Assessments are conducted that provide feedback relating to scope for improvement of the programme. This forms the basis of constituting and framing future initiatives.

The School Leadership Development Programme conducts its impact assessment on the improvement in the learning levels of students through third party assessment. The impact assessment of the rest of the stakeholders is done in consultation with experts of impact assessment.

4. What is your Company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken

For the year ended March 31, 2019, PEL's contribution to community development projects through its CSR partners, PFEL and Piramal Swasthya ₹ 31.20 Crores.

**A] Healthcare:** Piramal Swasthya delivers primary healthcare service by means of its creative services. It is one of the foremost entities to effect Public Private Partnerships (PPP) in India with a presence across 14 states comprising of a formidable workforce of over 3,700 which includes over 450 doctors and medical professionals. The present partnerships with various corporate & government bodies and public sector organisations provides aids in enhancing the outreach and deepening the penetration of our programmes within communities, thus increasing the scope of beneficiaries served.

**a) Remote Health Advisory & Intervention Services**

This service aims at providing validated health and medical advice especially to vulnerable sections of society through toll free health helpline numbers and Mother and Child Tracking System (MCTS) across 7 states. Further, patients receive counselling services, request directory information like list of hospitals and services offered and can lodge a complaint against any public health system facility.

Health Information Helpline is a health contact centre that provides 24X7 basic medical advice and counseling services alongside our front-line programmes like MCTS and HIV/AIDs counseling. Piramal Swasthya handles over 30,000 calls daily through its helplines. Piramal Swasthya tele-medicine services through its 30 centres, virtually connects doctors to patients and reduces the need for highly-skilled health workers where they are scarce. The entity will also be launching 50 additional Telemedicine centers with Government of Himachal Pradesh on World Health Day 2019.

**b) Community Outreach Programme (Mobile Health Services)**

This service aims at tackling barriers faced by rural people in accessing primary healthcare. Mobile medical vans equipped with medical devices, medicines, Doctors, paramedics and health workers are frequently deployed to remote rural and tribal villages that have no access to public healthcare. Resources are used to screen, make referrals, mobilise and follow up treatment of patients with risk of chronic diseases, maternal or child health

care services and minor ailments. Diagnostic and lab tests are conducted and test reports are uploaded to the Electronic Health Record in real time that is very useful for the clinical management of diseases and conditions. This programme currently operates over 417 mobile medical units across 14 states. These mobile health services are also employed as CSR facilitation for a some public and private sector organisations such as Shriram Transport Finance Company Limited (STFCL), Ujjivan Financial Bank Ltd., etc. The delivery of services ensure the availability of quality healthcare services for employees and their families who are in the vicinity of our major manufacturing sites. This programme also reaches out to the remotely located and isolated habitations in need of primary healthcare.

**c) ASARA Tribal Health Programme**

Started in 2011, Piramal Swasthya as part of its Mother and Child initiative, launched the ASARA Tribal Health Programme which focuses on the 45,000+ tribal population in 181 remote habitations of Araku valley in Andhra Pradesh. This initiative aims to combat tribal healthcare challenges and deliver primary healthcare to inaccessible tribal belts. Mobile health workers travel to remote habitations while specialist doctor consultations are facilitated through telemedicine centres. The programme now aims to cover more than 2.5 lakh people in 1,179 habitations across 11 mandals of the entire tribal belt starting with Paderu and Chintapalle.

The Programme’s Gosthani Nutrition intervention brings awareness of the importance and benefits of healthy and nutritious diet. Dedicated community nutrition hubs have been set up to help prepare and preserve nutritional, traditional, and local food items for families. The programme is also actively working with the Integrated Tribal Development Agency and Integrated Child Development Services teams locally to address the challenges of the tribal location including initiatives such as trainings and capacity building, community based interventions for better engagement, awareness and education of local population.

**d) DESH (Cancer Screening Programme)**

D.E.S.H. Cancer Screening Programme creates awareness and screens the community in Kamrup, Assam for oral, breast and cervical cancer. The programme is implemented through mobile screening units, which are provided with the best equipment, including a mammography unit and are staffed by doctors, nurses and radiographers. Patients are screened and those who test ‘positive’ are treated. Tracking and follow-up of the treatment plan is also undertaken. Patients identified with cancer are referred to Cancer Institute for treatment.

Piramal Swasthya’s D.E.S.H. programme covers a population of 15 lakh people in the rural remote villages of Kamrup. Community outreach, education & mobilisation, screening for cancer, referral and mobility for treatment at cancer hospital, continuous tracking and follow-up are the key

components of the program. The programme has screened around 6,000 beneficiaries in Kamrup, of which 203 people have been diagnosed as ‘positive’. The D.E.S.H. programme team at Dr. B. Borooah Cancer Institute (BBICI) follows up with the identified patients through a dedicated helpline, and ensures support during cancer diagnosis and treatment procedures. This also ensures a closure of the referral loop, and end-to-end cancer care to communities.

**e) Prerona – Integrated Healthcare Delivery Model**

This initiative screens and offers validated healthcare services and specialist consultation through Mobile Telemedicine in the Majuli (Jorhat) region of Assam where the maternal and infant mortality rates are higher than the rest of Assam. The programme seeks to provide remote specialist consultation services for Antenatal Care (ANC), Reproductive, Maternal, Newborn, Child and Adolescent Health (RMNCH+A), Diabetes and Hypertension and Non Communicable Diseases (NCDs) through Mobile telemedicine connecting to a Specialist Doctor based Guwahati. Beneficiaries are provided a state-of-the-art innovative communication unit. The Mobile Telemedicine Service (MTMS) unit enables a connection to the specialist remotely through video calling facility. The programme has a potential to be expanded to other districts apart from Majuli in the near future.

**f) Accessible Medical Record via Integrated Technologies (AMRIT)**

AMRIT is a technology platform developed by Piramal Swasthya to create and store electronic medical records of beneficiaries for providing primary healthcare. Beneficiaries are given unique IDs that facilitate referral mechanism in the public health system and enable them to receive healthcare services in a way that is available, accessible and affordable. By creating unified health records, beneficiaries from any location can avail services at a variety of platforms and healthcare facilities such as 104 Health Information Helpline, Mother & Child Tracking Services, 1,097 HIV/AIDS Helpline, Community Outreach Programs through Mobile Medical Units among others.

By seamlessly integrating with public health programmes, AMRIT can facilitate data sharing among various healthcare service providers and Government schemes like Ayushman Bharat, thereby enabling better and faster interventions and continuation of life-saving services. The quality of data obtained helps in better tracking, analysis, projection and designing interventions. Moreover, it can be integrated with mobile platforms and scaled up to serve secondary and tertiary health facilities. AMRIT paves the way for a cost effective technology platform to manage complex health data while providing available, accessible and affordable healthcare to the masses.

**B] Education:** PFEL has formed programmes that are intended to meet the educational requirements of different sections of the community:

**a) District Transformation**

By building the capacity of the coaches and facilitators, the District Transformation Programme aspires to improve student learning outcomes by strengthening teachers' capabilities. PFEL partnered with NITI Aayog and the State Government of Rajasthan, Maharashtra and Gujarat to enable more than 15,000 middle managers of the government primary education system. These interventions are impacting more than 54,744 schools and 64,75,900 students.

**b) State Transformation Program**

State Transformation Programme (STP) aims to enhance the institutional capacities of State level Educational Institutions to sustainably build a skilled and engaged teacher workforce. The programme collaborated with the state government of 10 states to strengthen the capabilities of state level education institutions. This programme refines organisational structures, capabilities, people policies and processes to build the leadership capabilities of more than 2000 education officials across all the states.

**c) School Leadership Program**

By developing leadership skills of school heads, the School Transformation Programme aims to improve student learning outcome by developing leadership skills of school heads, teaching skills of teachers and by engaging with the community in the school development process. PFEL has partnered with many governments, corporates and educational institutions to impact more than 1,400 schools and over 4,50,000 students under School Leadership Development Program. This has been implemented in the States of Rajasthan, Gujarat, Maharashtra, Haryana and Uttarakhand. There has been an improvement in the learning levels in Math and Language subjects. Simultaneously, the programme has established two innovation hubs in the district of Churu, Rajasthan for researching and developing Social Emotional Learning and its integration within current education system.

**d) Virtual Field Support Program**

Virtual Field Support Programme aims improve the lives of women and children by handholding last mile workers to provide quality services in education, health, livelihood and social protection. The programme has established 8 empathetic call centers by developing more than 210 community women to provide support to more than 50,000 government education officials and parents of the students across 4 states of Jharkhand, Madhya Pradesh, Rajasthan and Gujarat. More than 35,600 calls were completed to provide support to teachers, Head Masters and middle managers of government education system.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes, PEL through its CSR partners, has undertaken steps to ensure that the community development initiatives are adopted successfully by the community. The details are as follows:

**a) Healthcare programmes:**

Communities are informed about the services through door to door interactions and education by our field staff. Pregnant women and their family members are also educated on healthy practices to be followed and importance of nutrition during and post pregnancy. Interaction is kept culture sensitive to build strong rapport with the communities. Consistent engagement is ensured and fixed day visits are made to each village and habitation. The programme also aims at expanding Information Education Communication (IEC) services by conducting awareness campaigns, street plays for target beneficiaries with a focus on behaviour change and demand generation. PEL's CSR partners build capacities of health system for quality service delivery in turn increasing access to comprehensive care, support and treatment and strengthen health management information systems. Through our community outreach program, awareness on telemedicine and specialists services is provided to the communities.

**b) Education:**

The School Leadership Development Programme strives to ensure that the community participates in the governance of the school processes. In addition to this, the programme also aims to strengthen the school management committees and the school alumnus to act as resource people for school while actively participating in its governance processes.

The Virtual Field Support Centers ensure community ownership of initiatives by onboarding women from the community itself and then enhancing their capacity of communication, education and technology learning.

PEL monitors CSR projects on regular intervals from the project inception stage till completion. Post project closure, PEL keeps track on impact of its CSR projects on the beneficiaries. Through our impact assessment we try to understand the gaps in the project and address them in future initiatives.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1. What percentage of customer complaints/consumer cases are pending as at the end of financial year?

There are no consumer complaints pending as at the end of the financial year under review.

PEL strives to provide world class and cost effective products to all its customers. We understand that customers are central to our business and endeavour to provide them with best



services. Customer grievances are given paramount importance at PEL. The consumer products division is a front runner in the pharmaceutical industry that possesses a 24x7 customer care center that is facilitated in full effect with an automated routing and recording system. This has a robust mechanism to handle queries and complaints of the stakeholder. For the purpose of delivering resolution within a defined Turn Around Time ('TAT'), an escalation matrix has been designed. The Customer Relationship Model that we have developed is fundamentally based on 2 approaches:

In-case of query: The Customer Care Associate ('CCA') is equipped with a robust and effective FAQ arrangement in order to address the query raised by the stakeholder. In the event that the query is not a component of the FAQs, a validating response is provided within 24 hours as per the escalation matrix.

In-case of complaints: The CCA complaints are recorded and gathers the necessary data that is required for taking remedial measures. In case the response from CCA is not satisfactory, we have developed a three level escalation matrix to enable speedy and satisfactory response to the stakeholder.

We also obtain a Customer Satisfaction ('C-Sat') score from the stakeholder to rate the experience level and for closure of the complaint in case of query or a complaint.

2. Does the company display product information on the product label, over and above what is mandated as per local laws?  
Yes/No/N.A./Remarks(additional information)

Yes. The PEL consumer products division follows all applicable mandatory laws & regulations related to product information and labelling. The toll free consumer care number is displayed on the packaging of the product and the company routinely checks it for any query or grievance. As a means to improve product labelling, we display information with respect to product properties, usage instructions and precautions to be followed. This forms a part of the product packaging or is separately provided as a patient information leaflet.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There are no cases pending against PEL by any stakeholder regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior as on March 31, 2019.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

Yes, PEL recognises that customer satisfaction is centric to its operations and carries out consumer survey/consumer satisfaction trends.

#### Pharmaceutical Division

PEL has shifted its attention from being "Product focused" to "Customer focused". This enables us to be customer centric and meet all expectations by exploring new possibilities for

advancing our processing, communication and reporting. This puts us in a position where we can interpret and predict customer needs and implement leveraging solutions that incorporate automated and prompt insights about the whole customer division. Our belief is that the success of the business depends on the need of our product by the customer or for the end consumers.

Using NPS (Net Promoter Score) metrics, PEL has introduced a robust feedback mechanism which assists it in calculating customer loyalty. It is distinctive and is one of the first in its segment in CRAMS business.

The CES (Customer Effort Score) is recorded which acts as an indicator of the effort taken by the customer in order to push the matter through for resolution. A high CES score signifies that we have simplified the process for our customers to employ the services.

Using the AQSCI (Assurance, Quality, Service, Value, Innovation and People) model for all businesses on Qualtrics platform we have implemented a system to generate Customer Experience (CX) Insights via voice of customer (VOC) which was designed & rolled out as a centralised automated customer satisfaction survey in accordance to the needs of the customer. A Platform to improve CSI (such as Customer Satisfaction Index Score & reporting gaps, area ownership, action planning, etc.) was configured and put into practice. We involve the customer in every phase of the customer satisfaction process including corroborating the survey responses, developing a roadmap strategy and in completing the feedback loop.

PEL has made considerable advancements in its endeavour to build a customer centric philosophy particularly focusing on accomplishment and scientific excellence while establishing an organization with a wide ranging portfolio of services that is demanded by our global customers. Our customers have started considering PEL as the 'Partner-of-Choice' for their external needs, from Discovery through Commercialisation.

We also conduct partner satisfaction surveys that are utilised for internal purposes.

With the purpose of resolving customer grievances on call, technical issues such as understanding of the customer grievance, usage of correct language, listening to the grievance attentively as well as joining calls on time are assessed to enhance the quality of the interaction with our customers. Workshops on customer centricity are organized for customer facing teams to embellish their capabilities in managing an efficient grievance cell.

#### Consumer Products Division (CPD)

To gauge our performance as a consumer centric company, the CPD consumer feedback and satisfaction act as important indicators. The satisfaction levels from the C-Sat metrics are obtained from feedback evaluation of customer surveys in regard to our services. This division emphasises on timely resolution to all customers and stakeholders within the TAT.