Walker Chandiok & Co LLP
Chartered Accountants
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S B Marg, Prabhadevi (W)
Mumbai - 400 013

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Chartered Accountants
E 2001, 20th Floor, Lotus Corporate Park
Ram Mandir Station Road, Goregaon East
Mumbai - 400 063

Independent auditor's certificate on the proposed accounting treatment included in the draft composite scheme of arrangement and capability of the resultant entity for payment of interest and repayment of principal of non-convertible debentures pursuant to SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 and SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated 29 July 2022 as amended from time to time ('the SEBI circulars'), and Sections 230 to 232, Section 66 and Section 52 read with other applicable provisions of the Companies Act, 2013, and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

To,
The Board of Directors,
Piramal Capital & Housing Finance Limited
601, 6th Floor, Amiti Building, Agastya Corporate Park,
Kamani Junction, Opp. Fire Station
LBS Marg, Kurla (W)
Mumbai – 400070.

1. This certificate is issued in accordance with the terms of our engagement letter dated 16 April 2024 with Piramal Capital & Housing Finance Limited ('the Company' or 'the Transferee Company' or 'the resultant entity').

2. We, the statutory auditors of the Company, have examined the proposed accounting treatment specified in Clause 7 and clause 17 of the draft composite scheme of arrangement between the Company and Piramal Enterprises Limited ('the Transferor Company') and their respective shareholders and creditors (hereinafter referred to as the 'Draft Scheme') as approved by the Board of Directors in their meeting held on 08 May 2024, in terms of the provisions of the SEBI circulars, Sections 230 to 232, Section 66 and Section 52 read with other applicable provisions of the Companies Act, 2013 ('the Act') and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ('the rules') with reference to its compliance with the accounting standards prescribed under Section 133 of the Act, relevant rules issued thereunder (the 'applicable accounting standards') and other generally accepted accounting principles in India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('SEBI LODR').

   A certified true copy of the Draft Scheme, as attached herewith as Appendix 1, with the proposed accounting treatment specified in Clause 7 and Clause 17 of the Draft Scheme, and the accompanying statement prepared by the Company's management containing the assessment of the capability of the resultant entity as at 31 March 2024 for payment of interest and repayment of principal of non-convertible debentures issued by the transferor company and transferee company as included in the accompanying Statement ("the Statement'), examined by us pursuant to the SEBI circulars, as attached herewith in Appendix 2, have been initialed and stamped by us for identification purpose only.

Management's Responsibility

3. The responsibility for the preparation of the Draft Scheme and the Statement, and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Draft Scheme and the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

4. The management is also responsible for ensuring that the Company complies with the requirements of the Act and the rules, the SEBI LODR, the SEBI circulars, the applicable accounting standards and other generally accepted accounting principles in India, in relation to the Draft Scheme and the Statement, and for providing all relevant information to the relevant National Company Law Tribunal(s), the SEBI, the BSE Limited, and the National Stock Exchange of India Limited (hereinafter referred to as 'the stock exchanges').

CERTIFIED TRUE COPY
For Piramal Capital & Housing Finance Limited
Company Secretary

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Auditor's Responsibility

5. Pursuant to the requirements of the relevant laws and regulations and SEBI Circular, it is our responsibility to provide a reasonable assurance in the form of an opinion as to whether:

i) the proposed accounting treatment specified in Clause 7 and clause 17 of the Draft Scheme complies, in all material respects, with the SEBI LODR, the SEBI circulars, and the applicable accounting standards and other generally accepted accounting principles; and

ii) the declaration given by the management as included in the accompanying statement regarding capability of the resultant entity for payment of interest and repayment of principal of non-convertible debentures as at 31 March 2024, is, in all material respects, fairly stated.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

8. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the subject matter. The procedures selected depend on the auditor's judgement, including the assessment of the risk associated with the matters mentioned in paragraph 5 above. We have performed the following procedures in relation to such matter:

a) Obtained the Draft Scheme from the management of the resultant entity;
b) Reviewed the proposed accounting treatment as per Clause 7 and Clause 17 of such Draft Scheme therein.
c) Obtained the Statement prepared by the Management of the Company;
d) Obtained the audited financial statements as of 31 March 2024 of the Transferee Company and the Transferor Company;
e) Read the auditor's report of the Transferor Company on the financial statements as at and for the year ended 31 March 2024 for any qualification/adverse comments that may impact the payment of interest and repayment of principal amount of Non-Convertible Debentures of the Transferor Company;
f) Read and taken note of the unmodified opinion issued vide certificate dated 8 May 2024 along with accompanying annexure, issued by the statutory auditors of the Transferor Company in relation to the Transferor Company's capability for payment of interest and repayment of principal amount of Non-Convertible Debentures of the Transferor Company;
g) Obtained the Credit Ratings of the Transferee Company and Transferor Company as stated below and observed the category of ratings of the Transferor Company and Transferee Company:

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Ratings of the Transferee Company: -

Sr. No.	Credit Ratings Issued By	Issued on	Date of Issuance	Ratings Assigned
1.	ICRA Limited	Non-Convertible debentures	December 29, 2023	ICRA AA(Stable)
2.	CARE Ratings Limited	Non-Convertible debentures	December 05, 2023	CARE AA(Stable)
3.	ICRA Limited	Subordinated Bond (Tier II)	December 29, 2023	ICRA AA(Stable)
4.	CARE Ratings Limited	Subordinated Bond (Tier II)	December 05, 2023	CARE AA(Stable)
5.	ICRA Limited	Market Linked Debenture	December 29, 2023	PP-MLD ICRA AA (Stable)
6.	CARE Ratings Limited	Market Linked Debenture	December 05, 2023	CARE PP-MLD AA (Stable)
7.	ICRA Limited	Retail Non-Convertible debentures	December 29, 2023.	ICRA AA(Stable)
8.	CARE Ratings Limited	Retail Non-Convertible debentures	December 05, 2023	CARE AA(Stable)
9.	ICRA Limited	Long term Bank facilities	December 29, 2023	ICRA AA(Stable)
10.	CARE Ratings Limited	Long term Bank facilities	December 05, 2023	CARE AA(Stable)
11.	CARE Ratings Limited	Inter Corporate Deposits	December 05, 2023	CARE A1+
12.	CRISIL Limited	Commercial papers	September 22, 2023.	CRISIL A1+
13.	CARE Ratings Limited	Commercial papers	December 05, 2023	CARE A1+

Ratings of the Transferor Company: -

Sr. No.	Credit Ratings Issued By	Issued on	Date of Issuance	Ratings Assigned
1.	ICRA Limited	Non-Convertible Debentures (Long Term)	January 22, 2024	ICRA AA(Stable)
2.	CARE Ratings Limited	Non-Convertible Debentures (Long Term)	February 20, 2024	CARE AA(Stable)
3.	ICRA Limited	Non-Convertible Debentures (Retail)	January 22, 2024	ICRA AA(Stable)
4.	CARE Ratings Limited	Non-Convertible Debentures (Retail)	February 20, 2024	CARE AA(Stable)
5.	ICRA Limited	Non-Convertible Debentures (Short Term)	December 29, 2023	ICRA A1+
6.	CARE Ratings Limited	Non-Convertible Debentures (Short Term)	February 20, 2024	CARE A1+
7.	CRISIL Limited	Commercial Papers	March 22, 2024	CRISIL A1+
8.	CARE Ratings Limited	Commercial Papers	February 20, 2024	CARE A1+
9.	ICRA Limited	Long term bank facilities	January 12, 2024	ICRA AA(Stable)
10.	CARE Ratings Limited	Long term bank facilities	October 13, 2023	CARE AA(Stable)
11.	ICRA Limited	Short Term Bank facilities	January 12, 2024	ICRA A1+
12.	CARE Ratings Limited	Short Term Bank facilities	October 13, 2023	CARE A1+
13.	CARE Ratings Limited	Inter Corporate Deposits	October 13, 2023	CARE A1+
14.	CARE Ratings Limited	Market Linked Debenture	October 13, 2023	CARE PP-MLD AA (Stable)

h) Evaluated the design and implementation and tested the operating effectiveness of controls with respect to the borrowings including NCDs, loan assets, cash and bank, investment balances of the Transferee Company and verifying the underlying documents/reports;

i) Obtained the workings of structural return workings of Assets liability of Transferee Company and Transferor Company as at 31 March 2024;

j) On sample basis verified the scheduled repayment of contractual balances of borrowings including NCDs (including interest thereon) and other liabilities of Transferee Company from the relevant agreements and term sheets;

k) On sample basis verified the expected cash flows and repayment schedule of principal of loans granted (including interest thereon), cash and bank balances, investments and other assets of Transferee Company from the relevant agreements and term sheets;

l) Noted that basis the procedures performed as above, on cumulative basis, the expected cash inflows from the assets of the Transferee Company and Transferor Company are higher than the expected cash out flows towards the liabilities of the Transferee Company and Transferor Company; and

m) Read the minutes of the Board Meetings of the Company held during the period 1 April 2024 to 8 May 2024.

n) Performed inquiries and obtained necessary representations from the management of the Transferee Company and the Transferor Company.

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Opinion

9. Based on our examination as above and according to the information and explanations given to us, along with the representations provided by the management of the Transferee Company and the Transferor Company, in our opinion,
    a. the proposed accounting treatment specified in clause 7 of the Draft Scheme, relating to the acquisition of the Transferor Company by the Transferee Company, is, in all material respects, in compliance with the SEBI LODR, the SEBI circulars, the applicable accounting standards and other generally accepted accounting principles in India.

    b. the proposed accounting treatment specified in clause 17 of the Draft Scheme, relating to capital reduction is not directly addressed by the applicable accounting standards but is, in all material respects, in compliance with other generally accepted accounting principles in India.

    c. the declaration given by the management as included in the accompanying Statement regarding capability of the resultant entity for payment of interest and repayment of principal of non-convertible debentures as at 31 March 2024, is, in all material respects, fairly stated. We, further state that this is not an assurance as to the future viability of the resultant entity. Our opinion above is based on the facts upto the date of this certificate and we neither give any guarantee nor any assurance that all liabilities will get discharged by the resultant entity as and when they fall due.

Restriction on distribution or use

10. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the provisions of the SEBI LODR, the SEBI circulars, Sections 230 to 232, Section 66 and Section 52 read with other applicable provisions of the Act read with the rules, for onward submission along with the Draft Scheme to the SEBI, the stock exchanges, and the relevant National Company Law Tribunal(s). Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.

11. This certificate is issued at the request of the Company's management for onward submission along with the Draft Scheme to the SEBI, the stock exchanges, and the relevant National Company Law Tribunal(s). Accordingly, this certificate may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rakesh Rathi
Partner
Membership No.: 045228

UDIN: 24045228BKGPLS1707

Place: Mumbai
Date: 8 May 2024

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Hitesh Garg
Partner
Membership No.: 502955

UDIN: 24502955BKEHVN5897

Place: Mumbai
Date: 8 May 2024

Appendix - 1

COMPOSITE SCHEME OF ARRANGEMENT

(UNDER SECTIONS 230 TO 232 READ WITH SECTION 52, SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013)

AMONGST

PIRAMAL ENTERPRISES LIMITED

AND

PIRAMAL CAPITAL & HOUSING FINANCE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PART A – GENERAL

I. PREAMBLE AND OVERVIEW OF THE SCHEME

(a) This composite scheme of arrangement is presented under Sections 230 to 232 read with Section 52, Section 66 and other applicable provisions of the Act (*as defined hereinafter*) read with Section 2(1B), and other applicable provisions of the IT Act (*as defined hereinafter*), amongst Piramal Enterprises Limited, Piramal Capital & Housing Finance Limited, and their respective shareholders and creditors.

(b) This Scheme (*as defined hereinafter*) provides for the following:

(i) the amalgamation of the Transferor Company (*as defined hereinafter*) into the Transferee Company (*as defined hereinafter*) and dissolution of the Transferor Company, and the consequent issuance of the Merger Consideration Shares (*as defined hereinafter*) to the shareholders of the Transferor Company in accordance with this Scheme;

(ii) adjustment of debit balance of amalgamation adjustment reserve account in the books of the Transferee Company; and

(iii) various other matters consequential or otherwise integrally connected therewith.

II. INTRODUCTION

(a) PEL (*as defined hereinafter*) was incorporated on 26 April 1947 under the provisions of the Indian Companies Act, 1913, and is a public company within the meaning of the Act. The registered office of PEL is at Piramal Ananta, Agastya Corporate Park, Kamani Junction, LBS Marg, Kurla (West), Mumbai - 400070, Maharashtra, India. PEL is registered with the RBI (*as defined hereinafter*) as a non-deposit taking Non-Banking Finance Company Investment and Credit Company ("**NBFC-ICC**") having registration certificate no. N-13.02432 under Section 45-IA of the Reserve Bank of India Act, 1934. PEL is engaged in the business of providing diversified financial services. The equity shares of PEL and the PEL Debentures (*as defined hereinafter*) are listed on the Stock Exchanges (*as defined hereinafter*) and the PEL Commercial Papers (*as defined hereinafter*) are listed on the National Stock Exchange of India Limited.

(b) PCHFL (*as defined hereinafter*) was incorporated on 11 April 1984 under the provisions of the Companies Act, 1956 and is a public company within the meaning of the Act and is registered as a housing finance company ("**HFC**") with the RBI. The registered office of PCHFL is at 601, 6th Floor, Amiti Building, Agastya Corporate Park Kamani Junction, Opp. Fire Station, LBS Marg, Kurla (West), Mumbai - 400070, Maharashtra, India. PCHFL is a wholly owned subsidiary of PEL. PCHFL's business comprises (i) housing finance, (ii) corporate lending, (iii) retail lending and (iv) real estate lending. The PCHFL Debentures (*as defined hereinafter*) are listed on the Stock Exchanges and the PCHFL Commercial Papers (*as defined hereinafter*) are listed on the National Stock Exchange of India Limited.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

PIRAMAL CAPITAL & HOUSING FINANCE LTD.

TR Chadha & Co. LLP MUMBAI Chartered Accountants

III. BACKGROUND AND RATIONALE OF THIS SCHEME

(a) Background:

(i) Pursuant to the audited financial statements for the financial year ended 31 March 2024, the Transferee Company does not meet the requisite Principal Business Criteria ("**PBC**") prescribed by the RBI under the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, to continue operating as an HFC. Accordingly, the board of directors of the Transferee Company has approved the conversion of the Transferee Company from an HFC to an NBFC-ICC and the Transferee Company has made an application to the RBI for such conversion. Upon receipt of the NBFC-ICC license, there will be 2 (two) distinct NBFC-ICCs in the group, and as such the RBI may not permit the group to have 2 (two) NBFC-ICCs.

(ii) Further, as per the RBI's (Non-Banking Financial Company – Scale Based Regulation) Master Directions, 2023 ("**Scale Based Regulations**"), all Non-Banking Financial Companies ("**NBFCs**") identified as upper layer NBFCs are mandatorily required to be listed within 3 (three) years of being identified as an upper layer NBFC. The Transferee Company has been identified as an upper layer NBFC, and accordingly, is required to be listed prior to 30 September 2025 as per the Scale Based Regulations.

(iii) Accordingly, the Transferor Company and Transferee Company have proposed to enter into a composite scheme of arrangement under Sections 230 to 232 read with Section 52, Section 66 and other applicable provisions of the Act. The Scheme, *inter alia*, provides for (A) the amalgamation of the Transferor Company with the Transferee Company, (B) adjustment of debit balance of amalgamation adjustment reserve account in the books of the Transferee Company, and (C) various other matters consequential or otherwise integrally connected therewith.

(b) Rationale for the amalgamation:

(i) Pursuant to the audited financial statements for the financial year ended 31 March 2024, the Transferee Company does not meet the requisite PBC to continue operating as an HFC. The Transferee Company is in the process of making an application to the RBI for conversion of its HFC license to a NBFC-ICC license. Upon receipt of the said license, the Transferee Company will operate as an NBFC-ICC resulting in two distinct NBFC-ICCs in the group (i.e. PEL and PCHFL), and as such the RBI may not permit the group having two NBFC-ICCs.

(ii) Further, as per the Scale Based Regulations, the Transferee Company is required to be listed prior to 30 September 2025.

(iii) Accordingly, the Transferor Company and Transferee Company are now proposing to enter into a composite scheme of arrangement whereby the Transferor Company will amalgamate with the Transferee Company.

(iv) Upon the Scheme becoming effective, the Transferor Company will amalgamate with the Transferee Company, and the Transferee Company will be listed on a recognised stock exchange thereby ensuring compliance with applicable RBI regulations.

(v) The amalgamation of the Transferor Company with the Transferee Company would be a seamless transition, as the Transferee Company has significantly larger scale of operations and wider geographical presence, as compared to the Transferor Company. This is evident given that:

(A) the Transferee Company's interest income and assets under management ("**AUM**") constitute 79.9% (seventy nine point nine percent) and 77.2% (seventy seven point two percent) of the Transferor Company and Transferee Company's aggregate interest income and AUM, respectively.

(B) the Transferee Company originates almost the entire credit portfolio of the Transferor Company and Transferee Company through its wide network which constitutes 99% (ninety nine percent) of the overall network. The Transferee Company also houses more than 95% (ninety five percent) of the aggregate employees of the Transferor Company and Transferee Company.

(C) the amalgamation of the Transferor Company with the Transferee Company would entail lesser disruptions in the retail lending business of the Transferee Company. This approach would also substantially reduce the administrative and operational challenges that would arise in otherwise consolidating the infrastructure and assets of both companies, given the extensive scale of operations of the Transferee Company.

(vi) The amalgamation would lead to optimisation in supervisory and management overlap, minimisation of regulatory and legal compliances with respect to business registrations and labour laws.

(vii) The amalgamation would result in having a unified approach to customer interactions, as well as lender engagement under a single platform which would further simplify operations, thereby enhancing customer and lender servicing experiences.

(viii) The unification of businesses would result in the consolidation of financial, managerial, technical, and human resources, thereby creating a stronger base for future growth and stakeholder value accretion.

(ix) The creation of a larger consolidated financial services entity will enable such entity to deliver an increased range of financial products to a broader customer base. Further, the Transferee Company would, subsequent to the amalgamation, benefit from economies of scale and operational efficiencies, leading to revenue and cost synergies.

(x) An enhanced consolidated balance sheet would also bring efficiency with respect to the merged entity's treasury operations, thereby helping in the overall liability management of the organization.

(xi) The amalgamation will result in the shareholders of the Transferor Company having direct ownership in one single listed entity, which houses all the operations, profits, and in-effect the entire value of the lending business under one roof.

Based on the aforesaid considerations, the proposed amalgamation is expected to enhance optimisation of the capital structure, comply with applicable regulatory requirements, and maximise shareholders' value.

IV. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

(a) **Part A** deals with the background of the Transferor Company and Transferee Company, rationale and benefits of the Scheme;

(b) **Part B** deals with the definitions, interpretation and share capital structure of the Transferor Company and Transferee Company;

(c) **Part C** deals with the amalgamation of the Transferor Company into the Transferee Company, in accordance with Sections 230 to 232 and other applicable provisions of the Act and in compliance with Section 2(1B) of the IT Act, and consequent dissolution of the Transferor Company without winding up;

(d) **Part D** deals with the adjustment of amalgamation adjustment reserve account in the books of the Transferee Company in accordance with Section 52, Section 66 and other applicable provisions of the Act; and

(e) **Part E** deals with the general terms and conditions applicable to the Scheme.

PART B – DEFINITIONS, INTERPRETATION AND SHARE CAPITAL STRUCTURE

1. DEFINITIONS

1.1 In this Scheme, unless the context or meaning otherwise requires, (a) terms defined in Part A of this Scheme shall have the same meanings throughout this Scheme and (b) the following words and expressions, wherever used (including in Part A of this Scheme), shall have the following meaning:

(i) "**Act**" means the Companies Act, 2013 and the rules framed under such a statute and includes any alterations, modifications and amendments made to such a statute or any re-enactment of such a statute;

(ii) "**Applicable Law**" means (A) all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, Tax laws, listing agreements, notifications, guidelines or policies of any applicable country and/ or jurisdiction including such rules and regulations issued by the RBI, SEBI and any other Governmental Authority; (B) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any Governmental Authority or recognized stock exchange; and (C) international treaties, conventions and protocols, as may be in force from time to time;

(iii) "**Appointed Date**" means 1 April 2024;

(iv) "**Assets**" means and includes assets of every kind, nature and description, whether included in the balance sheet or not and includes moveable property, immoveable property, leasehold property, tangible or intangible assets (including all investments, acquisitions), Intellectual Property, computers, accessories, software and related data, leasehold improvements, plant and machinery, vehicles, furniture, fixtures, office equipment, electricals, appliances and accessories;

(v) "**Board**" in regard to a company or a body corporate, means the board of directors of such a company or body corporate as constituted from time to time and, unless repugnant to the subject, context or meaning thereof, includes every committee (including any committee of directors) or any Person authorised by the board of directors of such a company or body corporate or by any such committee;

(vi) "**Effective Date**" means for the purpose of this Scheme, the date or the last date as notified by the Boards of the Transferor Company and Transferee Company, on which all actions set out in Clause 20.1 have been fulfilled, completed or waived, as applicable, as determined by the Boards of the Transferor Company and Transferee Company, in accordance with this Scheme;

(vii) "**EPFO**" means Employees' Provident Fund Organisation;

(viii) "**ESOP Scheme**" means the PEL Employees' Stock Ownership Plan – 2015 of PEL as amended from time to time;

(ix) "**ESOP Trust**" means collectively: (A) the Piramal Enterprises Limited Senior Employees Welfare Trust constituted under the trust deed dated 16 August 1995 (as amended from time to time); and (B) the Piramal Phytocare Limited Senior Employees

Option Trust constituted under the trust deed dated 7 July 2009, for administering and implementing the employee stock option schemes of PEL;

(x) **"GAAP"** means generally accepted accounting principles;

(xi) **"Governmental Authority"** means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, Tax authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, or any stock exchange in India or any other country including the ROC, Regional Director, RBI, Department of Economic Affairs, SEBI, Stock Exchanges, NCLT, and such other sectoral regulators or authorities as may be applicable;

(xii) **"Indian Rupees"** or **"INR"** means Indian Rupees, the lawful currency of the Republic of India;

(xiii) **"Intellectual Property"** means and includes all intellectual properties including trademarks, service marks, logos, trade names, service names, domain names, corporate names, both primary and secondary, database rights, design rights, rights in know-how, trade secrets, copyrights, moral rights, confidential processes, patents, inventions, and other forms of intellectual property, or applications in respect of any of the foregoing;

(xiv) **"IT Act"** means the Income-tax Act, 1961 and the rules, regulations, guidelines, notifications, circulars and orders prescribed thereunder, in each case as amended from time to time;

(xv) **"Liabilities"** means all debts, liabilities, duties, obligations, of the Transferor Company, of any kind, nature or description, including, whether known or unknown, contingent or otherwise, present or future, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, whenever or however arising in each case identified after due consideration of the applicable provisions of Section 2(1B) of the IT Act;

(xvi) **"Merger Consideration Shares"** means the consideration provided to the shareholders of the Transferor Company in accordance with Clause 6;

(xvii) **"NCLT"** means the National Company Law Tribunal having jurisdiction over the Transferor Company and the Transferee Company as the case may be, as constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230 to 232 of the Act and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Sections 230 to 232 of the Act as may be applicable;

(xviii) **"NCRPS"** means non-convertible non-cumulative non-participating redeemable preference shares having face value of INR 67 (Indian Rupees Sixty Seven only) per

non-convertible non-cumulative non-participating redeemable preference share, detailed terms of which are set out in **Annexure 3**;

(xix) **"Parties"** mean the Transferor Company and the Transferee Company collectively;

(xx) **"PEL Commercial Papers"** means the commercial papers issued by PEL listed on the National Stock Exchange of India Limited;

(xxi) **"PEL Debentures"** means the non-convertible debentures issued by PEL and listed on the Stock Exchanges, details of which are set out in **Annexure 1**;

(xxii) **"PEL ESOPs"** means the employee stock options granted by PEL under the ESOP Scheme;

(xxiii) **"Person"** means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or Governmental Authority or any other entity that may be treated as a person under Applicable Laws;

(xxiv) **"PCHFL Commercial Papers"** means the commercial papers issued by PCHFL listed on the National Stock Exchange of India Limited;

(xxv) **"PCHFL Debentures"** means the non-convertible debentures issued by PCHFL and listed on the Stock Exchanges, details of which are set out in **Annexure 2**;

(xxvi) **"RBI"** means the Reserve Bank of India;

(xxvii) **"Record Date"** means the date as determined by the respective Boards of the Transferor Company and Transferee Company for the purpose of determining (A) the shareholders of PEL, to whom the Merger Consideration Shares will be allotted in terms of Clause 6 of the Scheme, and (B) the holders of PEL Debentures and PEL Commercial Papers who will become holders of such non-convertible debentures and commercial papers in the Transferee Company pursuant to Clause 5.3 of the Scheme, and such date shall not be earlier than the Effective Date;

(xxviii) **"ROC"** means the Registrar of Companies having jurisdiction over the Transferor Company and the Transferee Company, as the case may be;

(xxix) **"Scheme"** means this composite scheme of arrangement pursuant to Sections 230 to 232 read with Section 52, Section 66 and other applicable provisions, if any, of the Act, in its present form (along with the annexures attached hereto), including any modification or amendment hereto, made in accordance with the terms hereof;

(xxx) **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

(xxxi) **"SEBI Debt Circular"** means the master circular issued by SEBI bearing reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/108 dated 29 July 2022 (updated as on 30 June 2023) for listing obligations and disclosure requirements for non-convertible securities, securitised debt instruments and/or commercial paper;

(xxxii) **"SEBI ESOP Regulations"** means the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 or any statutory modification or re-enactment thereof for the time being in force;

(xxxiii) **"SEBI Scheme Circular"** means the master circular issued by SEBI bearing reference number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 on (A) Scheme of Arrangement by Listed Entities, and (B) Relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957;

(xxxiv) **"Stock Exchanges"** mean BSE Limited and the National Stock Exchange of India Limited collectively;

(xxxv) **"Taxes"** means any and all forms of taxation, imposts, duties, and levies, whether direct or indirect, deductible at source or otherwise, relating to income, book profits, services profession, wealth, entry, capital gains, municipal, state, federal, sales, value added, excise, import duties, service tax, goods and services taxes, withholding, employment, payroll, stamp duty, social security tax, entry tax, property tax, professional tax together with any cess, interest, penalties, surcharges or fines relating thereto and whether any amount in respect of any of them is recoverable from any other Person, whether imposed under Applicable Laws. It is clarified that the term **"Taxes"** shall include any interest, surcharges, cess, penalties or additional taxes payable in connection therewith; Correlative terms such as **"Tax"** and **"Taxation"** shall be construed in accordance with this definition;

(xxxvi) **"Transferor Company"** means Piramal Enterprises Limited, a public limited company within the meaning of the Act, with a corporate identification number L24110MH1947PLC005719, having its registered office at Piramal Ananta, Agastya Corporate Park, Kamani Junction, LBS Marg, Kurla (West), Mumbai - 400070, Maharashtra, India, hereinafter also referred to as **"PEL"**;

(xxxvii) **"Transferee Company"** means Piramal Capital & Housing Finance Limited, a public limited company within the meaning of the Act, with a corporate identification number U65910MH1984PLC032639, having its registered office at 601, 6th Floor, Amiti Building, Agastya Corporate Park Kamani Junction, Opp. Fire Station, LBS Marg, Kurla (West), Mumbai – 400070, hereinafter also referred to as **"PCHFL"**. Upon receipt of the NBFC-ICC license, the name of PCHFL will be altered to Piramal Finance Limited or such other name as may be approved by the ROC;

(xxxviii) **"Transferring Contracts"** means all contracts, indenture, agreements, legally binding arrangement, insurance contracts obtained, insurance policies obtained, agreements, purchase orders/service orders, distribution agreements, agreements with insurance brokers, contracts with reinsurance providers, corporate agency agreements, web aggregator agreements, agreements with third party administrators, agreements with or in relation to hospitals/clinics/healthcare providers, agreements with motor service providers, agreements for roadside assistance, agreements with surveyors, lawyers and claim investigators, technology license agreements, operation and maintenance contracts, forms, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, bids, tenders, expression of interest, letters of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/ panchnamas for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with

the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers obtained and claims made thereon, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the business of the Transferor Company which shall be transferred to the Transferee Company pursuant to this Scheme;

(xxxix) "**Transferring Employees**" means all employees, probationers, permanent employees, temporary employees, trainees and other persons employed by the Transferor Company on its payrolls, whose employment shall be transferred to the Transferee Company pursuant to this Scheme; and

(xl) "**Transferring Litigations**" means all legal or other proceedings, claims, notices, demands and obligations of whatsoever nature and whether known or unknown, contingent or otherwise, present or future relating to the business of the Transferor Company which shall be transferred to the Transferee Company pursuant to this Scheme.

2. INTERPRETATION

2.1 References to clauses and schedules, unless otherwise provided, are to clauses and schedules of and to this Scheme.

2.2 Unless the context otherwise requires, reference to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any law or any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

2.3 Any reference to "as agreed between the Parties" or "as agreed between the Boards of the Transferor Company and the Transferee Company " is a reference to the mutual understanding between the Transferor Company and the Transferee Company (as may be applicable), as reflected in any written document or form and for the purposes of identification initialed or signed (including electronically) by or on behalf of the Transferor Company and the Transferee Company (as may be applicable).

2.4 The words "including", "include" or "includes" shall be interpreted in a manner as though the words "without limitation" immediately followed the same.

2.5 The words "other", "or otherwise" and "whatsoever" shall not be construed *ejusdem generis* or be construed as any limitation upon the generality of any preceding words or matters specifically referred to.

2.6 References to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (whether or not having separate legal personality).

2.7 One gender includes all genders and references to the singular include the plural and *vice versa* and reference to any gender includes a reference to other genders; references to "it" shall be deemed to include references to "him or her as the case may be".

2.8 If a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day.

2.9 A reference to a balance sheet or profit and loss account shall include a reference to any note forming part of it.

2.10 The words "directly or indirectly" mean directly or indirectly through one or more affiliates, associates, relatives or other intermediary persons and "direct or indirect" shall have the correlative meanings.

2.11 Headings, subheadings, titles, subtitles to clauses, sub-clauses, sections and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the schedules hereto and shall be ignored in construing the same.

2.12 Any references in this Scheme to "coming into effect of this Scheme" or "pursuant to effectiveness of the Scheme" or "Scheme becoming effective" means and refers to the Effective Date.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

This Scheme shall become effective from the Appointed Date but shall be operative from the Effective Date.

4. SHARE CAPITAL

4.1 The authorized, issued, subscribed and paid-up share capital of PEL as on 31 March 2024 is as under:

Share Capital	Amount (in INR)
Authorized Share Capital	
25,40,00,00,000 equity shares of INR 2 each	50,80,00,00,000
30,00,000 preference shares of INR 100 each	30,00,00,000
2,40,00,000 preference shares of INR 10 each	24,00,00,000
10,50,00,000 unclassified shares of INR 2 each	21,00,00,000
TOTAL	51,55,00,00,000
Issued Capital*	
22,46,88,273 equity shares of INR 2 each	44,93,76,546
TOTAL	44,93,76,546
Subscribed and Paid-Up Share Capital	
22,46,63,700 equity shares of INR 2 each	44,93,27,400
TOTAL	44,93,27,400

**As on 31 March 2024, 9,91,972 employee stock options (net of lapse/forfeiture) of the employees of PEL have vested.*

4.2 The authorized, issued, subscribed and paid-up share capital of PCHFL as on 31 March 2024 is as under:

Share Capital	Amount (*in INR*)
Authorized Share Capital	
25,84,03,90,024 equity shares of INR 10 each	2,58,40,39,00,240
25,00,000 non-convertible redeemable cumulative preference shares of INR 1000 each	2,50,00,00,000
TOTAL	2,60,90,39,00,240
Issued, Subscribed and Paid-Up Share Capital	
23,36,46,91,751 equity shares of INR 10 each	2,33,64,69,17,510
TOTAL	2,33,64,69,17,510

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

TR Chadha & Co LLP MUMBAI Chartered Accountants

PIRAMAL CAPITAL & HOUSING FINANCE LTD.

PART C – AMALGAMATION OF TRANSFEROR COMPANY INTO TRANSFEREE COMPANY

5. AMALGAMATION OF THE TRANSFEROR COMPANY

5.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferor Company shall, in accordance with Section 2(1B) of the IT Act and Sections 230 to 232 of the Act, along without any further act or deed, stand transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company as a going concern.

5.2 **Transfer of Assets**

5.2.1 Without prejudice to the generality of Clause 5.1, upon the Scheme becoming effective:

(a) All Assets forming part of the Transferor Company of whatsoever nature and wheresoever situated and which are incapable of passing by manual delivery shall, pursuant to the provisions of Sections 230 to 232 and all other applicable provisions of the Act, if any, without any further act, instrument or deed be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company so as to become the Assets of the Transferee Company. For purposes of taking on record the name of the Transferee Company in the records of the Governmental Authorities in respect of transfer of Assets to the Transferee Company pursuant to this Scheme, the Boards of the Transferor Company and the Transferee Company shall approve the execution of such documents, filings, deeds and registration with Governmental Authority as may be necessary;

(b) Without prejudice to the provisions of Clause 5.2.1(a), in respect of such assets and properties forming part of the Transferor Company as are movable in nature or otherwise capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed as the case may be to the Transferee Company and shall become the property of the Transferee Company in pursuance of the provisions of Section 232 of the Act, without requiring any deed or instrument of conveyance for transfer of the same. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognized as that of the Transferee Company, absolutely and forever;

(c) In respect of the Assets relating to the Transferor Company the same shall, on and from the Appointed Date, stand transferred to the Transferee Company and to the extent such Asset is a receivable, advance or deposit, appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors. Provided that the Transferee Company may itself, at its sole discretion, at any time after coming into effect of this Scheme in accordance with the provisions hereof or if so required under any Applicable Law, give notices in such form as it may deem fit and proper, to each person, as the case may be, such that pursuant to the Scheme becoming effective, receivable, advance or deposit stands transferred and vested in the Transferee Company and be paid or made good or held on account of the Transferee Company as the person entitled thereto; and

(d) All Assets comprised in the Transferor Company, which are acquired by the Transferor Company on or after the Appointed Date till the Effective Date in relation to and forming part of the Transferor Company (whether or not included in the books of the

Transferor Company), shall be deemed to be and shall become the Assets of the Transferee Company by virtue of and in the manner provided in this Scheme and shall, pursuant to the provisions of Sections 230 to 232 and all other applicable provisions of the Act, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company.

5.3 **Transfer of Liabilities**

5.3.1 Upon the coming into effect of this Scheme, all Liabilities, as on the Appointed Date (or anytime thereafter) shall, without any further act or deed, stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company on the same terms and conditions as applicable to the Transferor Company, and shall become the debts, liabilities, loans, duties and obligations of the Transferee Company, which shall meet, discharge and satisfy the same to the exclusion of the Transferor Company. It shall not be necessary to separately obtain consents of any third party or other person who is a party to any contract or arrangement by virtue of any of the Liabilities which have arisen in order to give effect to the provisions of this Clause 5.3.1. The provisions of this Clause 5.3 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing to which the relevant Liability relates to or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified by the foregoing provisions.

5.3.2 Without prejudice to Clause 5.3.1, upon the coming into effect of the Scheme, the PEL Debentures and PEL Commercial Papers issued and listed by the Transferor Company shall pursuant to provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed, become debentures and commercial papers of the Transferee Company on the same terms and conditions and without any change in structure, except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the issuer of such debentures and commercial papers, so transferred and vested. Subject to requirements imposed or concessions, if any by the Stock Exchanges, and other terms and conditions agreed with Stock Exchanges, such PEL Debentures and PEL Commercial Papers, which stand transferred to the Transferee Company pursuant to the transfer of debentures and commercial papers, shall be listed and admitted to trading on the debt segment of the relevant Stock Exchanges, where the relevant debentures and commercial papers may be listed. The Parties shall execute appropriate documents, as may be required under Applicable Law for giving effect to such transfers. Further, the Boards of the Transferor Company and the Transferee Company shall be authorised to take such steps and do all acts, deeds and things in relation to the aforesaid transfers.

5.3.3 It is hereby clarified that pursuant to Clause 5.3.2, the holders of the PEL Debentures and PEL Commercial Papers whose names are recorded in the relevant registers of the Transferor Company on the Record Date, or their legal heirs, executors or administrators or (in case of a corporate entity) its successors, shall continue holding the same number of non-convertible debentures and commercial papers in the Transferee Company as held by such PEL Debenture holders and PEL Commercial Paper holders in the Transferor Company and on the same terms and conditions.

5.3.4 Where any of the Liabilities have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

5.3.5 Upon the coming into effect of the Scheme, all Liabilities incurred after the Appointed Date and prior to the Effective Date shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date shall also without any further act, or deed, stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the debts, liabilities, loans, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same to the exclusion of the Transferor Company. It shall not be necessary to separately obtain consents of any third party or other person who is a party to any contract or arrangement by virtue of any of the Liabilities which have arisen in order to give effect to the provisions of this Clause 5.3.5. The provisions of this Clause 5.3 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing to which the relevant Liability relates to or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified by the foregoing provisions.

5.3.6 Without prejudice to the provisions of the foregoing clauses, the Transferor Company and Transferee Company shall execute any instrument(s) and/ or document(s) and/ or do all the acts and deeds as may be required, including the filing of necessary particulars and/ or modification(s) of charge, with the ROC to give formal effect to the above provisions, if required.

5.4 **Legal Proceedings**

5.4.1 Upon the Scheme becoming effective, all Transferring Litigations, pending on the Effective Date, shall be continued, prosecuted and enforced by or against the Transferee Company, in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company.

5.4.2 The Transferee Company (a) shall be replaced/ added (as may be required) as party to Transferring Litigations, and (b) shall prosecute or defend or enforce such proceedings as the case may be to the exclusion of the Transferor Company. Each of the Parties shall be entitled to make relevant applications in this regard, as may be required.

5.5 **Employees**

5.5.1 Upon the Scheme becoming effective, all Transferring Employees shall be deemed to have become the employees of the Transferee Company with effect from the Appointed Date and on terms and conditions not less favourable than those on which they are employed by the Transferor Company and without any interruption of, or break in, service as a result of the transfer of the Transferor Company to the Transferee Company.

5.5.2 The Transferee Company agrees that for the purpose of payment of any compensation, retrenchment compensation, gratuity and other terminal benefits, if any applicable or required, the past services of the Transferring Employees with the Transferor Company shall also be taken into account, and the Transferee Company shall pay the same as and when payable.

5.5.3 All on-going leave balances, leave encashments, deferred cash benefits and such other dues of the Transferring Employees shall stand transferred to the Transferee Company and the Transferring Employees shall be treated as in continuous employment in terms of Clause 5.5.1.

5.5.4 Upon this Scheme becoming effective, all contributions to funds and schemes in respect of provident fund (including contributions made to or deposited with the appropriate office of the EPFO maintained by the appropriate Regional Provident Fund Commissioner), employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of the Transferring Employees shall be made by the Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law. Subject to Applicable Law, the existing provident fund (including contributions made to or deposited with the appropriate office of the EPFO maintained by the appropriate Regional Provident Fund Commissioner), employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Transferor Company for the Transferring Employees ("**Funds**") shall be continued on the same terms and conditions and will be transferred to the existing provident fund (including those with the appropriate office of the EPFO maintained by the appropriate Regional Provident Fund Commissioner as applicable), employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by or as may be created by the Transferee Company without any separate act or deed/ approval. In the event the Transferee Company does not have its own funds in respect of any of the above, the Transferee Company may, subject to necessary approvals and permissions, continue to contribute to the Funds, until such time that the Transferee Company creates its own funds and the investments and contributions pertaining to the Transferring Employees shall be transferred to the funds created by the Transferee Company

5.5.5 Further to the transfer of Funds as set out in Clause 5.5.4, for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, all rights, duties, powers and obligations of the Transferor Company shall become those of the Transferee Company.

5.5.6 In relation to any other fund (including any funds set up by the government for employee benefits) created or existing for the benefit of the Transferring Employees, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including in relation to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws etc., in respect of such Transferring Employees.

5.5.7 **Employee Stock Option Plans**

(a) Subject to Applicable Laws, upon the Scheme becoming effective, and as an integral part of the Scheme, the ESOP Scheme shall be migrated to the Transferee Company with such modifications and amendments as the Board of the Transferee Company (or duly authorized committee thereof) may deem necessary (**Modified ESOP Scheme**) after the Effective Date.

(b) Upon the Scheme becoming effective, the PEL ESOPs which have vested but which have not been exercised as on the Record Date shall stand automatically cancelled and Transferee Company shall issue to the option holders of the PEL ESOPs new options

under the Modified ESOP Scheme (**Transferee Company ESOPs**), subject to adjustments arising as a result of the share entitlement ratio set out in Clause 6.1.

(c) The terms and conditions applicable to the Transferee Company ESOPs shall not be prejudicial to the interests of the option holders of the PEL ESOPs. Further, fractional options, if any, arising pursuant to the applicability of the share exchange ratio set out in Clause 6.1 shall be rounded off to the nearest higher integer.

(d) The exercise price payable for the exercise of the Transferee Company ESOPs may be adjusted after taking into account the share exchange ratio set out in Clause 6.1.

(e) It is hereby clarified that in relation to the Transferee Company ESOPs granted in accordance with this Scheme, the period during which the corresponding PEL ESOPs granted by PEL were held by or deemed to have been held by the holders of the PEL ESOPs shall be taken into account for determining the minimum vesting period required under Applicable Law or the Modified ESOP Plan, as the case may be.

(f) Save and except for the modifications under this Clause 5.5.7, all existing entitlements available with the option holders of PEL ESOPs shall continue to be valid, in force, and available with the option holders even after the migration of the ESOP Scheme to the Transferee Company, subject to pro-rata adjustments.

(g) The Transferee Company shall be empowered to administer and implement the Modified ESOP Scheme through the ESOP Trust or directly through the Transferee Company.

(h) Upon issuance of NCRPS in accordance with Clause 6.1.2, in addition to the Transferee Company ESOPs granted to the option holders of the PEL ESOPs under Clause 5.5.7(b), the Nomination and Remuneration Committee of the Transferee Company may offer any other consideration to the option holders of the PEL ESOPs as it may deem fit in compliance with Applicable Law.

(i) All actions taken in accordance with this Clause 5.5.7 shall be deemed to be in full compliance with the SEBI ESOP Regulations, any other applicable guidelines/ regulations issued by SEBI in this regard, and any other Applicable Laws. The grant of the Transferee Company ESOPs pursuant to the Scheme shall be effected as an integral part of this Scheme and the consent of the shareholders of the Transferor Company and the Transferee Company to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the ESOP Scheme including, without limitation: (i) modifying the ESOP Scheme; (ii) modifying the exercise price of the Transferee Company ESOPs; (iii) modifying or altering the maximum number of options granted under the ESOP Scheme; and (iv) all related matters. No further approval of the shareholders of the Transferor Company or the Transferee Company or resolution, action or compliance would be required in this connection under any applicable provisions of the Act and other Applicable Laws.

(j) Before the Effective Date, the Boards of the Transferor Company and Transferee Company shall be entitled to take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 5.5.7. After the Effective Date, the Board of the Transferee Company shall be

entitled to take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 5.5.7.

5.6 **Contracts, Deeds, etc.**

5.6.1 Notwithstanding anything to the contrary contained in any Transferring Contracts, all Transferring Contracts subsisting or having effect on the Effective Date, shall continue in full force and effect, and all rights and obligations stipulated therein (except as otherwise agreed) shall be for the benefit of the Transferee Company, and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto from inception.

5.6.2 The Transferee Company shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, be entitled to execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the relevant Governmental Authorities, in order to give formal effect to the above provisions.

5.6.3 Without prejudice to the foregoing provisions, any inter-se contracts between the Transferor Company (on the one hand) and the Transferee Company (on the other hand) shall stand cancelled and cease to operate upon the effectiveness of this Scheme.

5.7 **Permits**

5.7.1 All approvals and other consents, permissions, incentives, special status, grants, subsidies, special status, quotas, rights, authorizations, entitlements, no-objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature granted or issued by any Governmental Authority to the Transferor Company, or to which the Transferor Company is a party, or to the benefit of which the Transferor Company may be entitled to use and which may be required to carry on the operations of the Transferor Company, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect and vest in favour of the Transferee Company and may be enforced as fully and effectually as if, the Transferee Company had been a party, a beneficiary or an obligee thereto.

5.7.2 The Transferee Company shall be entitled to undertake and carry out the business pertaining to the Transferor Company pursuant to the effectiveness of the Scheme on its own account, pending the transfer of any approvals and other consents, permissions, quotas, rights, authorizations, entitlements, no-objection certificates and licenses, privileges, powers and facilities of every kind and description, that may be required under Applicable Law in the name of the Transferee Company and the Transferee Company shall make necessary applications/ file relevant forms to any Governmental Authority in this regard. Any Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the order of NCLT sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of the Transferee Company as successor in interest, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective.

6. CONSIDERATION FOR MERGER

6.1 Upon this Scheme coming into effect, the Transferee Company shall issue consideration to the shareholders of the Transferor Company in the following manner:

6.1.1 For every 1 (one) equity share having face value INR 2 (Indian Rupees Two only) of the Transferor Company, 1 (one) equity share having face value of INR 2 (Indian Rupees Two only) of the Transferee Company shall be allotted to the shareholders of the Transferor Company; and

6.1.2 Subject to receipt of RBI approval on or prior to the Effective Date for: (a) issuance of NCRPS to the non-resident shareholders of the Transferor Company; or (b) if RBI approval as requested pursuant to (a) is not received, appointment of category – 1 merchant bankers/ appropriate SEBI registered intermediary ("**Appointed Intermediary**") to hold and sell the NCRPS on behalf of the non-resident shareholders of the Transferor Company and dispose the sale proceeds, in the manner contemplated in Clause 6.2, for every 1 (one) equity share having face value of INR 2 (Indian Rupees Two only) of the Transferor Company, 1 (one) NCRPS having face value of INR 67 (Indian Rupees Sixty Seven only) of the Transferee Company shall be allotted to the shareholders of the Transferor Company.

6.2 Prior to the Effective Date, the Transferor Company and Transferee Company may, subject to receipt of approval from the RBI, appoint the Appointed Intermediary, on such terms and conditions as the Transferor Company and Transferee Company may deem fit, to: (a) act as an agent and trustee of the non-resident shareholders of the Transferor Company in respect of the NCRPS proposed to be allotted; and (b) sell the NCRPS and distribute the proceeds of such sale in the manner provided hereunder.

6.2.1 The Transferee Company shall issue and allot the NCRPS to the Appointed Intermediary, and the Appointed Intermediary shall, for and on behalf of non-resident shareholders of the Transferor Company, receive the said NCRPS in an onshore escrow account opened by it with a scheduled commercial bank in India upon such terms and conditions acceptable to the Board of Transferee Company, for this purpose.

6.2.2 Upon allotment of the NCRPS to the Appointed Intermediary, the Appointed Intermediary shall, for and on behalf of the non-resident shareholders of the Transferor Company, offer for sale the NCRPS issued and allotted to it in accordance with Clause 6.2.1, within 30 (thirty) days from the date of listing and commencement of trading of the NCRPS by the Transferee Company without the Transferee Company having to issue a prospectus for such offer for sale.

6.2.3 Upon receipt of the sale proceeds on sale of all the NCRPS held for the benefit of the non-resident shareholders pursuant to Clause 6.2.2., the Appointed Intermediary shall distribute such proceeds (net of expenses) to the non-resident shareholders of the Transferor Company promptly after deducting or withholding Taxes or duties as per the IT Act as may be applicable, in the proportion to their entitlements. The Taxes and duties to be withheld/ deducted in accordance with Applicable Law shall be determined by the Appointed Intermediary.

6.2.4 It is hereby clarified that, (a) the appointment of the Appointed Intermediary under this Clause 6.2 shall be deemed to have been authorised by the non-resident shareholders of the Transferor Company and their consent to the Scheme shall be deemed to be their consent for such appointment, and (b) the allotment of the NCRPS to the Appointed Intermediary for and on behalf of non-resident shareholders of the Transferor Company in the manner set out in Clause

6.2.2, shall be deemed to be allotment of such NCRPS to the non-resident shareholders of the Transferor Company under the provisions of Applicable Law.

6.3 For the purpose of issue and allotment of the Merger Consideration Shares pursuant to this Clause 6, the following terms shall apply:

6.3.1 The Board of the Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned Governmental Authority and undertake necessary compliance for the issue, allotment and listing of the Merger Consideration Shares pursuant to Clause 6 of the Scheme.

6.3.2 The Merger Consideration Shares issued pursuant to Clause 6 shall be allotted to the shareholders of the Transferor Company whose names are reflected in the register of members of the Transferor Company as on the Record Date, or their legal heirs, executors or administrators or (in case of a corporate entity) its successors.

6.3.3 The Merger Consideration Shares issued pursuant to Clause 6 shall mandatorily be issued in dematerialized form to those shareholders who hold shares of the Transferor Company in dematerialised form, into the account in which the shares of the Transferor Company are held or such other account as intimated in writing by the shareholders to the Transferor Company and its registrar at least 30 (thirty) days before the Record Date. All those shareholders who hold shares of the Transferor Company in physical form shall receive the Merger Consideration Shares in dematerialised form only provided that the details of their account with the depository participant are intimated in writing to the Transferor Company and its registrar at least 30 (thirty) days before the Record Date. If no such intimation is received from any shareholder who holds shares of the Transferor Company in physical form 30 (thirty) days before the Record Date, or if the details furnished by any shareholder do not permit electronic credit of the Merger Consideration Shares, then the Transferee Company shall hold such shares in abeyance or in escrow or with a trustee nominated by the Board of the Transferee Company for the benefit of such shareholders or shall deal with the shares as provided under Applicable Law and will credit the same to the respective depository participant accounts of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing to the Transferee Company, if permitted under Applicable Law.

6.3.4 Approval of this Scheme by the shareholders of Transferee Company shall be deemed to be (a) in due compliance of the provisions of Section 42, and Section 62 of the Act, and other relevant and applicable provisions of the Act for the issue and allotment of the Merger Consideration Shares by Transferee Company as provided in this Scheme, and (b) their consent/ approval to the terms of the NCRPS (including redemption of the NCRPS) issued and allotted in accordance with Clause 6.1.2 and no further approval shall be required in terms of the Act at the time of actual payment of the redemption proceeds to the holders of such NCRPS.

6.4 The NCRPS, if issued under this Clause 6, shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall take precedence over the equity shares of the Transferee Company with respect to (a) dividend distribution, and (b) repayment of capital upon winding up of the Transferee Company.

6.5 In the event the issuance and allotment of the Merger Consideration Shares results in any shareholders of the Transferor Company being issued fractional shares, the Board of the Transferee Company shall consolidate all such fractional entitlements and thereupon allot the Merger Consideration Shares, in lieu thereof into a dematerialized/ depository participant

account operated by a trustee authorized by the Board of the Transferee Company in this regard. Such trustee shall hold the Merger Consideration Shares in trust on behalf of the shareholders of the Transferor Company who are entitled to fractional entitlements with the express understanding that such trustee shall sell the Merger Consideration Shares so allotted on the Stock Exchanges at such time or times, and at such price or prices, and to such Person as such trustee deems fit within 90 (ninety) days from the date of allotment or such other period as per Applicable Law, and shall distribute the sale proceeds, subject to Tax deductions and other expenses as applicable, to the shareholders of the Transferor Company in proportion to their respective fractional entitlements. In case the number of such Merger Consideration Shares to be allotted to a trustee authorized by the Board of the Transferee Company by virtue of consolidation of fractional entitlement is a fraction, it shall be rounded off to the next higher integer.

6.6 Notwithstanding anything contained in this Scheme, in the event that the ESOP Trust is reflected in the register of members of the Transferor Company as on the Record Date, the ESOP Trust shall only be issued and allotted the equity shares forming part of the Merger Consideration Shares in the manner set out in Clause 6.1.1.

6.7 The Merger Consideration Shares to be issued by the Transferee Company pursuant to Clause 6.1 in respect of the equity shares of the Transferor Company, which are held in abeyance under the provisions of Section 126 of the Act or which the Transferee Company is unable to issue due to non-receipt of relevant approvals or due to Applicable Law or otherwise shall, pending allotment or settlement of dispute by an order of any Governmental Authority or otherwise, be held in abeyance by the Transferee Company.

6.8 In the event that the Transferor Company restructures its equity share capital by way of stock split, consolidation of shares, bonus share issuances, during the period between (a) the date on which the respective Boards of the Transferor Company and Transferee Company approve the Scheme, and (b) the Effective Date (both days inclusive), the issue of shares pursuant to Clause 6.1, shall be appropriately adjusted to take into account the effect of any such actions.

6.9 The Merger Consideration Shares allotted and issued in terms of this Clause 6, shall be listed and admitted to trading on the Stock Exchanges after obtaining the requisite approvals and within the time prescribed under Applicable Law, or such other lesser time as the Parties may specifically agree in writing. The Transferee Company shall enter into such arrangements and give such confirmations and undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of the Stock Exchanges. The Merger Consideration Shares shall remain frozen in the depositories system till relevant directions in relation to listing and trading are given by the relevant stock exchange.

7. ACCOUNTING TREATMENT

7.1 Upon the Scheme coming into effect the Transferee Company shall account for the amalgamation in its books of accounts in accordance with principles of 'reverse acquisition' as stated in Ind AS 103, Business Combinations ('Ind AS 103'), read with 'Pooling of Interest Method' as laid down in Appendix C (Business Combinations of Entities under Common Control) of Ind AS 103, as notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles as generally accepted in India, as may be amended from time to time, details of which are stated in its books of accounts as set out below:

7.1.1 All the Assets, Liabilities and reserves of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective carrying amounts and in the same form as appearing in the standalone financial statements of the Transferor Company;

7.1.2 The Transferee Company shall measure its own Assets, liabilities and reserves at the carrying values and in the same form as appearing in the consolidated financial statements of the Transferor Company, being the holding company of the Transferee Company and determined to be the accounting acquirer as per Ind AS 103 under this Scheme;

7.1.3 The value of all investments held by the Transferor Company in the Transferee Company and the entire shareholding of the Transferee Company shall stand cancelled pursuant to amalgamation and there shall be no further obligation/ outstanding in that regard;

7.1.4 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, inter-company balances between the Transferee Company and Transferor Company, if any, shall stand cancelled, the obligations in respect thereof shall come to an end and there shall be no liability in that regard;

7.1.5 The face value of new equity shares issued by the Transferee Company to the shareholders of the Transferor Company pursuant to Clause 6.1.1 shall be credited to the Equity Share Capital Account of the Transferee Company;

7.1.6 The face value of the NCRPS issued by the Transferee Company to the shareholders of the Transferor Company pursuant to Clause 6.1.2 shall be credited to the Preference Share Capital Account of the Transferee Company;

7.1.7 The difference between the (a) book value of Assets, liabilities and reserves of both the Transferor and Transferee Companies recorded/ measured in terms of Clause 7.1.1 and Clause 7.1.2 and as adjusted by Clause 7.1.4, and (b) value of investment in the share capital of the Transferee Company in the books of accounts of the Transferor Company as on the Appointed Date and the new equity and preference share capital issued by the Transferee Company in terms of Clause 7.1.5 and Clause 7.1.6, if surplus, shall be credited to the capital reserves and presented separately from other capital reserves of the merged entity, and in case the difference is a deficit, then the same shall be adjusted against the capital reserves or revenue reserves of the merged entity in that order, and if there are no reserves or if there are inadequate reserves, then the remaining deficit will be debited to a separate account titled 'Amalgamation Adjustment Deficit Account' presented under 'Other Equity';

7.1.8 In case of any differences in the accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferor Company shall prevail and the impact of the same will be quantified and adjusted in the revenue reserves of the merged entity to ensure that the financial statements reflect the financial position based on consistent accounting policies; and

7.1.9 Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of the amalgamation under this Scheme, as stated above, as if the amalgamation had occurred from the beginning of the preceding period presented in the merged financial statements of the combined entity.

8. RECLASSIFICATION AND INCREASE IN THE AUTHORIZED SHARE CAPITAL OF THE TRANSFEREE COMPANY

8.1 As an integral part of the Scheme, upon this Scheme becoming effective, pursuant to the amalgamation and vesting of the Transferor Company into the Transferee Company, the authorized share capital of the Transferee Company as on the Effective Date shall automatically stand increased by an amount equal to the authorized share capital of the Transferor Company as on the Effective Date, and reclassified such that upon the effectiveness of the Scheme, the authorized share capital of the Transferee Company shall be INR 3,12,45,39,00,240 (Indian Rupees Thirty-One Thousand Two Hundred and Forty-Five Crores Thirty Nine Lakhs Two Hundred and Forty only) comprising (a) 1,46,49,69,50,120 (one hundred and forty six thousand forty nine crores sixty nine lakhs fifty thousand one hundred and twenty) equity shares of INR 2 (Indian Rupees Two only) each, (b) 25,00,00,000 (twenty five crores) non-convertible redeemable cumulative preference shares of INR 100 (Indian Rupees One Hundred only) each, (c) 25,00,00,000 (twenty five crores) non-convertible non-cumulative non-participating redeemable preference shares of INR 67 (Indian Rupees Sixty Seven only) each, and (d) 10,50,00,000 (ten crores fifty lakhs) unclassified shares of INR 2 (Indian Rupees Two only) each, by filing the requisite forms with the Governmental Authority and no separate act, procedure, instrument or deed shall be required to be executed or process shall be required to be followed under the Act.

8.2 For this purpose, the filing fees and stamp duty already paid by the Transferor Company on its authorized share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased.

8.3 Consequently, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified, and amended pursuant to Section 13 and Section 61 of the Act and other applicable provisions of the Act, as the case may be, and be replaced by the following clause:

"*V. The authorised share capital of the Company is INR 3,12,45,39,00,240 divided into the following:*

(a) INR 2,92,99,39,00,240 divided into 1,46,49,69,50,120 equity shares having face value of INR 2 each;

(b) INR 2,50,00,00,000 divided into 25,00,00,000 non-convertible redeemable cumulative preference shares having face value of INR 100 each;

(c) INR 16,75,00,00,000 divided into 25,00,00,000 non-convertible non-cumulative non-participating redeemable preference shares of INR 67 each; and

(d) INR 21,00,00,000 dividend into 10,50,00,000 unclassified shares having face value of INR 2 each."

8.4 The amendments pursuant to this Clause 8 shall become operative on the Scheme becoming effective and the approval of the members of the Transferee Company to this Scheme shall be deemed to be their consent /approval to the increase and reclassification of the authorized share capital of the Transferee Company and also to the consequential alteration of the memorandum.

of association of the Transferee Company. The Transferee Company shall not be required to seek separate consent/ approval of its shareholders for such increase and reclassification of the authorized share capital and the alteration of the memorandum of association, as required under Sections 13, 61, 62 and 64 of the Act and other applicable provisions of the Act.

9. DISSOLUTION OF THE TRANSFEROR COMPANY

9.1 Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without winding up or without any further deed or act of a similar nature.

9.2 Upon the Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company, and realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally effected by the Parties.

10. CANCELLATION OF TRANSFEROR COMPANY'S EQUITY SHAREHOLDING IN TRANSFEREE COMPANY

10.1 Upon this Scheme becoming effective, and as an integral part of the Scheme, the entire shareholding of the Transferee Company held by the Transferor Company shall stand cancelled, and no separate sanction of the NCLT in this regard shall be required.

10.2 The consequent reduction of share capital of the Transferee Company shall be an integral part of this Scheme and the Transferor Company and Transferee Company shall not be required to follow the process under Section 66 of the Act or any other provisions of Applicable Law separately.

10.3 The reduction would not involve either a diminution of liability in respect of unpaid capital, if any or payment to any shareholder of unpaid share capital.

11. TREATMENT OF TAXES

11.1 The Transferee Company shall be entitled to, amongst others, file/or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for/in respect of all Taxes paid (including but not limited to value-added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Transferor Company) including receipt of refund, credit, etc., if any, pertaining to the Transferor Company as may be required consequent to implementation of this Scheme. The Transferee Company shall be entitled to file modified tax returns in accordance with the provisions of the IT Act on or after the Appointed Date.

11.2 The Transferee Company shall be entitled to: (a) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of Transferor Company, which may be allowable in accordance with the provisions of the IT Act on or after the Appointed Date; and (b) exclude items such as provisions, reversals, etc. for which no deduction or Tax benefit has been claimed by the Transferor Company prior to the Appointed Date in accordance with the provisions of the IT Act.

11.3 Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company and be entitled to/ enjoyed/ availed/ utilized by the Transferee Company on and from the Appointed Date in the same manner as would have been entitled to/ enjoyed/ availed/ utilized by the Transferee Company before implementation of this Scheme in accordance with the provisions of IT Act.

11.4 The Transferee Company shall be allowed to claim deductions for expenses in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the financial year in which the Scheme takes effect. Further, the Transferee Company shall be allowed to claim deduction of any unclaimed deduction (including Chapter VIA and Section 35DD deductions under the IT Act) of the previous financial years of the Transferor Company, as it would have been entitled to claim in the event amalgamation would not have taken place by the Transferor Company in accordance with the provisions of IT Act.

12. VALIDITY OF EXISTING RESOLUTIONS

Upon the coming into effect of the Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, such limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits of the Transferee Company.

13. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of the Scheme, the transfer and vesting of the Transferor Company into the Transferee Company shall not affect any transaction or proceedings already concluded by the Transferor Company for the Transferee Company until the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company for the Transferee Company in respect thereto as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

14. CHANGE IN NAME OF TRANSFEREE COMPANY

Upon receipt of the NBFC-ICC license and without any further act, deed, consent or approval being required, the name of the Transferee Company will be altered to Piramal Finance Limited, or such other name as may be approved by the ROC, subject to the Transferee Company filing all necessary forms and applications in this regard.

15. AMENDMENT TO CONSTITUTIONAL DOCUMENTS

15.1 Change in the memorandum of association of Transferee Company

15.1.1 With effect from the Appointed Date and upon the effectiveness of the Scheme, the memorandum of association of the Transferee Company (including the objects clause) shall stand altered and amended, without any further act or deed, for the purpose of Transferee

Company carrying on the business activities of the Transferor Company and Transferee Company, and as may be required by the Governmental Authorities.

15.1.2 Further, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered in the manner set out in Clause 8.

15.1.3 The amendments pursuant to this Clause 15.1 shall be operative on the Scheme becoming effective by virtue of the fact that the shareholders of the Transferee Company, while approving the Scheme as a whole, have approved and accorded the relevant consent as required under the Act for amendment of the memorandum of association of the Transferee Company, and shall not be required to pass separate resolutions under the Act.

15.2 **Amendment of the articles of association of Transferee Company**

15.2.1 The articles of association of association of the Transferee Company shall stand amended and restated to contain provisions applicable to a listed company and in such form as the Board of the Transferee Company may determine.

15.2.2 The amendments pursuant to this Clause 15.2 shall be operative on the Scheme becoming effective by virtue of the fact that the shareholders of the Transferee Company, while approving the Scheme as a whole, have approved and accorded the relevant consent as required under the Act for amendment of the articles of association of the Transferee Company and shall not be required to pass separate resolutions under the Act.

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

PIRAMAL CAPITAL & HOUSING FINANCE LTD.

TR Chadha & Co LLP MUMBAI Chartered Accountants

PART D – ADJUSTMENT OF DEBIT BALANCE OF AMALGAMATION ADJUSTMENT RESERVE ACCOUNT IN THE BOOKS OF THE TRANSFEREE COMPANY

16. ADJUSTMENT OF DEBIT BALANCE OF AMALGAMATION ADJUSTMENT RESERVE ACCOUNT IN THE BOOKS OF THE TRANSFEREE COMPANY

16.1 Pursuant to the amalgamation of the Transferor Company with the Transferee Company becoming effective, and with effect from Appointed date:

16.1.1 The Transferee Company shall write off the debit balance in Amalgamation Adjustment Reserve in the books of the Transferee Company as on the Appointed Date, (a) against the credit balance in the capital reserve of the merged entity, and (b) the balance remaining after adjustment pursuant to (a) above against the securities premium account of the merged entity.

16.1.2 The utilization of the capital reserve/ securities premium account of the Transferee Company in the manner set out in Clause 16.1.1 shall be effected as an integral part of the Scheme and in accordance with the provisions of Sections 230 to 232 read with Section 52, Section 66 and any other applicable provisions of the Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act and any other applicable provisions of the Act for the purpose of confirming the reduction of capital of the Transferee Company. The consent of the shareholders and creditors of the Transferee Company to this Scheme shall be deemed to be their consent for the purpose of effecting the reduction of capital under Section 66 of the Act. It is hereby clarified that no separate sanction under Section 66 or any other applicable provisions of the Act will be required for giving effect to this Part D of this Scheme and approvals received pursuant to the provisions of the Sections 230 to 232 of the Act under this Scheme shall deemed to be sufficient for giving effect to the reduction of the capital under this Scheme.

16.1.3 Notwithstanding the reduction in capital pursuant to Part D of this Scheme and subject to the orders of the NCLT, the Transferee Company shall not be required to add the words "And Reduced" as a suffix to its name.

17. ACCOUNTING TREATMENT FOR CAPITAL REDUCTION AND REORGANISATION OF RESERVES

17.1 Upon the Scheme coming into effect and after giving accounting effect to the amalgamation as per Clause 7, the Transferee Company shall pass the following accounting entries with respect to the adjustment of the debit balance of the Amalgamation Adjustment Reserve account pursuant to Clause 16:

17.1.1 The debit balance in 'Amalgamation Adjustment Reserve' outstanding in the books of the Transferee Company as on the Appointed Date shall be adjusted, (a) against the credit balance in the capital reserve account of the merged entity, and (b) the balance remaining after adjustment pursuant to (a) above against the securities premium account of the merged entity.

PART E – GENERAL TERMS AND CONDITIONS

18. SEQUENCING OF THE SCHEME

18.1 The Scheme set out herein in its present form or with any modification(s) approved or directed by the NCLT or any other Governmental Authority shall take effect in the following sequence as on the Appointed Date:

18.1.1 Part C of this Scheme (Amalgamation of the Transferor Company with the Transferee Company); and

18.1.2 Part D of this Scheme (Adjustment of debit balance of amalgamation adjustment reserve account in the books of the Transferee Company).

19. MODIFICATION OR AMENDMENTS TO THE SCHEME

19.1 The Parties (acting through their Board) may, in their full and absolute discretion, jointly and as mutually agreed in writing, modify, vary or withdraw this Scheme at any time prior to the Effective Date in any manner (including pursuant to any direction by any appropriate authority under Applicable Law), provided that any modification or variation of the Scheme by the Parties, after receipt of sanction by the NCLT, shall be made only with the prior approval of the NCLT or any other appropriate authorities as may be required under Applicable Law.

19.2 Each of the Parties agree that if, at any time, either of the NCLT or any appropriate authority directs or requires any modification of the Scheme, such modification or amendment shall not, to the extent it adversely affects the interests of any of the Parties, be binding on either party, except where the prior written consent of the affected party i.e. the Transferor Company or the Transferee Company has been obtained for such modification or amendment, which consent shall not be unreasonably withheld by the Transferor Company or the Transferee Company (as may be applicable).

19.3 In the event, post approval of the Scheme by NCLT, there is any confusion in interpreting any clause of this Scheme, or otherwise, the Boards of the Parties shall have complete power to mutually make the most sensible interpretation so as to render the Scheme operational.

19.4 If the Parties are desirous of making any material modification to the provisions of the Scheme after receipt of approval of SEBI to the Scheme, such modification shall be subject to the approval of SEBI of such modification, or any further modifications as may be required by SEBI.

20. CONDITIONS PRECEDENT

20.1 The Scheme is and shall be conditional upon and subject to the satisfaction (or waiver in such manner as may be mutually agreed between the Parties) of each of the following conditions (**"Conditions Precedent"**):

20.1.1 Issuance of the certificate of registration/ license by the RBI permitting the Transferee Company to operate as an NBFC-ICC;

20.1.2 Certified copy of the order of the NCLT sanctioning the Scheme being filed with the ROC;

20.1.3 Issuance of the observation/ no-objection letter by the Stock Exchanges as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Scheme Circular and SEBI Debt Circular;

20.1.4 Compliance with all other conditions prescribed by SEBI under the SEBI Scheme Circular and SEBI Debt Circular;

20.1.5 Approval by the respective requisite majorities of members and creditors (where applicable) of the Transferor Company and Transferee Company, as required under the Act, subject to any dispensation that may be granted by the NCLT.

20.1.6 Satisfaction (or waiver in writing) of such other conditions precedent as mutually agreed between the Parties in writing;

20.1.7 Receipt of approval/ no objection certificate from the RBI for this Scheme and all matters related hereto as required under Applicable Law; and

20.1.8 Receipt of relevant approvals/ no objection certificate for this Scheme as may be required from relevant regulatory and governmental authorities, if any.

20.2 The issuance and allotment of NCRPS shall be subject to receipt of (and will be issued and allotted if) RBI approval for the same is received on or prior to the Effective Date, as set out in Clause 6.1.2.

21. FUND RAISING BY ISSUE OF SHARES/ OTHER INSTRUMENTS

For the avoidance of doubt, it is hereby clarified that during the period between (a) the date on which the respective Boards of the Transferor Company and Transferee Company approve the Scheme, and (b) the Effective Date (both days inclusive), nothing in this Scheme shall prevent the Transferor Company and Transferee Company from raising funds by an issue of new equity shares, or preference shares or any convertible/ nonconvertible instruments or new stock options or in any other manner, in furtherance of regulatory requirements prescribed by Applicable Laws, provided that pursuant to such aforesaid issuance(s) by the Transferee Company, the Transferee Company continues to remain a wholly owned subsidiary of the Transferor Company. It is hereby clarified that the issuance of new instruments pursuant to this Clause 21 will not be considered as a material modification under Clause 19.4, requiring approval from SEBI. However, the Boards of the Transferor Company and Transferee Company (as may be applicable), will intimate SEBI in relation to such issuances of new instruments, if any, made in furtherance of regulatory requirements prescribed under Applicable Law.

22. TREATMENT OF THE SCHEME FOR THE PURPOSE OF THE IT ACT

This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme is/ are inconsistent with the provisions of Section 2(1B) of the IT Act, the provisions of Section 2(1B) of the IT Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with provisions of Section 2(1B) of the IT Act and such modification would not affect other parts of the Scheme.

23. RESIDUAL PROVISIONS

23.1 The consent of the shareholders and creditors of each of the Parties to the Scheme in accordance with the Act, as applicable, shall be deemed to be sufficient for purposes of effecting all the actions set out in this Scheme and no additional actions of the Parties shall be separately required.

23.2 The Transferor Company and Transferee Company shall make necessary applications / file relevant forms to any Governmental Authority as may be necessary to effectuate the actions contemplated in this Scheme.

24. POWER TO REMOVE DIFFICULTIES

The authorised signatories of the Parties, either by themselves or through a committee appointed by them in this regard, may as mutually agreed in writing, including without limitation through any definitive agreement(s) that may be entered into by and between the relevant Parties in relation to the Scheme:

(a) give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme, or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those;

(b) do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect; and

(c) make any inclusions or exclusions (including without limitation in relation to assets or liabilities) to the Transferor Company.

25. SEVERABILITY

If any part or provision of this Scheme is found to be invalid, unenforceable or unworkable for any reason whatsoever, the same shall not affect the validity or implementation of the other parts and provisions of this Scheme.

26. WITHDRAWAL OF THE SCHEME

The Transferor Company and the Transferee Company shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Boards of the Transferor Company and Transferee Company prior to the Effective Date. In such a case, the Transferor Company and the Transferee Company shall respectively bear their own cost or as may be mutually agreed.

27. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

27.1 With effect from the Appointed Date and up to and including the Effective Date:

27.1.1 the Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities, and shall hold and stand possessed of and hold all Assets in relation to it for and on account of and in trust for the Transferee Company;

27.1.2 all profits or income arising or accruing to the Transferor Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, securities transaction tax, taxes withheld/ paid in a foreign country, etc.) or losses arising or incurred by the Transferor Company shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Transferee Company;

27.1.3 all loans raised and all liabilities and obligations (including any Tax related liabilities) incurred by the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Transferee Company;

27.1.4 all Assets comprised in the Transferor Company which are acquired by the Transferee Company on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the Assets of the Transferee Company by virtue of and in the manner provided in this Scheme and shall, pursuant to the provisions of Sections 230 to 232 and all other applicable provisions of the Act, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company; and

27.1.5 the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Governmental Authorities concerned as are necessary under any Applicable Law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business undertaken by the Transferor Company and to give effect to the Scheme.

27.2 The Transferor Company and the Transferee Company may by mutual agreement, subject to approval from the concerned regulators, at any time after the Appointed Date, give effect to any or all of the provisions of Clause 5.2 and Clause 5.3.

27.3 In case the Scheme does not come into effect, the Assets and liabilities of the Transferor Company would be re-transferred by the Transferee Company to the Transferor Company and for the interim period it would be deemed that the Transferee Company held and stood possessed of the Assets and liabilities of the Transferor Company, for and on account of and in trust for the Transferor Company.

28. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme and to the extent permissible under the Applicable Law, after the Effective Date and until any Asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom are transferred, vested, recorded, effected and perfected in the records of the Governmental Authority(ies), or regulatory bodies, in favour of the Transferee Company, the Transferee Company is deemed to be authorized to enjoy the Asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Governmental Authority(ies) and till such time as may be mutually agreed between the Transferor Company and the Transferee Company, the Transferor Company will continue to hold the Asset, license, permission, approval as the case may be in trust on behalf of the Transferee Company.

29. COSTS

All costs, charges, and expenses (including, but not limited to stamp duty, registration charges etc.) of or in relation to or in connection with the Scheme and incidental to the completion of transactions contemplated under this Scheme, shall be borne and paid by the Transferee Company.

ANNEXURE 1

Details of PEL Debentures

(as on 31 March 2024)

Sr. No.	ISIN	Face value *(in INR)*	Start date	End date	Tenure/ Maturity *(in no. of days)*	Redemption date	Redemption Amount *(in INR)*	Redemption Terms	Rate of dividend/ coupon	Coupon frequency	CARE	ICRA
1.	INE140 A07179	10,00,000	14 July 2016	14 July 2026	3652	14 July 2026	35,00,00,000	Bullet	9.75%	Annually	CARE AA; Stable	ICRA AA; Stable
2.	INE140 A07211	10,00,000	19 July 2016	17 July 2026	3650	17 July 2026	5,00,00,000	Bullet	9.75%	Annually	CARE AA; Stable	ICRA AA; Stable
3.	INE140 A07666	10,00,000	02 March 2022	02 September 2024	915	02 September 2024	1,25,00,00,000	Bullet	8.00%	On Maturity	CARE PP-MLD AA; Stable	-
4.	INE140 A07666	10,00,000	28 March 2022	02 September 2024	889	02 September 2024	1,75,00,00,000	Bullet	8.00%	On Maturity	CARE PP-MLD AA; Stable	-
5.	INE140 A07674	10,00,000	04 May 2022	04 November 2024	915	04 November 2024	1,00,00,00,000	Bullet	8.00%	On Maturity	CARE PP-MLD	-

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TR Chadha & Co LLP MUMBAI Chartered Accountants

PIRAMAL CAPITAL & HOUSING FINANCE LTD.

Sr. No.	ISIN	Face value (in INR)	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption date	Redemption Amount (in INR)	Redemption Terms	Rate of dividend/ coupon	Coupon frequency	CARE	ICRA
											AA; Stable	
6.	INE140 A07682	10,00,000	24 May 2022	24 May 2024	731	24 May 2024	1,00,00,00,000	Bullet	8.00%	On Maturity	CARE PP-MLD AA; Stable	-
7.	INE140 A07682	10,00,000	15 July 2022	24 May 2024	679	24 May 2024	70,00,00,000	Bullet	8.00%	On Maturity	CARE PP-MLD AA; Stable	-
8.	INE140 A07682	10,00,000	02 August 2022	24 May 2024	661	24 May 2024	75,00,00,000	Bullet	8.00%	On Maturity	CARE PP-MLD AA; Stable	-
9.	INE140 A07690	10,00,000	20 September 2022	20 September 2024	731	20 September 2024	2,15,00,00,000	Bullet	8.00%	On Maturity	CARE PP-MLD AA; Stable	-
10.	INE140 A07708	10,00,000	23 Septe	23 May 2025	973	23 May 2025	50,30,00,000	Bullet	8.10%	On Maturity	CARE PP-MLD	-

Sr. No.	ISIN	Face value (in INR)	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption date	Redemption Amount (in INR)	Redemption Terms	Rate of dividend/ coupon	Coupon frequency	CARE	ICRA
			mber 2022								AA; Stable	
11.	INE140 A07708	10,00,000	09 November 2022	23 May 2025	926	23 May 2025	50,50,00,000	Bullet	8.10%	On Maturity	CARE PP-MLD AA; Stable	-
12.	INE140 A07682	10,00,000	01 December 2022	24 May 2024	540	24 May 2024	100,00,00,000	Bullet	8.00%	On Maturity	CARE PP-MLD AA; Stable	-
13.	INE140 A07732	1,00,000	10 March 202	29 May 2026	1176	29 May 2026	100,00,00,000	Bullet	8.75%	Annually	CARE AA; Stable	-
14.	INE140 A07781	10,00,000	30 October 2023	28 Oct 2024	364	28 October 2024	800,00,00,000	Bullet	9.05%	Quarterly	-	ICRA A1+
15.	INE140 A07740	1,000	03 November 2023	03 November 2026	1096	03 November 2026	1,31,35,00,000	Bullet	9.05%	Annually	CARE AA; Stable	ICRA AA; Stable

Sr. No.	ISIN	Face value (in INR)	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption date	Redemption Amount (in INR)	Redemption Terms	Rate of dividend/ coupon	Coupon frequency	CARE	ICRA
16.	INE140 A07757	1,000	03 November 2023	03 November 2025	731	03 November 2025	2,72,91,00,000	Bullet	9.00%	Annually	CARE AA; Stable	ICRA AA; Stable
17.	INE140 A07765	1,000	03 November 2023	03 November 2028	1827	03 November 2028	72,75,00,000	Bullet	9.20%	Annually	CARE AA; Stable	ICRA AA; Stable
18.	INE140 A07773	1,000	03 November 2023	03 November 2033	3653	03 November 2033	55,89,00,000	Bullet	9.35%	Annually	CARE AA; Stable	ICRA AA; Stable
19.	INE140 A07799	1,00,000	29 February 2024	27 February 2026	729	27 February 2026	1,50,78,30,450	Bullet	9.35%	Annually	CARE AA; Stable	-

Redemption premium/ discount – In relation to ISIN number INE140A07799, there is a redemption premium of INR 522.03 on each debenture. Early redemption scenario details – N.A. Call price – N.A.	Latest audited financials along with notes to accounts and any audit qualifications – please refer to the following URL on the website of the Transferor Company: https://www.piramalenterprises.com/shareholder-information
	An auditors' certificate certifying the payment/ repayment capability of the resultant entity – please refer to the following URL on the website of the Transferee Company: https://www.piramalfinance.com/stakeholders
	Fairness reports – please refer to the following URL on the website of the Transferor Company: https://www.piramalenterprises.com/shareholder-information

Call date – N.A. Call notification time – N.A. Put price – N.A. Put date – N.A. Put notification time – N.A.	**Safeguards for the protection of the holders of the PEL Debentures** (a) Pursuant to the Scheme, the PEL Debentures shall become non-convertible debentures of the Transferee Company on the same terms and conditions and without any change in structure, except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the issuer of such non-convertible debentures, so transferred and vested. (b) The holders of the PEL Debentures, or their legal heirs, executors or administrators or (in case of a corporate entity) its successors, shall continue holding the same number of non-convertible debentures and on the same terms and conditions in the Transferee Company as held by such holder in the Transferor Company. (c) The PEL Debentures which stand transferred to the Transferee Company shall be listed and admitted to trading on the debt segment of the relevant Stock Exchanges. (d) Accordingly, the Scheme will have no adverse effect on the holders of the PEL Debentures and thus adequately safeguards interests of the holders of the PEL Debentures.
	Exit offer to the dissenting holders of the PEL Debentures, if any Given that pursuant to the Scheme, the holders of the PEL Debentures would become holders of non-convertible debentures issued by the Transferee Company on the same terms and conditions, no exit offer is required.

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PIRAMAL CAPITAL & HOUSING FINANCE LTD.

TR Chadha & Co LLP * MUMBAI * Chartered Accountants

ANNEXURE 2

Details of PCHFL Debentures

(as on 31 March 2024)

Sr. No.	ISIN	Face value *(in INR)*	Start date	End date	Tenure/ Maturity *(in no. of days)*	Redemption date	Redemption Amount *(in INR)*	Redemption Terms	Rate of dividend/ coupon	Coupon frequency	CARE	ICRA
1.	INE641O08035	10,00,000	08 March 2017	08 March 2027	3652	08 March 2027	1,27,60,00,000	Bullet	9.55%	Annually	CARE AA; Stable	ICRA AA; Stable
2.	INE641O07086	10,00,000	04 May 2017	03 May 2024	2556	03 May 2024	25,00,00,000	Bullet	8.75%	Annually	CARE AA; Stable	ICRA AA; Stable
3.	INE641O07144	10,00,000	20 September 2017	18 September 2026	3285	18 September 2026	500,00,00,000	Redeemable at par in 3 instalments – 8th, 9th and 10th year	7.96%	Monthly	-	ICRA AA; Stable
4.	INE641O07185	10,00,000	05 October 2018	03 October 2025	2555	03 October 2025	35,00,00,000	Bullet	9.25%	Annually	CARE AA; Stable	-
5.	INE516Y07014	10,00,000	19 Decem	19 December 2028	3653	19 December 2028	500,00,00,000	Redeemable at par in 3 instalments –	9.27%	Monthly	CARE AA; Stable	-

Sr. No.	ISIN	Face value (in INR)	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption date	Redemption Amount (in INR)	Redemption Terms	Rate of dividend/ coupon	Coupon frequency	CARE	ICRA
			ber 2018					8th, 9th and 10th year				
6.	INE516 Y07063	10,00,000	11 March 2019	09 March 2029	3651	09 March 2029	15,00,00,00,000	Redeemable in 3 equal instalments – 8th year, 9th year and 10th year	9.51%	Annually	CARE AA; Stable	-
7.	INE516 Y07139	10,00,000	14 June 2019	08 November 2024	1974	08 November 2024	90,00,00,000	50% NCDs repayable on 8 November 2023 and balance 50% NCDs repayable on 8 November 2024	10.00%	Half yearly	CARE AA; Stable	-
8.	INE516 Y07246	10,00,000	03 November 2020	01 November 2030	3650	01 November 2030	50,00,00,000	Bullet	9.32%	Annually	CARE AA; Stable	ICRA AA; Stable

Sr. No.	ISIN	Face value (in INR)	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption date	Redemption Amount (in INR)	Redemption Terms	Rate of dividend/ coupon	Coupon frequency	CARE	ICRA
9.	INE516 Y07261	10,00,000	12 March 2021	12 March 2026	1826	12 March 2026	20,00,00,00,000	Repayable in 4 equal instalments starting from 12 June 2025	9.25%	Annually and with instalments	CARE AA; Stable	-
10.	INE516 Y07279	10,00,000	19 March 2021	19 March 2026	1826	19 March 2026	20,50,00,00,000	Repayable in 4 equal instalments starting from 19 June 2025	9.25%	Annually and with instalments	CARE AA; Stable	-
11.	INE516 Y07295	10,00,000	30 March 2021	28 March 2031	3650	28 March 2031	25,00,00,000	Bullet	9.00%	Annually	CARE AA; Stable	ICRA AA; Stable
12.	INE516 Y07329	10,00,000	29 June 2021	27 June 2031	3650	27 June 2031	20,00,00,000	Bullet	8.85%	Annually	CARE AA; Stable	ICRA AA; Stable
13.	INE516 Y07352	1,000	23 July 2021	23 July 2024	1096	23 July 2024	1,38,00,000	Bullet	8.25%	Annually	CARE AA; Stable	ICRA AA; Stable
14.	INE516 Y07402	1,000	23 July 2021	23 July 2024	1096	23 July 2024	154,26,00,000	Bullet	8.50%	Annually	CARE AA; Stable	ICRA AA; Stable

Sr. No.	ISIN	Face value (in INR)	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption date	Redemption Amount (in INR)	Redemption Terms	Rate of dividend/ coupon	Coupon frequency	CARE	ICRA
15.	INE516 Y07360	1,000	23 July 2021	23 July 2026	1826	23 July 2026	10,75,00,000	Bullet	8.50%	Annually	CARE AA; Stable	ICRA AA; Stable
16.	INE516 Y07410	1,000	23 July 2021	23 July 2026	1826	23 July 2026	80,87,00,000	Bullet	8.75%	Annually	CARE AA; Stable	ICRA AA; Stable
17.	INE516 Y07378	1,000	23 July 2021	23 July 2031	3652	23 July 2031	12,00,000	Bullet	8.75%	Annually	CARE AA; Stable	ICRA AA; Stable
18.	INE516 Y07428	1,000	23 July 2021	23 July 2031	3652	23 July 2031	154,01,00,000	Bullet	9.00%	Annually	CARE AA; Stable	ICRA AA; Stable
19.	INE516 Y07444	925	28 September 2021	26 September 2031	3650	26 September 2031	1,61,72,45,000,000	Repayable at 2.5% semi-annually for first 5 years and 7.5% semi-annually for the next 5 years	6.75%	Half yearly	CARE AA; Stable	ICRA AA; Stable

Sr. No.	ISIN	Face value (in INR)	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption date	Redemption Amount (in INR)	Redemption Terms	Rate of dividend/ coupon	Coupon frequency	CARE	ICRA
20.	INE516 Y07451	1,00,000	21 April 2023	25 May 2026	1130	25 May 2026	100,00,00,000	Bullet	8.75%	Annually	CARE AA; Stable	-
21.	INE516 Y07469	1,00,000	04 May 2023	17 May 2024	379	17 May 2024	500,00,00,000	Bullet	8.95%	Quarterly	CARE AA; Stable	-
22.	INE516 Y07477	1,00,000	13 July 2023	30 December 2024	536	30 December 2024	600,00,00,000	Bullet	8.80%	Annually	CARE AA; Stable	-
23.	INE516 Y07485	1,00,000	22 November 2023	21 February 2025	457	21 February 2025	600,00,00,000	Bullet	8.91%	Quarterly	-	ICRA AA; Stable
24.	INE516 Y07485	1,00,000	30 January 2024	21 February 2025	388	21 February 2025	200,00,00,000	Bullet	8.91%	Quarterly	-	ICRA AA; Stable
25.	INE516 Y07493	1,00,000	13 February 2024	26 February 2025	379	26 February 2025	500,00,00,000	Bullet	9.22%	Quarterly	CARE AA; Stable	-

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Sr. No.	ISIN	Face value (in INR)	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption date	Redemption Amount (in INR)	Redemption Terms	Rate of dividend/ coupon	Coupon frequency	CARE	ICRA
26.	INE516 Y07501	1,00,000	06 March 2024	04 April 2025	394	04 April 2025	100,00,00,00 0	Bullet	9.08%	Quarterly	CARE AA; Stable	-

Redemption premium/ discount – N.A. Early redemption scenario details – N.A. Call price – N.A. Call date – N.A. Call notification time – N.A. Put price – N.A. Put date – N.A. Put notification time – N.A.	Latest audited financials along with notes to accounts and any audit qualifications – please refer to the following URL on the website of the Transferee Company: https://www.piramalfinance.com/stakeholders
	An auditors' certificate certifying the payment/ repayment capability of the resultant entity – please refer to the following URL on the website of the Transferee Company: https://www.piramalfinance.com/stakeholders
	Fairness reports – please refer to the following URL on the website of the Transferee Company: https://www.piramalfinance.com/stakeholders
	Safeguards for the protection of the holders of the PCHFL Debentures (a) The terms of the PCHFL Debentures will remain the same and such non-convertible debentures will continue to be listed on the Stock Exchanges. (b) Accordingly, the Scheme will have no adverse effect on the holders of the PCHFL Debentures and thus adequately safeguards interests of the holders of the PCHFL Debentures.
	Exit offer to the dissenting holders of the PCHFL Debentures, if any Given that the Scheme will have no adverse effect on the holders of the PCHFL Debentures, no exit offer is required.

ANNEXURE 3

Details of NCRPS

Particulars	Terms
Face Value	INR 67 per share
Tenure	3 years from the date of allotment
Dividend	0.01% per annum payable annually
Redemption price	Transferee Company shall redeem at a premium, 1/3rd of the face value of the NCRPS every year from the date of allotment, to provide an internal rate of return (IRR) of 9% at the time of redemption. Please refer to the illustration below.
Early redemption	The NCRPS may be redeemed prior to maturity at the sole discretion of the Transferee Company, subject to Applicable Law.
Coupon frequency	Annually
Credit rating	The credit rating for the NCRPS shall be obtained from a credit rating agency after the Scheme comes into effect

(In INR)

After end of Year	Redemption Amount (Face value)	Redemption premium & Coupon	Cumulative Cash Flow
1.	22.00	1.99	23.99
2.	22.00	4.14	26.14
3.	23.00	6.79	29.79
	67.00	12.92	79.92

** Redemption premium and coupon shall be considered as dividend and will be subject to applicable withholding tax.*

Call date – N.A. Call price – N.A. Call notification time – N.A. Put date – N.A.	**Voting rights** The NCRPS shall not carry participation rights.

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PIRAMAL CAPITAL & HOUSING FINANCE LTD.

Put price – N.A. Put notification time – N.A.	**Transferability** The NCRPS shall be freely transferable at the option of the holder subject to Applicable Law.
	Winding up Subject to the provisions of the memorandum and articles of association of the Transferee Company, the NCRPS shall take precedence over the equity shares of the Transferee Company with respect to repayment of capital upon winding up.

For and on behalf of Board of Directors of

Piramal Capital & Housing Finance Limited

Vikash Singhlu
Chief Financial Officer

Piramal Finance

Appendix 2: Assessment of the capability of the resultant merged entity as at March 31, 2024 for payment of interest and repayment of principal of non-convertible debentures issued by the transferor company and transferee company

Declaration with respect to the resultant entity's capacity for payment of interest and repayment of principal of the non-convertible debentures (NCDs)

On the basis of current business plan and cash flow projections as submitted in structural ALM return to National Housing Bank (NHB) of the Piramal Capital & Housing Finance Limited and to Reserve bank of India (RBI) of Piramal Enterprises Limited, We confirm that the resultant merged company will have the capacity to meet the obligations related to the payment of interest and repayment of principal of the non-convertible debentures as on March 31, 2024 as per below details:

Piramal Capital & Housing Finance Limited (transferee company)

Rs. (In Crores)

ISIN	Particulars	Terms of repayment	Frequency of Coupon	Principal Outstanding as at March 31, 2024	Maturity Due Date
INE516Y07444	18,48,28,062 (payable semi annually) 6.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value 875	The NCD's are repayable at 2.5% semi-annually for first 5 years and at 7.5% semi-annually for the next 5 years from the date of allotment	Half yearly	16,172.46	September 26, 2031
INE516Y07139	1800 (payable semi annually) 10% Secured, Rated, Unlisted, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 5,00,000	50% of NCDs are repayable after 53 months from the date of allotment & balance after 85 months from the date of allotment.	Half yearly	90.00	November 8, 2024
INE641O07086	250 (payable annually) 8.75% Secured, Rated, Listed , Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs. 10,00,000	The NCD's are repayable after 2556 days from the date of allotment	Annually	25.00	May 3, 2024
INE516Y07469	50,000 (payable quarterly) 8.95% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,00,000	The NCD's are repayable after 379 days from the date of allotment	Quarterly	500.00	May 17, 2024
INE516Y07352	13,770 (payable annually) 8.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	The NCD's are repayable after 1096 days from the date of allotment	Annually	1.38	July 23, 2024
INE516Y07402	15,42,637 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	The NCD's are repayable after 1096 days from the date of allotment	Annually	154.28	July 23, 2024
INE516Y07477	60,000 (payable annually & maturity) 8.80% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,00,000	The NCD's are repayable after 536 days from the date of allotment	Annually	600.00	December 30, 2024
INE516Y07485	80,000 (payable quarterly & maturity) 8.91% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,00,000	The NCD's are repayable after 457 days (600 crs) & 388 days (200 crs) from the date of allotment.	Quarterly	800.00	February 21, 2025
INE516Y07493	50,000 (payable quarterly & maturity) 9.22% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,00,000	The NCD's are repayable after 379 days from the date of allotment	Quarterly	500.00	February 26, 2025
INE516Y07501	10,000 (payable quarterly & at maturity) 9.08% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,00,000	The NCD's are repayable after 394 days from the date of allotment	Quarterly	100.00	April 4, 2025
INE516Y07261	20,000 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	The NCD's are repayable in 4 equal instalments starting from 12 June 2025	Annually & with instalments	2,000.00	March 12, 2026
INE516Y07279	20,500 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	The NCD's are repayable in 4 equal instalments starting from 19 June 2025	Annually & with instalments	2,050.00	March 19, 2026
INE641O07144	5,000 (payable monthly) 7.95% Secured, Rated , Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs. 10,00,000	The NCDs are redeemable at par in three instalments : 8th year-167 crore; 9th year-167crore; 10th year-166 crore	Monthly	500.00	September 20, 2027
INE641O07185	350 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	The NCDs are repayable after 2555 days from the date of allotment	Annually	35.00	October 3, 2025
INE516Y07451	10,000 (payable annually) 8.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,00,000	The NCD's are repayable after 1130 days from the date of allotment	Annually	100.00	May 25, 2026

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Piramal Capital & Housing Finance Ltd.

Piramal Finance

ISIN	Particulars	Terms of repayment	Frequency of Coupon	Principal Outstanding as at March 31, 2024	Maturity Due Date
INE516Y07360	1,07,455 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	The NCD's are repayable after 1826 days from the date of allotment	Annually	10.75	July 23, 2026
INE516Y07410	8,08,680 (payable annually) 8.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	The NCD's are repayable after 1826 days from the date of allotment	Annually	80.87	July 23, 2026
INE516Y07014	5,000 (payable annually) 9.27% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	The NCDs are redeemable at par in three instalments : 8th year-167 crore; 9th year-167crore; 10th year-166 crore	Monthly	500.00	December 19, 2028
INE516Y07063	15,000 (payable annually) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	The NCD's are repayable in 3 equal instalment of Rs 50000 lakhs each payable after 8th year, 9th year, 10th year from the date of allotment	Annually	1,500.00	March 9, 2029
INE516Y07246	500 (payable annually) 9.32% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	The NCD's are repayable after 3650 days from the date of allotment	Annually	50.00	November 1, 2030
INE516Y07295	250 (payable annually) 9.00% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	The NCD's are repayable after 3650 days from the date of allotment	Annually	25.00	March 28, 2031
INE516Y07329	200 (payable annually) 8.85% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	The NCD's are repayable after 3650 days from the date of allotment	Annually	20.00	June 27, 2031
INE516Y07378	1,150 (payable annually) 8.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	The NCD's are repayable after 3652 days from the date of allotment	Annually	0.12	July 23, 2031
INE516Y07428	15,40,084 (payable annually) 9.00% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1,000	The NCD's are repayable after 3652 days from the date of allotment	Annually	154.01	July 23, 2031
INE841O08035	1,276 (payable annually) 9.55% Unsecured, Subordinated, Tier II, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	The NCD's are repayable after 10 years from the date of allotment	Annually	127.60	March 8, 2027

Piramal Enterprises Limited (transferor company)

Rs. (In Crores)

ISIN	Particulars	Terms of repayment	Frequency of coupon	Principal Outstanding as at 31 March 2024	Maturity due date
INE140A07662	1000 - 8.00% Secured Rated Listed Redeemable Non Convertible Principal Protected Market Linked Debentures each having face value of ₹1,000,000	The amount of ₹ 100 Crores is redeemable at par at the end of 731 days from the date of allotment.	On Maturity	100.00	May 24, 2024
INE140A07682	700 - 8.00% Secured Rated Listed Redeemable Non Convertible Principal Protected Market Linked Debentures each having face value of ₹1,000,000	The amount of ₹ 70 Crores is redeemable at par at the end of 679 days from the date of allotment.	On Maturity	70.00	May 24, 2024
INE140A07682	750 - 8.00% Secured Rated Listed Redeemable Non Convertible Principal Protected Market Linked Debentures each having face value of ₹1,000,000	The amount of ₹ 75 Crores is redeemable at par at the end of 661 days from the date of allotment.	On Maturity	75.00	May 24, 2024
INE140A07682	1000 - 8.00% Secured Rated Listed Redeemable Non Convertible Principal Protected Market Linked Debentures each having face value of ₹1,000,000	The amount of ₹ 100 Crores is redeemable at par at the end of 540 days from the date of allotment.	On Maturity	100.00	May 24, 2024
INE140A07666	1,250 - 8.00% Secured Rated Listed Redeemable Non Convertible Principal Protected Market Linked Debentures each having face value of ₹1,000,000	The amount of ₹ 125 Crores is redeemable at par at the end of 915 days from the date of allotment.	On Maturity	125.00	September 2, 2024
INE140A07686	1750 - 8.00% Secured Rated Listed Redeemable Non Convertible Principal Protected Market Linked Debentures each having face value of ₹1,000,000	The amount of ₹ 175 Crores is redeemable at par at the end of 869 days from the date of allotment.	On Maturity	175.00	September 2, 2024
INE140A07690	2150 - 8.00% Secured Rated Listed Redeemable Non Convertible Principal Protected Market Linked Debentures each having face value of ₹1,000,000	The amount of ₹ 215 Crores is redeemable at par at the end of 731 days from the date of allotment.	On Maturity	215.00	September 20, 2024

MUKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS MUMBAI

TR Chadha & Co LLP Chartered Accountants MUMBAI

PIRAMAL CAPITAL & HOUSING FINANCE LTD.

Piramal Finance

ISIN	Particulars	Terms of repayment	Frequency of Coupon	Principal Outstanding as at March 31, 2024	Maturity Due Date
INE140A07781	8000 - 9.05% Secured, Rated, Unlisted , Redeemable, Non-convertible Debentures each having face value of ₹10,00,000/-	The amount of ₹ 800 Crores is redeemable at par at the end of 364 days from the date of allotment.	quarterly	800.00	October 28, 2024
INE140A07674	1000 - 8.00% Secured Rated Listed Redeemable Non Convertible Principal Protected Market Linked Debentures each having face value of ₹1,000,000	The amount of ₹ 100 Crores is redeemable at par at the end of 915 days from the date of allotment.	On Maturity	100.00	November 4, 2024
INE140A07708	503 - 8.10% Secured Rated Listed Redeemable Non Convertible Principal Protected Market Linked Debentures each having face value of ₹1,000,000	The amount of ₹ 50.30 Crores is redeemable at par at the end of 973 days from the date of allotment.	On Maturity	50.30	May 23, 2025
INE140A07708	505 - 8.10% Secured Rated Listed Redeemable Non Convertible Principal Protected Market Linked Debentures each having face value of ₹1,000,000	The amount of ₹ 50.50 Crores is redeemable at par at the end of 926 days from the date of allotment.	On Maturity	50.50	May 23, 2025
INE140A07757	2729108 - 9.00% Secured, Rated, Listed , Redeemable, Non-convertible Debentures each having face value of ₹1000/-	The amount of ₹272.91 Crores is redeemable at par at the end of 731 days from the date of allotment.	Annually	272.91	November 3, 2025
INE140A07799	15000 - 9.35% Secured, Rated, Listed , Redeemable, Non-convertible Debentures each having face value of ₹100,000/-	The amount of ₹150 Crores is redeemable at premium of ₹ 522.03 per debenture at the end of 729 days from the date of allotment.	Annually	150.00	February 27, 2026
INE140A07732	10000 - 8.75% Secured, Rated, Listed, Redeemable, Non-convertible Debentures each having face value of ₹1,00,000	The amount of ₹ 100 Crores is redeemable at par at the end of 1176 days from the date of allotment.	Annually	100.00	May 29, 2026
INE140A07179	350 - 9.75% Secured Rated Listed Redeemable Non Convertible Debentures each having face value of ₹1,000,000	The amount of ₹ 35 Crores is redeemable at par at the end of 3652 days from the date of allotment.	Annually	35.00	July 14, 2026
INE140A07211	50 - 9.75% Secured Rated Listed Redeemable Non Convertible Debentures each having face value of ₹1,000,000	The amount of ₹ 5 Crores is redeemable at par at the end of 3650 days from the date of allotment.	Annually	5.00	July 17, 2026
INE140A07740	1313472 - 9.05% Secured, Rated, Listed , Redeemable, Non-convertible Debentures each having face value of ₹1000/-	The amount of ₹131.35 Crores is redeemable at par at the end of 1096 days from the date of allotment.	Annually	131.35	November 3, 2026
INE140A07765	727502 - 9.20% Secured, Rated, Listed , Redeemable, Non-convertible Debentures each having face value of ₹1000/-	The amount of ₹72.75 Crores is redeemable at par at the end of 1827 days from the date of allotment.	Annually	72.75	November 3, 2028
INE140A07773	558948 - 9.35% Secured, Rated, Listed , Redeemable, Non-convertible Debentures each having face value of ₹1000/-	The amount of ₹55.89 Crores is redeemable at par at the end of 3653 days from the date of allotment.	Annually	55.89	November 3, 2033

We have considered the following key factors while doing the aforementioned assessment:

a) Free cash and cash equivalents along with liquid short-term investments available with the resultant merged company as on March 31, 2024.
b) Cash generation from the operating activities of the transferor company, which will become part of the resulting company after merger.
c) Fund raising ability of the resulting company considering the strong asset base and future projections of the business operations of the transferor company which will become part of resulting company after merger.
d) Basis the structural return workings of Assets liability of Transferee Company and Transferor Company as at 31 March 2024, there are no negative cumulative cash flows considering various outflows and inflows.

For and on behalf of the Board of Directors
Piramal Capital & Housing Finance Limited

Vikash Singhla
Chief Financial Officer
Mumbai : May 8, 2024

PIRAMAL CAPITAL & HOUSING FINANCE LTD.

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

TR Chadha & Co. LLP MUMBAI Chartered Accountants