Piramal

8th July, 2020

BSE Limited
1st Floor, New Trading Wing,
Rotunda Building, P.J.Towers,
Dalal Street, Fort,
Mumbai- 400001

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No. C/1, G. Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai- 400 051

Dear Sir / Madam,

Ref: BSE Scrip code: 500302, 912460
NSE Symbol: PEL

Sub: Annual Report for FY 2019–20 and Notice of the 73rd Annual General Meeting of the Company

Enclosed please find the Annual Report of Piramal Enterprises Limited ('the Company') for the financial year ended 31st March, 2020 which includes the Notice of the 73rd Annual General Meeting of the Company scheduled to be held on Thursday, 30th July, 2020, for your records.

Kindly take the above on record and oblige.

Thanking you,

Yours truly,
For Piramal Enterprises Limited

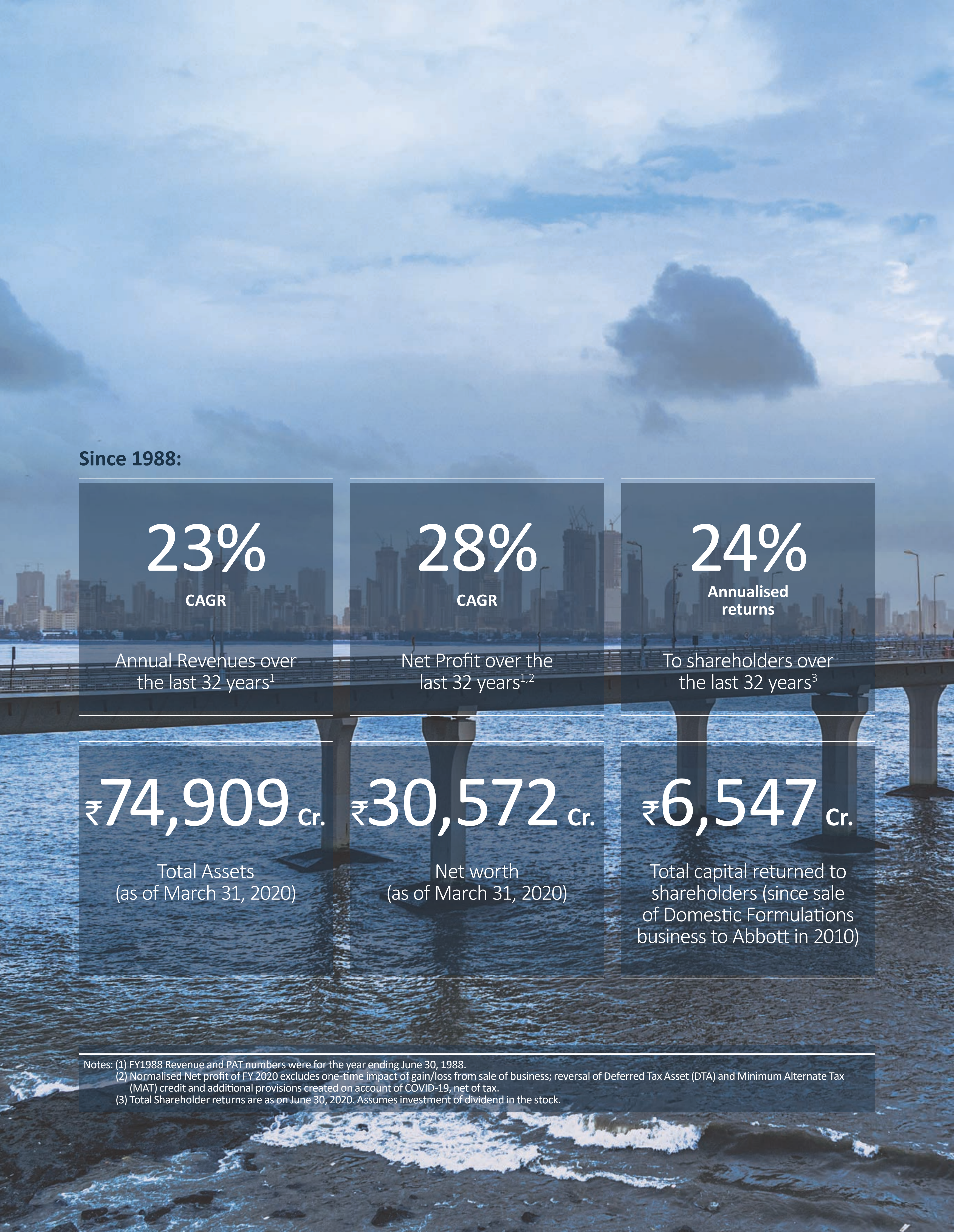
BIPIN SINGH
Digitally signed by BIPIN SINGH
Date: 2020.07.08 14:07:03 +05'30'

Bipin Singh
Company Secretary

Piramal

PIRAMAL ENTERPRISES LIMITED

Annual Report 2019-20



Since 1988:

23%	28%	24%
CAGR	**CAGR**	**Annualised returns**
Annual Revenues over the last 32 years[1]	Net Profit over the last 32 years[1,2]	To shareholders over the last 32 years[3]

₹74,909 Cr.	₹30,572 Cr.	₹6,547 Cr.
Total Assets (as of March 31, 2020)	Net worth (as of March 31, 2020)	Total capital returned to shareholders (since sale of Domestic Formulations business to Abbott in 2010)

Notes: (1) FY1988 Revenue and PAT numbers were for the year ending June 30, 1988.
(2) Normalised Net profit of FY 2020 excludes one-time impact of gain/loss from sale of business; reversal of Deferred Tax Asset (DTA) and Minimum Alternate Tax (MAT) credit and additional provisions created on account of COVID-19, net of tax.
(3) Total Shareholder returns are as on June 30, 2020. Assumes investment of dividend in the stock.

Contents

PIRAMAL ENTERPRISES AT A GLANCE

Piramal Enterprises Limited (PEL) is one of India's large diversified companies, with a presence in Financial Services and Pharmaceuticals. PEL's consolidated revenues were US$1.7 Billion in FY2020, with 34% of revenues generated from outside India. Financial Services contributed 59% to PEL's FY2020 revenues and Pharma contributed 41%.

Financial Services: The Company offers a wide range of financial products and solutions, with exposure across both wholesale and retail financing. Within wholesale lending, the business provides financing to real estate developers, as well as corporate clients. The real estate platform provides financing solutions across the entire capital stack to developers, which includes construction finance. In Corporate Lending, the business provides customised funding solutions to companies across non-real estate sectors, such as infrastructure, renewable energy, roads, industrials, auto components etc. The retail lending business offers housing loans to individual customers. The Company aims to build a multi-product retail lending platform which would be 'digital at its core'.

The Company has also formed strategic partnerships with leading financial institutions such as Caisse de dépôt et placement du Québec (CDPQ), Canada Pension Plan Investment Board (CPPIB), APG and Ivanhoe Cambridge across various investment platforms. It has built a Distressed Asset Investing platform with Bain Capital Credit (IndiaRF) which invests in equity and/or debt across non-real estate sectors to drive restructuring with active participation in turnaround. PEL also has equity investments in Shriram Group, a leading financial conglomerate in India. As of March 31, 2020, the Financial Services business had a strong portfolio with total investments, loans and assets under management (AUM) of ~₹66,400 Crores.

Pharma: PEL has a differentiated business model that is diversified across three segments: Contract Development and Manufacturing (CDMO), Complex Hospital Generics (CHG) and Consumer Healthcare.

Through end-to-end manufacturing capabilities across 14 global facilities and a large global distribution network spanning over 100 countries, PEL sells a portfolio of niche differentiated pharma products and provides an entire pool of pharma services. Our CDMO business offers integrated solutions across drug lifecycle - ranging from drug discovery and clinical development to commercial manufacturing of Active Pharmaceutical Ingredients (APIs) and Formulations. The Complex Hospital Generics business markets niche inhalation anaesthesia, injectable anaesthesia, intrathecal spasticity and pain management and select antibiotic products. PEL's Consumer Healthcare business is among the leading players in India in the self-care space, with established brands in the Indian consumer healthcare market.

HIGHLIGHTS OF THE COMPANY

6,579
Employees

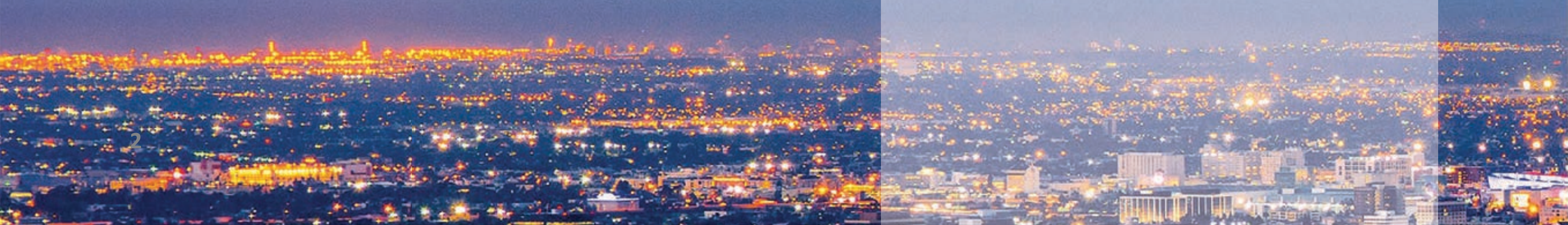
Presence in
43
locations in 17 countries

23%
Revenue CAGR for 32 years

28%
Normalised Net Profit CAGR for 32 years[1]

24%
Annualised shareholder returns over the last 32 years[2]

(1) Normalised Net profit of FY 2020 excludes one-time impact of gain/loss from sale of business; reversal of Deferred Tax Asset (DTA) and Minimum Alternate Tax (MAT) credit and additional provisions created on account of COVID-19, net of tax.
(2) As on June 30, 2020



CORE VALUES

KNOWLEDGE	ACTION	CARE	IMPACT
Expertise We strive for a deeper understanding of our domain.	**Entrepreneurship** We are empowered to act decisively and create value.	**Trusteeship** We protect and enhance the interests of our customers, community, employees, partners and shareholders.	**Performance** We strive to achieve market leadership in scale and profitability, wherever we compete.
Innovation We aspire to do things creatively.	**Integrity** We are consistent in our thought, speech and action.	**Humility** We aspire to be the best, yet strive to be humble.	**Resilience** We aspire to build businesses that anticipate, adapt and endure for generations.

At Piramal Group, our core values of Knowledge, Action, Care and Impact are integral to our guiding philosophy. These values represent our deeply held beliefs and define us at the individual as well as organisational levels. We encourage a deep understanding of these core values and believe in institutionalising them across the organisation to build a distinctive Piramal culture.

We stay true to our purpose of '**Doing Well and Doing Good**' by following three basic tenets

Serving People
We aim to serve our customers, community, employees, partners and all other stakeholders by putting their needs and well-being first.

Making a Positive Difference
We aim to make a positive difference through our products, services, customer-centric approach and innovation-led research.

Living Our Values
We live by our values in our everyday actions, decisions and conduct, at a personal as well as a professional level.

CORPORATE STRUCTURE

Piramal Enterprises
FY2020 Revenues: ₹**13,068 Cr***

Financial Services
FY2020 Revenue contribution **59%**

- WHOLESALE LENDING
- RETAIL LENDING
- ALTERNATIVE AUM
- INVESTMENTS IN SHRIRAM

Pharma
FY2020 Revenue contribution **41%**

- PIRAMAL CDMO
- COMPLEX HOSPITAL GENERICS
- CONSUMER HEALTHCARE
- JOINT VENTURE WITH ALLERGAN

In Q4 FY2020, the Company sold the Healthcare Insights & Analytics (DRG) to Clarivate Analytics for a consideration of US$ 950 Million.

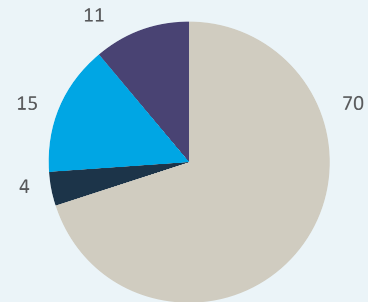
* FY2020 revenue does not include revenue from JV with Allergan

BUSINESS AT A GLANCE
FINANCIAL SERVICES

	Business Description	Loan Book / AUM
 Page 52	**Real Estate (RE) Wholesale Lending** End–to–end real estate financing model	**₹37,561** Crores
 Page 54	**Corporate Finance Group (CFG)** Sector agnostic corporate lending book (non – Real Estate)	**₹7,868** Crores
 Page 56	**Housing Finance Company (HFC)** A business offering individual retail loans to homebuyers	**₹5,534** Crores
 Page 56	**Other Retail Lending** Building a multi-product retail lending platform	Currently in the build-up phase
 Page 57	**Alternative AUM** Various investment platforms and JVs including: strategic partnerships with CDPQ, APG, CPPIB; JV with Bain Capital Credit for a distressed asset investment platform	**₹11,496** Crores AUM
 Page 57	**Investments in Shriram** Leading player in MSME Financing etc.	**₹3,954** Crores Book value of investments

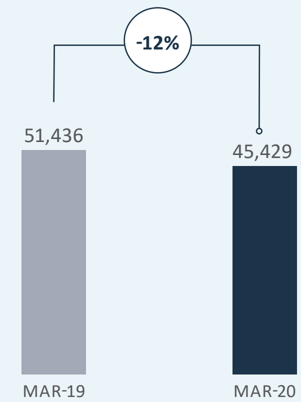
LOAN BOOK SPLIT AS OF MARCH 31, 2020
(%)

₹50,963 Cr.

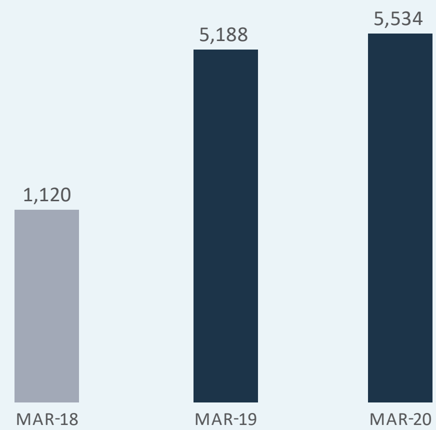


- WHOLESALE REAL ESTATE
- HOSPITALITY
- CORPORATE LENDING
- RETAIL FINANCING

WHOLESALE LOAN BOOK
(₹ Crores)



HOUSING FINANCE LOAN BOOK
(₹ Crores)



PHARMA

Business Description | Revenue


→ Page 72

Pharma Contract Development and Manufacturing Organisation (CDMO) Business

₹3,154 Crores

Global CDMO business with presence across the drug lifecycle including discovery, development, clinical and commercial manufacturing of APIs and formulations


→ Page 73

Complex Hospital Generics

₹1,853 Crores

Global complex hospital generics business with presence in inhalation anesthesia, injectable anesthesia and pain management, injectable intrathecal therapy and other injectables

→ Page 74

Consumer Healthcare Business

₹418 Crores

Consumer healthcare business in India with a nationwide sales and marketing infrastructure and a portfolio of multiple brands in attractive segments

Joint Venture with Allergan (49% stake)

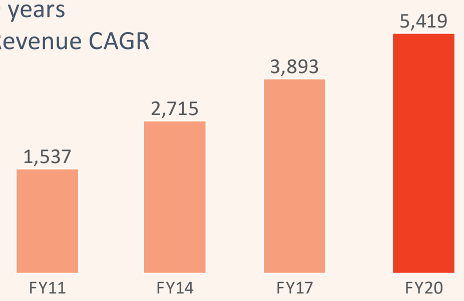
₹379 Crores

A market leader in the fast growing ophthalmology category in India with the medication for diseases such as glaucoma, dry eye, infections and inflammations

PHARMA REVENUE PERFORMANCE

(₹ Crores)

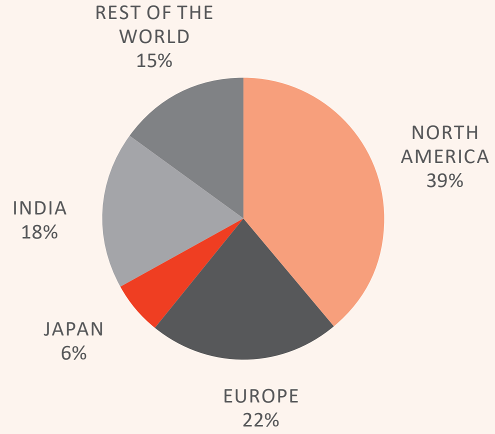
15%
9 years
Revenue CAGR



Note: Pharma revenue includes Pharma CDMO, Complex Hospital Generics and India Consumer Healthcare and Forex exchange loss.

GEOGRAPHICAL BREAKDOWN OF REVENUE

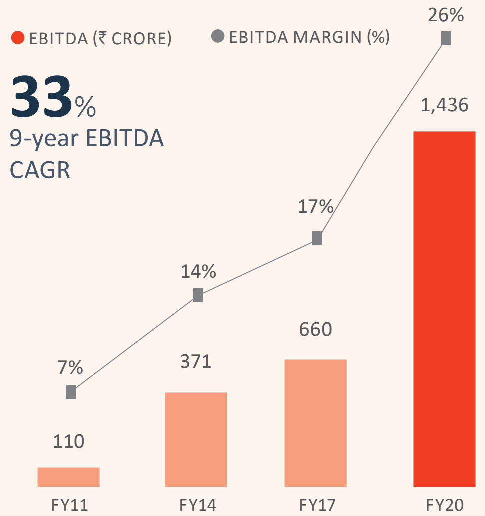
(%)



SIGNIFICANT IMPROVEMENT IN EBITDA OVER THE LAST FEW YEARS

● EBITDA (₹ CRORE) ● EBITDA MARGIN (%)

33%
9-year EBITDA CAGR



Note: EBITDA disclosed is for continuing Pharma businesses.

Raised ~₹14,500 Crores in FY 2020 through multiple transactions – exceeding the stated commitment

- ~₹6,800 Crores (USD 950m) from the sale of DRG - a transaction closed in end-Feb, in the midst of the COVID-19 crisis in the U.S.
- ₹1,750 Crores from preferential allotment to CDPQ
- ₹3,650 Crores through Rights Issue. This included ~₹1,600 Cr of investment made by promoters
- ~₹2,300 Crores from Sale of our investments in Shriram Transport

PEL's net debt-to-equity multiple reduced to 1.2x times as of March 2020 from 2.0x times as of March 2019

- Capital raising initiatives increased the equity base from ₹27,224 Crores to ₹30,572 Crores, while the Company continued to deleverage the balance sheet
- Reduced the net debt by ~₹17,800 Crores from ₹55,122 Crores as of Mar-2019 to ₹37,283 as of Mar-2020

Resilient financial performance in FY2020, despite a challenging business environment

- Revenue growth of 10% YoY to ₹13,068 Crores in FY2020, as Pharma businesses continued to perform well, while the Financial Services business delivered a resilient performance, despite a weak business environment
- Normalized net profit growth of 22% YoY to ₹2,615 Crores in FY2020, excluding one-time items[1]

Notes: 1. Normalized net profit excludes:
(a) impact of profit/loss from discontinued operations;
(b) reversal of Deferred Tax Assets (DTA) and Minimum Alternate Tax (MAT) credit; and
(c) additional conservative provision (net of taxes) on account of COVID-19

Simplification of the corporate structure

- With the sale of the Healthcare Insights & Analytics business, the Company is now focused on its two core businesses – Financial Services and Pharma
- Recent fund-raising in the Pharma business is also a step in this direction

Significantly deleveraged the business and improved borrowing mix

- In FY2020, ~₹3,700 Crores of additional equity was allocated to the Financial Services business, resulting in an increase in its equity base to ₹15,599 Crores as of March 31, 2020
- Gross debt-to-equity multiple improved to 2.6x times from 3.9x times a year ago – among lowest levered sizable financial services entities in the country
- The Company has raised ~₹13,500 Crores in long-term borrowings in FY2020; with share of bank[1] borrowings improving to 65% of overall borrowings as of Mar-2020 vs. 49% as of Sep-2018

Note: (1) Bank borrowings for Piramal Capital & Housing Finance Limited (PCHFL)

Making the loan book more granular

- Housing Finance accounted for 11% of the overall loan book as of March 2020;
- Exposure to top-10 large accounts reduced by ~₹4,200 Crores during the year (decline of 23% y-o-y)
- As of March 2020, only three client exposures were ≥10% of the net worth of the FS business

Building a multi-product retail lending platform which will be 'digital at its core' book

- Aim to create a multi-product retail lending business, which will be 'digital at its core'
- Currently focused on developing product & channel strategy, building technology infrastructure and key talent acquisition

Conservative provisioning at ~2.5x times GNPA and 5.8% of overall loan book

- Adopted a conservative and prudent approach to provisioning, given macroeconomic uncertainty arising from the COVID-19 pandemic
- Created incremental conservative provision of ₹1,903 Crores in Q4 FY2020, resulting in an total provision of ₹2,963 Crores (vs. ₹1,094 Crores a year ago)
- Total provisions at 246% of GNPAs or 5.8% of overall loan book

PHARMA - KEY HIGHLIGHTS

Pharma revenue delivered consistent growth at a CAGR of 15% over last 9 years

- Delivered revenues of ₹5,419 Crores in FY2020, contributing 41% to overall PEL revenue mix
- All the three Pharma businesses delivered a healthy revenue growth in FY20
- 67% of Pharma revenue derived from regulated markets (US, EU, and Japan)

Pharma EBITDA margin at 26%, EBITDA crossed ₹1,400 Crores in FY2020

- Pharma EBITDA grew 13 times at a CAGR of 33% over the last nine years
- Pharma EBITDA margins at 26% in FY2020 as compared to 7% in FY2011
- Margin expansion primarily driven by synergies from acquisitions, growth from high margin businesses, leveraging strong distribution networks, higher capacity utilisation and backward integration of raw materials

Note: (1) EBITDA disclosed is for continuing Pharma businesses.

Continued strong focus on Quality and Compliance

- Successfully cleared 36 USFDA inspections, 169 other regulatory inspections, and 1,130 customer audits since start of FY2012
- Successfully cleared 3 USFDA inspections for key facilities at Bethlehem, Lexington and Pithampur, 26 other regulatory inspections, and 141 customer audits during FY 2020
- No 'Official Action Indicated (OAI)' for any of our USFDA audits
- Strong quality governance model with Quality function reporting directly to a Board Member

Raising strategic growth capital for the Pharma business

- All Pharma businesses of PEL to be integrated into a subsidiary of PEL – Piramal Pharma Limited
- In June 2020, Carlyle Group Inc. agreed to invest fresh equity capital of ~US$490 million for a 20% stake in Piramal Pharma Limited, valuing the Pharma Business at an enterprise value (EV) of US$2,775 million, with an upside component of US$360 million depending on the Company's FY2021 performance
- This transaction is one of the largest private equity deals in the Indian pharmaceutical sector

CHAIRMAN'S MESSAGE

Dear Shareholders,

My warm greetings to all of you.

I hope you all are safe and in the best of health! This is a challenging and unprecedented time for all of us. The severity, and longevity, of the pandemic's impact on the domestic and global economy remains uncertain. The health and safety of our colleagues and their families, as well as our customers, are of the utmost importance – and we continue to take proactive measures to preserve their well-being. I want to thank all our employees around the world, who continue to support our customers and contribute to our role in the society.

> In the beginning of the year, we made a few clear choices and implemented them rigorously, which make us well-positioned to navigate these challenging times.

FY2020 was an exceptional year for us. The year was largely impacted by domestic and global economic slowdown, continued NBFC liquidity tightening and later by the COVID-19 pandemic. Despite significant volatility in the business and economic environment, we delivered a resilient performance during the year with the Company's revenues growing 10% YoY to ₹13,068 Crore. Our Pharma businesses continued to perform well and grew 13% YoY in FY2020. The Financial Services business too delivered a resilient performance, despite a weak business environment.

Strengthening of balance sheet

In the current environment, well-capitalised Non-banking Financial Companies (NBFCs) with strong parentage are likely to be in a better position to resist consequences as well as to leverage the consolidation opportunities that may arise from the ongoing environment.

At the beginning of the year, we had committed to bringing in ₹8,000 to ₹10,000 Crores of equity into the Company. Despite this adverse environment, we exceeded our commitment and were able to bring in ~₹14,500 Crores of capital during the year through the following milestone transactions:

- ~₹6,800 Crores (US$ 950 Million) from the sale of DRG – a transaction closed in end-February in the midst of the COVID-19 crisis in the US
- ₹1,750 Crores. from preferential allotment to CDPQ
- ₹3,650 Crores through the Rights Issue that was over-subscribed 1.14 times. This included ~₹1,600 Crores of investment made by promoters
- ~₹2,300 Crores from sale of our investments in Shriram Transport

> The severity, and longevity, of the pandemic's impact on the domestic and global economy remains uncertain. The health and safety of our colleagues and their families, as well as our customers, are of the utmost importance.

Both our business segments have clearly defined roadmaps in place for delivering strong and sustained long-term performances in the years to come.

> At the beginning of the year, we had committed to bringing in ₹8,000 to ₹10,000 Crores of equity into the Company. Despite this adverse environment, we exceeded our commitment and were able to bring in ~₹14,500 Crores of capital during the year.

Deleveraging

These measures have not only enabled us to increase the equity base from ₹27,224 Crores to ₹30,572 Crores, but it also helped us to significantly deleverage the balance sheet, resulting in a net debt-to-equity multiple of 1.2x times as of Mar-2020 compared to 2.0x times in Mar-2019.

Profitability

The reported net profit stood at ₹21 Crores. Our net profit performance was impacted by the following non-recurring items that occurred during the year:

- Considering the potential risks that our businesses might face due to COVID-19, we ran a scenario analysis and created an incremental non-cash provision of ~₹1,900 Crores in our Financial Services business, out of an abundance of caution.
- In Sep-2019, the corporate tax rate was reduced to 25% from 35%, provided companies do not avail of some other tax exemptions/incentives. Given the comparative advantage, we have opted for the new tax regime. As a result, there was a one-time, non-cash impact from DTA write-off and MAT credit reversal of ~₹1,760 Crores. We will continue to get benefit in future by paying the tax at the reduced rates.
- Sold DRG for a total consideration of US$ 950 Million. Recorded gain of ~US$ 100 Million, net of transaction costs

Excluding these three one-time items, the normalised net profit of the company grew 22% for the year to ₹2,615 Crores.

Dividend

Keeping in mind the global environment of heightened uncertainty caused by the COVID-19 pandemic on the one hand and on the other, the sale of our DRG business as well as the interest of the minority shareholder, for FY2020, the Board has recommended, subject to your approval, a dividend of ₹14 per share, resulting in a total dividend payout of ₹316 Crores as compared to ₹557 Crore in FY2019.

Financial Services

Trends in the NBFC sector

Over the past couple of years, NBFCs have played a critical role in India's economic growth as they have been instrumental in extending credit to Micro, Small and Medium Enterprises (MSMEs), real estate and retail consumers. MSMEs account for 31% of the GDP, 40% of exports and hire 25% of the labour force. Also, the real estate sector, which contributes more than ~7% to the GDP and hires ~17% of the labour force, directly or indirectly, is largely dependent on NBFCs and Housing Finance Companies (HFCs) for its funding. The underlying credit demand of an emerging India will continue to require NBFCs to fill the gaps where traditional banks have been wary to serve.

The last 18 months have been challenging for the NBFC sector. The sector was impacted by a system-wide liquidity tightening, as well as negative business news from large corporates, not necessarily from within the sector. The situation had further worsened due to COVID-19, making this one of the most prolonged crises for the sector. While the business environment has been gradually improving lately, uncertainties remain.

Given the significance of the NBFC sector, both the Reserve Bank of India and the Government of India introduced multiple measures to reduce the stress in the economy. Those measures, to a certain extent, have eased business conditions and assisted NBFCs/HFCs to build adequate liquidity, reduce ALM mismatches and improve their focus on asset quality.

We expect that this prolonged crisis will enhance the speed and extent of the ongoing consolidation in the NBFC sector. Only strong, well-capitalised and well-governed NBFCs will be able to withstand this prolonged crisis.

Granularisation of the loan book

Within the Financial Services business, in line with our earlier stated strategy, we have been treading with utmost caution, not chasing growth, instead preserving liquidity and deleveraging the business.

On the asset side, we have continued to diversify our loan book and increase its granularity in order to reduce the overall risk profile of our loan book. In our endeavour to reduce single-borrower exposures, the wholesale loan book declined 12% YoY, with top-10 exposures reducing by ~₹4,200 Crores during the year. Hence, the overall loan book reduced from ₹56,624 Crores as of Mar-2019 to ₹50,963 Crores as of Mar-2020.

Asset quality and provisioning

Our entire loan book is secured in nature and the GNPA ratio stood at 2.4% as of Mar-2020. The gross NPA in our retail housing financing business is 0.17% with a weighted average loan-to-value of 65% as of Mar-2020.

As a matter of prudence, we proactively conducted a scenario analysis to assess the potential impact of COVID-19 and created an additional conservative provision of ~₹1,900 Crores, which should be sufficient to meet any contingency that may occur to the portfolio due to COVID-19. This brings our total provision to ~₹3,000 Crores (or 5.8% of the loan book) as of Mar-2020, implying a provision coverage of ~2.5x times.

Retail financing

We see a significant untapped potential in the retail financing space, offering long-term growth opportunities. Also, due to the impact of COVID-19, the competitive intensity in the retail financing space is likely to decline.

As on Mar-2020, the Retail Housing Finance loan book accounted for 11% of our overall loan book. We expect the share of retail financing in our loan book to increase in future.

In this regard, we have announced the launch of a multi-product retail lending platform, which would be fully "digital at its core". Given that we do not have a legacy retail financing book, we will incorporate learnings from the current environment as we build this platform. We are currently focused on building technology infrastructure, setting up robust processes, developing loan products and acquiring top quality key talent for this business. Also, as part of this multi-product retail lending strategy, we plan to gradually shift the housing finance business towards the mass-affluent category to enable us to improve the profitability of the business.

> We have announced the launch of a multi-product retail lending platform, which would be fully 'digital at its core'. We will incorporate learnings from the current environment as we build this platform.

Liabilities side

Since September 2018, liquidity has remained scarce for the NBFC sector due to a heightened risk aversion amongst lenders, such as banks and mutual funds. The availability of liquidity has got further impacted due to COVID-19, making this one of the most prolonged crises for the NBFC sector. Interventions by the RBI and the Government have helped ease system-wide liquidity to a certain extent, particularly for good quality players. However, rising delinquencies continue to dampen stakeholders' sentiments.

Leveraging our strong balance sheet, we borrowed ~₹13,500 Crores in the form of long-term borrowings during the year. In this process, we shifted our borrowing mix towards longer-term sources of funds and reduced commercial paper borrowings to ₹1,080 Crores from ~₹18,000 Crores as of Sep-2018.

As on March 31, 2020, we had cash and cash equivalents of ~₹¬8,900 Crores in the form of cash and undrawn bank lines. In fact, the Company raised ~₹5,000 Crores of long-term borrowings in April-May 2020 from large public sector banks. Further, we recently announced issuance of non-convertible debentures (NCDs) amounting to ₹2,590 Crores in June 2020, reflecting the Company's ability to raise funds even in such an extremely challenging environment.

As we strengthened the Company's balance sheet, the gross debt-to-equity of the Financial Services business reduced to 2.6x times as of March 31, 2020 from 3.9x times a year ago, making it one of the least levered sizeable financial services entities in the country.

Outlook

We continue to constantly transform and improve our business model with the following key priorities: (i) constantly engage with and support our partners/developers to ensure project completion remains on track; (ii) continue to diversify the loan book and make it more granular; and (iii) build a tech-enabled, multi-product lending platform to target significant future growth opportunities.

Pharma

Our company has demonstrated a three-decades-long track record of growth and re-invention in Pharma. Following the sale of its domestic pharma business to Abbott in 2010 for US$ 3.8 billion, the Company has re-demonstrated its ability to build a solid and resilient Pharma business over the last 10 years. Leveraging its differentiated business model and strong quality track record, PEL's Pharma revenue since the Abbott deal has grown 3.5 times at a CAGR of 15% from ₹1,537 Crores in FY2011 to ₹5,419 Crores in FY2020. In this period, the Pharma business EBITDA has gone up 13 times at a CAGR of 33% from ₹110 Crores in FY2011 to ₹1,436 Crores in FY2020, resulting in a significant improvement in the EBITDA margin from 7% in FY2011 to 26% in FY2020.

Continuing with this long-term track-record, the Company has delivered a FY2020 revenues growth of 13% YoY as all the three Pharma businesses delivered a healthy revenue growth for the year. EBITDA for the Pharma segment grew by 41% YoY in FY2020 with a substantial expansion of EBITDA margins.

Focus on quality

Quality remains an ongoing concern for Indian and global pharma companies, with many facing scrutiny from regulatory authorities such as the US FDA. Quality is a culture at Piramal and we have built an exemplary quality framework that is implemented across our manufacturing facilities.

Similar to Risk, Legal and Compliance, the Quality function also reports independently to the Board. Since 2011, we have successfully cleared all 36 US FDA inspections, 169 other regulatory inspections and 1,130 customer audits – without ever receiving any ‘Official Action Indicated (OAI)’ status – reflecting our commitment to excellence in quality and compliance.

COVID-19 impact and our measures

Pharmaceutical companies are playing an important role in these tough times by enabling the supply of key medicines across the world despite facing multiple challenges, such as ensuring continuous production of life-saving medicines while maintaining the safety of employees, and complying with constantly evolving government restrictions. This has underscored the Pharma industry as one of the safest and most resilient industries in this period of uncertainty.

> Pharma is one of the safest and most resilient industries in this period of uncertainty. The recent strategic growth investment is an affirmation of the underlying strength of the business and will provide us with a war chest for the next phase of our strategy.

The underlying medical conditions that drive demand for our Complex Hospital Generics and CDMO products and services remain unchanged. We believe that near-term volatility is temporary in nature and the situation will normalise over time. We are also having some potential upsides related to the current situation across our Pharma businesses. For instance, some of our Complex Hospital Generics are getting used in COVID-19 treatments. We have also received 30+ new business inquiries related to COVID-19 for our CDMO business, and demand has surged for sanitiser and multi-vitamin brands in our India Consumer Healthcare, and so on. Given that we have production facilities across three continents, we are also well-positioned to cater to any evolving requirements related to increasing preference of customers for locally manufactured products and for diverse sourcing options.

We have implemented robust prevention and response protocols at our operational sites to ensure worker safety and allowed work from home for employees, wherever feasible. We have also been proactive in managing our supply chain and had accelerated alternative vendor development and backward integration projects more than 18 months ago to mitigate supplier concentration and location risks for our key raw materials. Due to these initiatives, we have neither faced nor do we envision any major negative impact of COVID-19 on our supply chain. However, the current environment remains dynamic, and we remain cautiously optimistic towards managing any possible future impact of the COVID-19 pandemic.

Fundraising in Pharma and outlook:

In late 2019, we embarked on a search for a like-minded investing partner for strategic growth capital in Pharma, which would also be a step in the direction of the eventual demerger and separate listing of our Pharma and the Financial Services businesses. Accordingly, our Pharma businesses have been integrated into a subsidiary of PEL i.e. Piramal Pharma Limited.

In June 2020, Carlyle Group agreed to invest fresh equity capital of ~US$ 490 Million for a 20% stake in Piramal Pharma Limited. The transaction valued our Pharma Business at an enterprise value (EV) of US$ 2,775 Million, with a potential upside of another US$360 Million, depending on the business’ FY2021 performance. The transaction is expected to close in 2020. It is one of the largest private equity deals in the Indian pharmaceutical sector and will accelerate our organic and inorganic growth plans in the coming years.

Building leaders for the future

To deliver on PEL’s strategic priorities, we continue to invest in our key talent who are valuable contributors to our success. During the year 2019, PEL was ranked 32nd among the world’s top employers in Forbes’ Global 2000 Rankings.

Our Top Talent programmes aim to provide high-potential employees with personalised skill development journeys and differentiated careers in line with their aspirations. Today, we have more than 190 high-potentials who have been identified and developed for taking on leadership roles through programmes across the organisation’s hierarchy. The SUMMIT leadership programme focuses on developing senior leaders across businesses to take on top management roles. As many as 49 leaders have undergone the SUMMIT programme in the past few years, and 69 mid-senior level employees have undergone the ASCEND development journey and are being groomed for roles at the next level. At the junior management level, the IGNITE programme focuses on enabling our emerging leaders to take on mid-management roles. In an environment where the only constant is change, enabling our employees in reinventing and developing themselves helps us build long-term organisational resilience as well.

Doing Well and Doing Good

Our corporate purpose of ‘Doing Well and Doing Good’ is embodied in our continuous endeavour to make a positive impact by serving people and living our values. We are committed to transforming Health, Education, Water and other social sector sub-systems through high impact solutions, thought leadership and partnerships with multiple donors and funding institutions, to implement a variety of programmes across 22 states in India.

We conduct our CSR initiatives through Piramal Foundation, which operates under three distinct verticals — 'Piramal School of Leadership' (PSL) for improvement in student learning outcomes; 'Piramal Swasthya' for primary healthcare; and 'Piramal Sarvajal' for safe drinking water. In 2019, the verticals crossed a memorable milestone of having directly and indirectly benefitted over 100 million lives that include healthcare recipients, education leaders, youth, and those without access to safe drinking.

The past year has been pivotal for the Foundation in bringing about systemic change. The single most important programme, out of a host of other programmes, has been the Aspirational Districts Transformation Programme (ADTP) in partnership with NITI Aayog. Under this flagship programme, the Foundation has been working with district, State and Central governments in 25 out of the 112 aspirational districts across seven states, to improve health, nutrition and education outcomes.

Amidst the COVID-19 pandemic, we are supporting the district administrations to strengthen their immediate response to the pandemic and establish systems for its prevention and control. It is a testament to the Foundation's strong track record that the Bill and Melinda Gates Foundation has chosen to partner with us in this effort.

Also, we are running 104 health helplines across eight states to respond to COVID-19 queries and track home quarantined individuals. The 830 staff of these helpline call-centres have answered over 6 lakh COVID-19 related calls. The Piramal Group has also pledged ₹39 Crores to various Central, State Government and local bodies, including the PM CARES Fund.

We also launched a campaign to support over 400,000 elderly citizens through 41,754 volunteers in 28 districts across the country. In the safe drinking water domain, we continue to serve over 6.7 lakh beneficiaries daily in 20 states through a network of 1,700+ purification plants and water ATMs.

In closing

In the beginning of the year, we made a few clear choices and implemented them rigorously, which make us well-positioned to navigate these challenging times. Some of these measures that we implemented include deleveraging the business, strengthening the balance sheet and simplifying the corporate structure to focus on our two core businesses – Pharma and Financial Services.

Pharma is one of the safest and most resilient industries in this period of uncertainty. The recent strategic growth investment is an affirmation of the underlying strength of the business and will provide us with a war chest for the next phase of our strategy.

> I believe we are now at an important inflection point. Having significantly strengthened our balance sheet and maintaining a strong liquidity position, we are confident that PEL will emerge even stronger post the COVID-19 crisis.

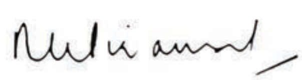
With low leverage level, conservative provisioning and enough liquidity, our Financial Services business also remains well-positioned to gradually transform our business model from being a largely wholesale lender to becoming a well-diversified lender with a much granular loan book, while ensuring our asset quality by supporting our clients through this challenging period.

I believe we are now at an important inflection point. Having significantly strengthened our balance sheet and maintaining a strong liquidity position, we are confident that PEL will be among the few sizable companies that will emerge even stronger post the COVID-19 crisis, Also, both our business segments have clearly defined roadmaps in place for delivering strong and sustained long-term performances in the years to come, while continuing to live up to our defined values and our stated purpose of 'Doing Well and Doing Good'.

We thank all our stakeholders, including our shareholders, employees, customers, partners as well as the Government, for their unflinching trust and support to us. We will continue to act as trustees in our pursuit to create long-term value for all our stakeholders.

Please do take care of yourself and your family, and stay safe.

Best regards,



Ajay G. Piramal
Chairman, Piramal Enterprises Limited

STRENGTHENED THE BALANCE SHEET

Capital raising initiatives

Keeping Balance Sheet strong has always been a top priority for the Company, more so during challenging times

- In 2017, the Company completed its first major fund-raise of ₹ 7,000 Crores, much before the capital was needed for its growth initiatives
- We had committed to bring in ₹ 8,000 – 10,000 Crores of capital during the year, amid rising volatility in the business environment and increasing macro uncertainty
  - During the year, we successfully raised ~₹ 14,500 Crores through multiple transactions – exceeding the stated commitment

Inflows during FY20:
~₹ 14,500 Crores (~ $2 Billion)

Preferential Allotment	Rights Issue	Sale of business/investments
~₹ 1,750 Crores (~$250 Million)	~₹ 3,650 Crores (~$520 Million)	~₹ 9,050 Crores (~$1,250 Million)
• **Fresh investment by CDPQ –** an existing long-term investor / partner – CDPQ participated as the anchor investor during PEL's previous CCD issuance in 2017, **invested $175 Million** – CDPQ has also partnered with PEL for **a $300 Million senior debt platform**, committing 75% to the investments for non-real estate, non-infra sectors – **Ivanhoé Cambridge** (CDPQ's real estate subsidiary) has committed **$250 Million** to a co-investment platform with PEL	• Opportunity for existing shareholders to participate in the capital raise • Over-subscribed more than **1.14x times** • **Promoters participated** and had **underwritten the issue** • Existing large holders including promoters have increased their investment in the Company	• Sale of DRG to Clarivate Analytics plc, for **a consideration of $950 Million** • **Sold 10% stake in Shriram Transport** for ~₹ 2,300 Cr. in Jun-2019

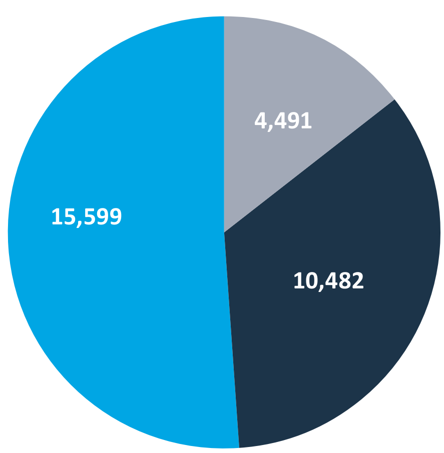
Equity allocation

As of March 31, 2020, the Company had a total equity of ₹30,572 Crores.

(₹ Cr.)

Financial Services (Lending): 51%

Additional allocation of ~₹3,700 Crores equity to FS in FY2020.



Pharma: 15%

Additional equity investment in Pharma in June 2020: Agreement with Carlyle for a fresh equity investment of ~$490 Million for a 20% stake in Piramal Pharma, valuing the business at an EV of ~$2,775 Million, with an upside component of up to ~$360 Million depending on FY21 performance.

Unallocated: 34%

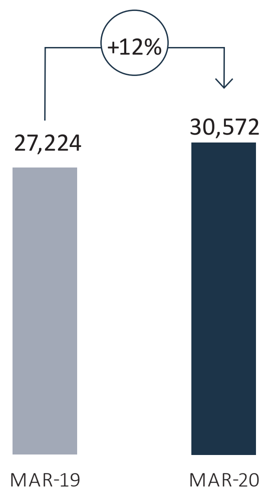
Unallocated surplus equity pool, which includes (i) investments in Shriram, (ii) proceeds from Capital Raise and (iii) sale of DRG, net of debt.

Total Equity: ₹30,572 Cr.

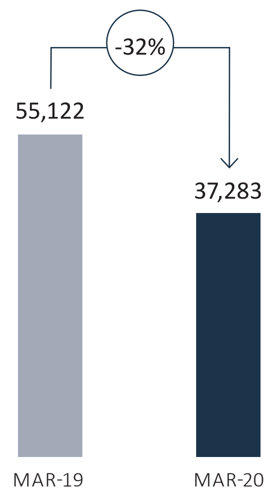
De-leveraging the Company

As a result of the capital raising initiatives and deleveraging efforts during the year, PEL's net debt-to-equity multiple reduced to 1.2x times as of March 2020 from 2.0x times as of March 2019.

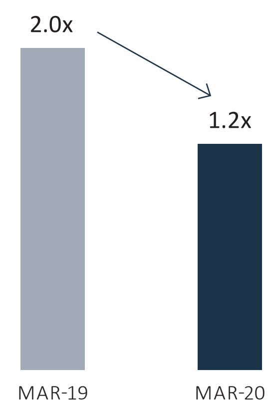
TOTAL EQUITY
(₹ Cr.)



NET DEBT
(₹ Cr.)



NET DEBT-TO-EQUITY



Improving borrowing mix and ensuring adequate liquidity

- **Improving borrowing mix by shifting towards long-term borrowings:**
  - In FY 2020, the Company raised ~₹13,500 Crores of long-term debt in the form of bank term loans and NCDs
  - As a result, the share of bank borrowings has increased to 65%[1] as of March 2020 from 49% as of September 2018 (pre-liquidity tightening) at Piramal Capital & Housing Finance Limited
  - Also, the share of Commercial Papers (CPs) in overall borrowings has declined by 94% to ₹1,080 Crores as of March 2020 from ₹18,017 Crores in September 2018
- **Maintaining adequate liquidity:** The Company had ~₹8,900 Crores in the form of cash and undrawn bank lines as of March 31, 2020

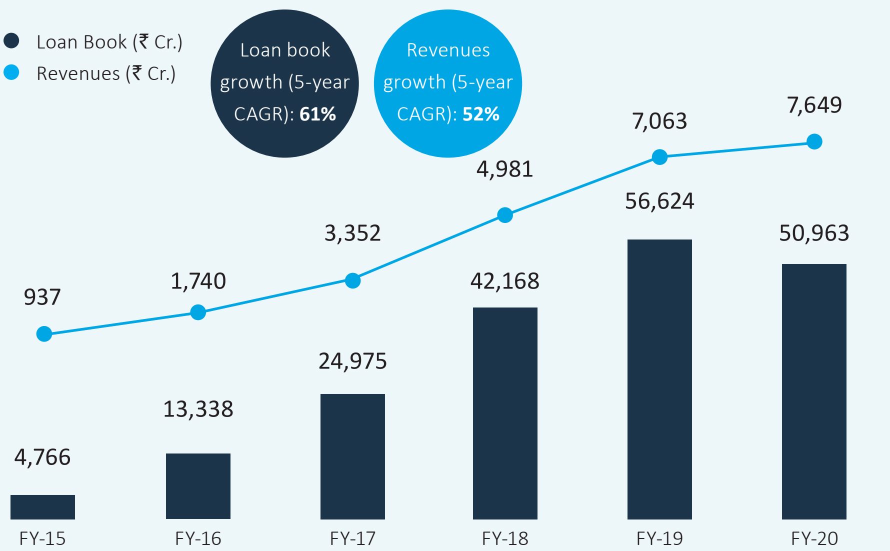
Note: (1) Bank borrowings for Piramal Capital & Housing Finance Limited (PCHFL)

Resilient performance in Financial Services

The business has delivered resilient performance, despite several major external headwinds over the last few years

- **Regulatory & policy changes –** Demonetization, RERA and GST, which impacted the Real Estate sector
- **NBFC liquidity tightening –** Heightened risk aversion amongst lenders to the NBFC sector since September 2018
- **Economic slowdown –** Weak GDP growth and lower customer demand during FY 2020
- **Global health crisis –** Severe macro uncertainties created by the COVID-19 pandemic

FINANCIAL SERVICES: PERFORMANCE TREND



GNPA Ratio
2.4% as of Mar-2020

Provisioning
246% of GNPAs as of Mar-2020

FY 2020 ROE
16.3%[1]

Note: (1) ROE considering cash tax and other synergies from merger; excluding additional conservative provisioning of ₹ 1,903 Cr. and incremental capital allocation of ₹ 2,000 Cr. to Financial Services

Key enablers

Domain expertise
The Group has a strong understanding of the sector, with its long experience of developing and investing in real estate projects

Superior client selection

Entire portfolio is secured, with healthy cash and security cover taken at the time of deal origination, which is monitored regularly

65% loan-to-value (LTV) for the retail housing loan portfolio

Strong governance and review mechanism, with deep asset monitoring, robust early warning signal mechanism, risk & legal teams reporting directly to the Board

Control over escrow mechanism, enabling complete visibility on client's cash flows

Ability to take **Proactive corrective actions** to cure potentially stressed projects

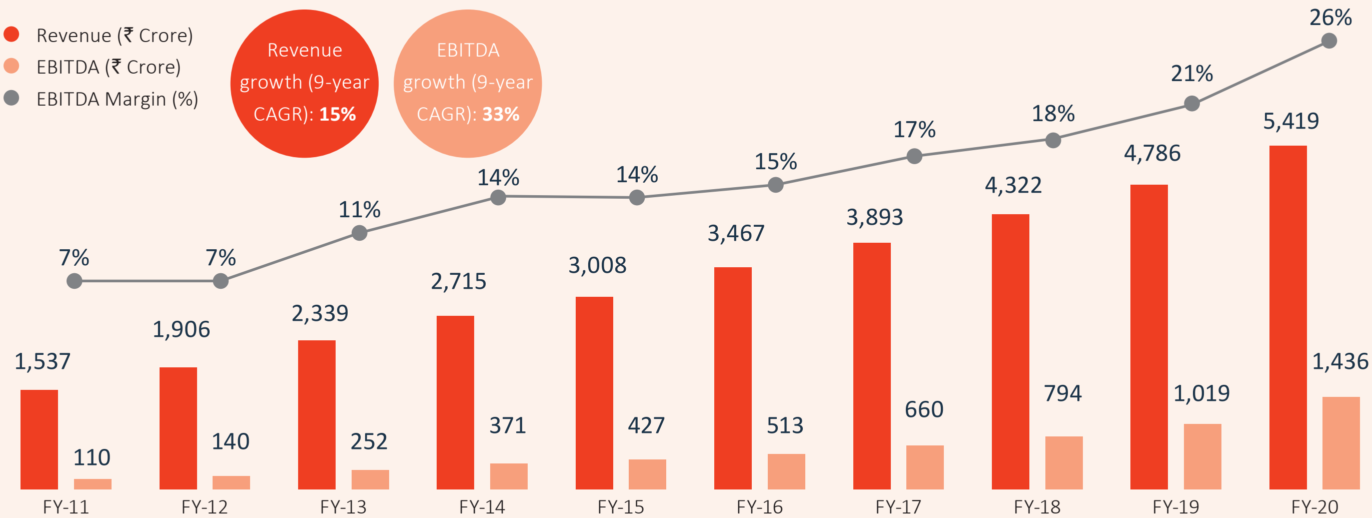
Consistently improving performance in the Pharma business

Over the past few years, the Pharma industry has witnessed several challenges:

- Price erosion due to buyer consolidation in regulated markets
- Stringent regulatory audits
- Stress in the supply chain and disturbances in manufacturing operations due to the global COVID-19 pandemic

Despite these challenges, PEL's Pharma business has been able to deliver robust year-on-year growth along with a significant improvement in its EBITDA over this period.

PHARMA: PERFORMANCE TREND



Notes: (1) Revenue includes Pharma CDMO, Complex Hospital Generics and India Consumer Healthcare, certain foreign exchange loss.

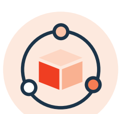
(2) EBITDA disclosed is for continuing Pharma businesses.

Key enablers

Differentiated business model:
Over 90% of revenues derived from niche businesses of complex hospital generics and integrated end-to-end CDMO across both APIs and Formulations

Unwavering focus on quality:
A strong quality governance model and an inherent quality-focused culture resulting in no 'Official Action Indicated (OAI)' status for any of the USFDA audits
– Successfully cleared 36 USFDA inspections, 169 other regulatory inspections, and 1,130 customer audits since start of FY2012

Moving up the value chain:
Organically and inorganically added niche manufacturing capabilities and differentiated hospital generic products that generate high margins



Robust supply chain management:
– Initiatives taken over the last few years to proactively reduce supplier concentration and location risks
– Developed alternative vendors or took backward integration initiatives for most of our key raw materials
– Hence, we did not face any major supply or production disruptions due to COVID-19 that adversely impacted patients' access to our medicines.

SIMPLIFYING THE COMPANY

During the year, several steps were taken towards simplifying the corporate structure of the Company, which will now be focused only on its two core businesses – Financial Services and Pharma.

Piramal Enterprises Limited (FY 2019)

Financial Services	Pharma	Healthcare Insights & Analytics

Piramal Enterprises Limited (FY 2020)

Financial Services	Pharma

Some of the key development towards simplification of the business were:

Sale of Healthcare Insights & Analytics business

Sold DRG for a total consideration of $950 Million (of which $900 Million were received on closing of the transaction in FY 2020 and $50 Million would be received at the end of 12 months from the closing of the transaction in FY 2021)

Shriram Transport Finance stake sale

- In June 2019, PEL sold its entire direct investment of ~10% in STFC for ~₹2,300 Crores
- Plan to monetise the other investments in the Shriram Group at an appropriate valuation in future

Fund-raising in Pharma

- In June 2020, Carlyle Group Inc. agreed to invest fresh equity capital of ~$490 Million for a 20% stake in Piramal Pharma Limited – a subsidiary of PEL that will contain the Company's Pharma Businesses.
- The transaction values the Pharma Business at an enterprise value (EV) of $2,775 Million, with an upside component of up to $360 Million depending on the company's FY21 performance
- The capital raise will accelerate Piramal Pharma's organic and inorganic growth plans

Unlocking value in the Company

We intend to demerge the Pharma and Financial Services businesses in the medium term to unlock value for our shareholders.

FINANCIAL SERVICES

Potential impact of COVID-19 on the NBFC/HFC sector

- Deterioration in asset quality, due to the impact on cash flows/income of clients
- Heightened risk aversion across lenders (Private Sector banks etc.) to lend to NBFCs/HFCs, leading to liquidity pressures
- Demand-side pressures for clients of NBFCs, which could impact loan book growth in the near term

Our response

- **Stress testing the portfolio and creating additional provision:** Conducted a sensitivity analysis on the loan book and adopted a conservative approach to provisioning

₹ 1,903 Cr. additional provision

Created in Q4 FY2020 in response to uncertainty arising from COVID-19

97.6% of the portfolio is 'Standard'

Gross NPA ratio of 2.4% - relatively steady despite the challenging business environment

5.8% - provisions as a % loan book

Total provisions of ~₹ 2,963 Crores against a loan book of ~₹ 50,963 Crores.

246% Provision Coverage

Provisions as a % of on Gross NPAs

- **Created higher liquidity:** Maintained cash & cash equivalents of ₹ 4,350 Crores as of March 31, 2020. Also, borrowed ~ ₹ 5,000 Crores in April-May 2020 and issued NCDs amounting to ₹ 2,590 Crores in June 2020
- **Support clients and partners :** Continued to support our partners / clients during the volatile market environment by extending moratorium to clients, as per regulatory guidelines
- **Corrective measures to resolve potential stress across deals:**
  - For wholesale loans, undertook deal-specific actions including reconfiguration of projects, equity infusion by clients and additional security cover
  - Housing Finance book has a relatively low loan-to-value (LTV) of 65%, implying sufficient security cover

Gradually improving business environment

- By end-June 2020, there were some signs of gradual improvement, reflected in sector-wide collection efficiency and a decline in borrowers availing moratorium, as allowed by the RBI
- Further, liquidity concerns for the sector are likely abating as a result of the measures taken by the RBI and Government

PHARMA

Our focus has been on sustaining our operations so that we can serve patients across the globe with our life-saving and life sustaining drugs

Strong business model with unique businesses

- As the drugs manufactured by us are considered 'essential' by many governments across the world, they allowed our operations to continue even during the times of lockdowns globally
- PEL's production facilities are geographically dispersed across multiple continents and countries, providing resilient manufacturing choices for our customers

Positive contributions in the fight against the pandemic

- All our Pharma businesses are actively contributing in the fight against the COVID-19 pandemic
  - In CDMO, we saw traction from a number of our clients to assist them in their endeavour to develop therapeutics or vaccines for COVID-19 or associated diseases
  - Some of our Complex Hospital Generics products are used in treatment of COVID-19 patients in critical condition
  - A few of our Consumer Healthcare products, such as hand sanitizers, wet wipes, multivitamins and painkillers, are useful in the prevention of COVID-19

Managing supply chain

- Over last few years, we had taken initiatives to proactively reduce supplier concentration and location risks
- Developed alternative vendors or took backward integration initiatives for most of our key raw materials
- In our consumer healthcare business, surge in demand for certain products was met by ramping up production and maintaining higher stocks

Due to these measures, we have not faced any major supply or production disruption due to COVID-19 that adversely impacted patients' access to our medicines. However, the environment continues to remain uncertain.

Business continuity measures for continuing operations across the globe

Continued manufacturing of medicines at our plants during lockdown to ensure essential Pharma supplies are not disrupted

Care and support to employees via financial aid for testing for them and their families, extended medical insurance cover and additional leaves

Stringent precautionary measures such as disinfecting sites, contact-less attendance systems and revised shifts to ensure social distancing

Employee Helpline for PEL employees/families to address COVID-related queries; online mental health therapy platform to cope with uncertainties

FINANCIAL SERVICES

Making the loan book more granular

Aim to make the loan book more granular, with several measures taken during the past year including:

- Home loans now 11% of the total loan book
- ~ ₹ 6,000 Crores (12% YoY) reduction in wholesale loan book, which includes real estate and corporate loans
  - Exposure to top-10 accounts reduced by ~ ₹ 4,200 Crores during the year (decline of 23% YoY)
- As of March 2020, only three exposures were ≥10% of the net worth of the FS business

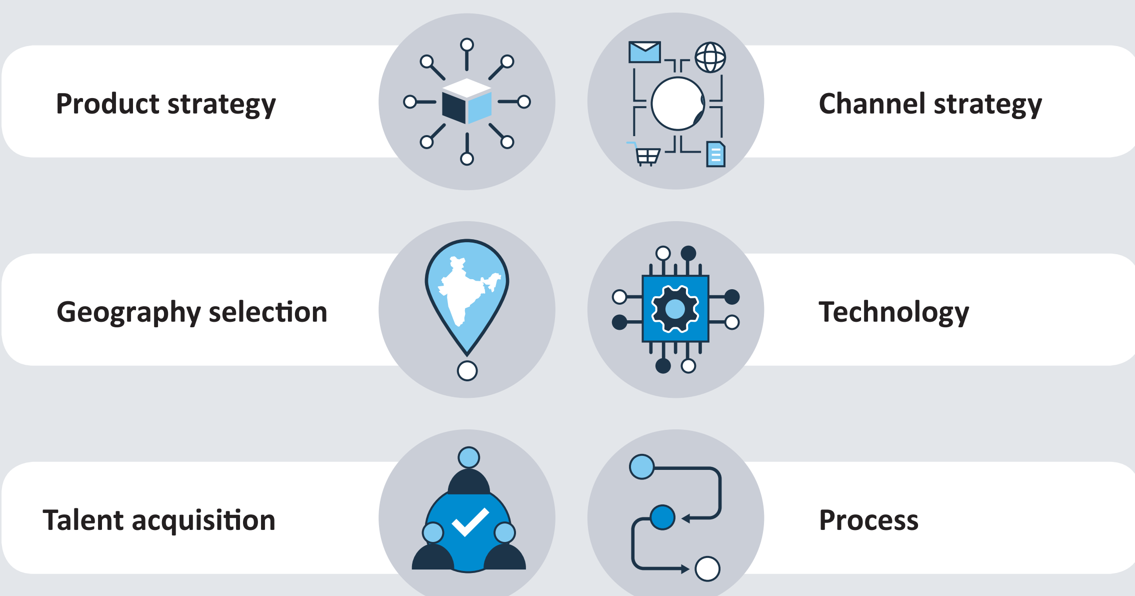
Selectively tapping superior ‘risk-reward’ opportunities in wholesale financing

- Leverage underwriting strengths to focus on ‘last-in, first-out’ (LIFO) deals that offer attractive yields
- Co-lending arrangements with ‘like-minded’ partners such as global pension funds and foreign banks

Creating a multi-product retail lending platform, which is ‘digital at its core’

- Building a multi-product retail lending business, in addition to existing Housing Finance business
- Incorporate learnings from the current environment and build the retail portfolio in a conservative manner
- In FY 2021, we will lay the foundation for the business by focusing on the following areas:

Focus areas while building the multi-product retail lending platform



PHARMA

Strong product pipelines, robust global manufacturing footprint & established distribution infrastructure for Pharma businesses will continue to drive growth

Pharma CDMO

- Integrated model of services spanning across the entire drug life-cycle
- Serving high growth segments such as High Potency APIs and Antibody Drug Conjugates
- Healthy pipeline of early and late-stage development projects
- Enhancing production capacity through brownfield expansions
- Adding new capabilities through value-accretive acquisitions , such as the acquisition of solid oral dosage drug product facility in Sellersville, Pennsylvania, USA in June, 2020
  - This acquisition gives PEL solid oral dosage capabilities on three continents and adds ability to handle potent formulations in North America

Complex Hospital Generics

- Niche capabilities in a strategically chosen portfolio with high entry barriers
- Increasing market share in the inhalation anaesthesia portfolio
- Leveraging PEL's strong global distribution network in 118 countries across the world
  - Adding new products with minimal incremental fixed costs
  - Improving operational profitability
- Strong pipeline of new products across various stages of development

Consumer Healthcare

- Well-established products with strong brand equity
- A robust country-wide distribution network comparable with top OTC peers
- Key strategic changes driving positive momentum for the business
  - Augmenting the distribution strength with investments in mass media
  - Increased usage of analytics and technology to improve productivity
  - Addition of alternative trade channels such as e-commerce

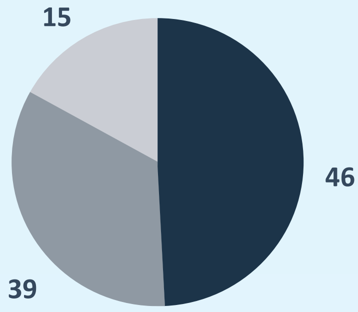
High commitment from Promoter

The Promoters strongly believe in the fundamentals of the business model and the long-term growth trajectory of the Company. They are long-term investors who have built businesses over more than 30 years and have created long-term value for our stakeholders.

Have increased their investment in the Company over a period. Promoters' holding in the Company is currently at ~46% as of March 31, 2020 –the highest effective promoter shareholding across major non-banking financial institutions in India.

The Promoters had invested in the Rights Issue of ~₹2,000 Crores during 2017. Even during the fund raise in FY 2020, the Promoters invested ~₹1,600 Crores in the Rights Issue.

PEL SHAREHOLDING MIX
As of March 2020 (%)



- Promoter Group
- Institutional Investors
- Public & Others

23% CAGR
Annual Revenues over the last 32 years[1]

28% CAGR
Net Profit over the last 32 years[1,2]

24% Annualised Returns
To shareholders over the last 32 years[3]

Notes:

(1) FY1988 Revenue and PAT numbers were for the year ending June 30, 1988.

(2) Normalised Net profit of FY 2020 excludes one-time impact of gain/loss from sale of business; reversal of Deferred Tax Asset (DTA) and Minimum Alternate Tax (MAT) credit and additional provisions created on account of COVID-19, net of tax.

(3) Total shareholder returns are as on June 30, 2020. Assumes investment of dividend in the stock.

Trusted, long-standing partnerships

PEL, since its inception, has practised and maintained the highest standards of ethics, integrity and corporate governance in each of its business dealings. This gets reflected through the fact that the Company today is considered one of the most preferred partners in India by leading organisations across the globe. Our reputation and high trust have not only enabled us to develop esteemed partnerships, but also accelerated our efforts towards sustainable value creation for our shareholders.

OUR STRATEGIC PARTNERS

CDPQ

apg

BainCapital CREDIT

CPP INVESTMENT BOARD

Allergan

THE CARLYLE GROUP GLOBAL ALTERNATIVE ASSET MANAGEMENT

Ivanhoé Cambridge Caisse de dépôt et placement du Québec

IFC

SHRIRAM Group

OUR TOP INVESTORS

ABU DHABI INVESTMENT AUTHORITY

ABERDEEN

AQR FUNDS

BLACKROCK

CDPQ

DIMENSIONAL

ELARA CAPITAL

EAST BRIDGE CAPITAL

FIDELITY

GIC (SINGAPORE)

LIC OF INDIA

NOMURA

NORGES BANK

NUVEEN - A TIAA COMPANY

PABRAI INVESTMENT FUNDS

STATE STREET GLOBAL ADVISORS

STICHTING PENSIOENFONDS ABP

THE MASTER TRUST BANK OF JAPAN

UNIVERSITY OF CALIFORNIA

VANGUARD

WELLINGTON MANAGEMENT

BOARD AND GOVERNANCE

BOARD OF DIRECTORS

Ajay Piramal

Chairman
Awarded "Asia Business Leader of the Year" by CNBC Asia in 2017

Non-Executive Director, Tata Sons

Dr. Swati Piramal

Vice-Chairperson

Eminent Scientist

Awarded Padma Shri

Nandini Piramal

Executive Director

Heads OTC, HR, Quality & Risk

MBA, Stanford

Anand Piramal

Non-Executive Director

Heads Piramal Realty

MBA, Harvard

N Vaghul

Former Chairman, ICICI Bank

Gautam Banerjee

Senior MD & Co-Chairman, Blackstone, Singapore

Deepak M Satwalekar

Former MD & CEO, HDFC Standard Life

Keki Dadiseth

Former Chairman, Hindustan Unilever Ltd.

S Ramadorai

Former Vice-Chairman, TCS

Prof. Goverdhan Mehta

Eminent Scientist
Former Director - IISc

Awarded Padma Shri

Dr. R Mashelkar

Eminent Scientist

Former DG, CSIR

Awarded Padma Vibhushan

Vijay Shah

Non-Executive Director,
25+ Years with Group

Turnaround Businesses

Rajesh Laddha

Executive Director & Group CFO

Treasury & Strategic Initiatives

Former MD & CEO, Shriram Capital Ltd.

Names of Independent Directors indicated in black

GOVERNANCE MECHANISM

BOARD OF DIRECTORS

↑

BOARD SUB-COMMITTEE

↑

Financial Services

5 Investments Committees for Real Estate Lending, Real Estate Fund Management, Corporate Finance, Emerging Corporate Lending and Housing Finance

- Executive Directors
- Independent Directors
- Financial Services CEO
- External Experts
- Business Vertical Heads

Pharma

Pharma Operations Board

- Executive Directors
- Key Business CEOs
- External Experts

MANAGEMENT TEAM

Peter DeYoung
CEO,
Piramal Global Pharma

Khushru Jijina
MD,
Piramal Capital & Housing Finance Limited

Harinder S. Sikka
Group Director, Strategic Business, Piramal Group

Nitish Bajaj
CEO,
Consumer Healthcare Division

Jairam Sridharan
CEO, Piramal Consumer Finance

Vivek Valsaraj
CFO,
Piramal Enterprises Limited

Shantanu Nalavadi
MD, India Resurgence Asset Management Business Pvt. Ltd. (IndiaRF)

Read more about the Board & Management Team, refer to page no. 116

Delivering to Our Employees

Employee well-being: PEL nurtures the spirit of entrepreneurship and overall employee well-being. Our policies such as Flexi Work Hour Policy, Flexi-Pay, crèche facilities, Second Innings at Piramal and flexible maternal and paternal leaves help us achieve the same.

Leadership development: The Piramal Leadership Series is a set of flagship leadership programmes designed for a targeted profile of future leaders at different career stages. The 'IGNITE' programme for junior management to take on mid-management roles; 'ASCEND' selects and grooms high-performing middle-management employees for senior leadership roles and 'SUMMIT' prepares senior leaders to become successors to the CEOs of PEL's businesses.

These programmes aim to strengthen the leadership pipeline to meet long-term business needs by helping employees develop and equip themselves with essential leadership skills. In addition, Young Talent initiatives and Business Management Trainee programmes provide an opportunity to employees to better understand their work environment and culture

Learning & Development: Piramal Learning University continues to nurture a world-class integrated learning ecosystem for employees, providing access to 20,000+ world-class Skillsoft courses, videos, audiobooks and e-books.

Business continuity: Ensured business continuity during COVID-19, by successfully enabling remote working and deploying healthy practices to ensure safety of employees at our plants etc., which continued to remain operational.

Delivering to Our Customers

Getting into the hearts and minds of our customers

Our Customer Base

- Positioned as partner of choice for top Pharma companies
- Over 2.8 Lakh outlets in India Consumer Products
- Over 5,500 hospitals around the world under Global Pharma product business
- 150+ real estate developers (including mid-market clients) in major cities of India
- Corporate borrower groups on the CFG platform
- Retail clients in the Housing Finance business

PEL evolved from being product-centric to customer-centric, while improving processes, communications and project management. This enables the Company to better understand and predict customer needs. While the Company continues to rely on the quality and uniqueness of its products and services, it is able to differentiate itself across end-to-end customer experience.

Process

Voice of customers, employees, and businesses are gauged to gain an insight into Customer Experience (CX). This insight is gained through various channels, such as CSI (Customer satisfaction index) surveys, internal partner surveys, customer calls, workshops etc. which are compiled and reviewed periodically. Based on these, an action plan is designed to focus on the identified key areas.

Voice of Business
- Know Your Customer
- Text Analysis
- Integrated Project Surveys
- CSI-Action Plan

Voice of Customer

Quantitative:
- CSI[1] Analysis
- NPS[2]
- CSE

Qualitative:
- Call Quality

CX INSIGHTS

Voice of Process
- Customer Journey Mapping
- Customer Experience Auditing
- Site Visits

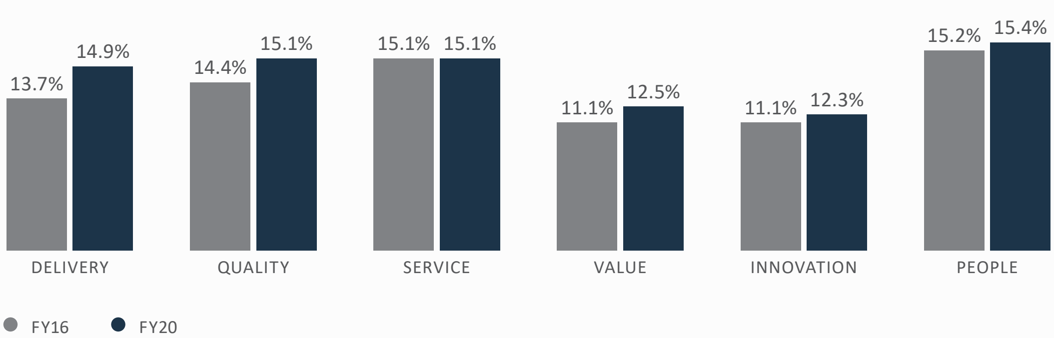
Voice of Employee
- IPSAT[3]
- Workshops
- Reward & Recognition

Internal External

Notes:
(1) CSI - Customer Satisfaction Index Analysis
(2) NPS - Net Promoter Score
(3) IPSAT - Internal Partner Satisfaction

Customer Satisfaction Index (CSI) Score

PEL's customer satisfaction surveys have been designed to understand the importance of delivery, quality, service, people, innovation and value in the minds of the customers engaged with the Company in the Global Pharma services business.



Overall CSI Score:
CSI FY20 — 85.4%
CSI FY16 — 81%

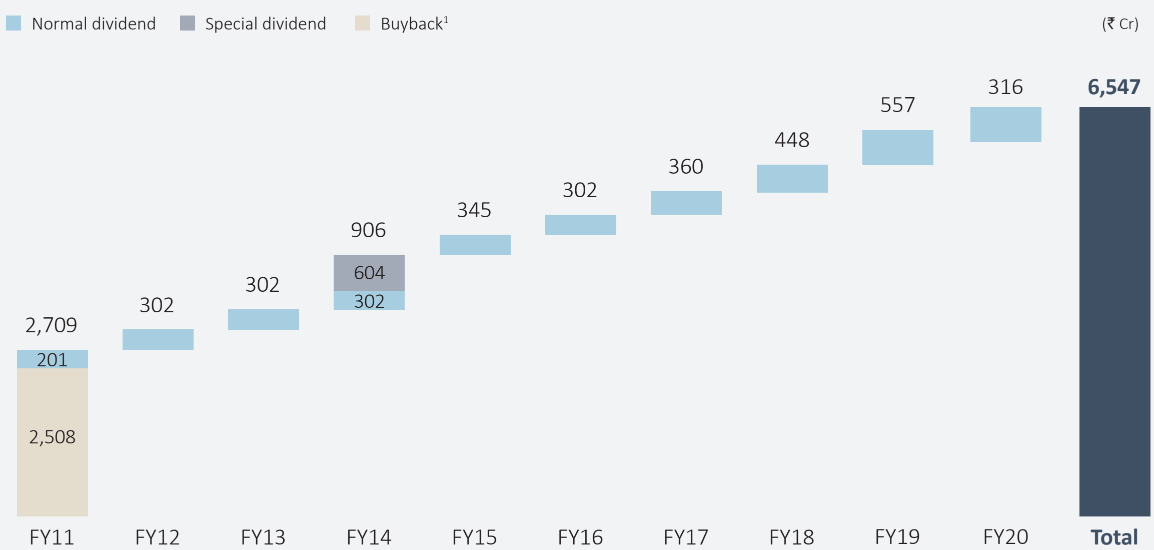
Number of Respondents:
FY20 — N = 136
FY16 — N = 52

N: Number of Respondents

Delivering to Our Investors

The Company has a strong track record in generating superior shareholder returns over the last three decades delivering an **annualized shareholder returns of 24% over the last 32 years.** Further, the Company has returned ₹6,547 Crores to shareholders since sale of Domestic Formulations business to Abbott in 2010.

₹6,547 CRORES RETURNED TO SHAREHOLDERS SINCE SALE OF DOMESTIC FORMULATIONS BUSINESS IN 2010



Notes:
(1) Of the buyback of 41.8 mn shares shown in FY11, buyback of 0.7 mn shares happened in FY12
(2) Capital returned to shareholder through dividends doesn't include amount paid under Dividend Distribution Tax
(3) 32 years return calculated is as on June 30, 2020

We continue to progress well on our strategic priorities across various businesses and have made significant capital allocations across both these businesses, which is expected to yield strong performances in future, thereby will help us in significant value creation for our shareholders.

Delivering to Our Society

VISION

Piramal Foundation is committed to transforming health, education, and social sector ecosystems through high impact solutions, thought leadership and partnerships.

Key Achievements

Education

- Collaborated with 10 state governments to build institutional capabilities of state level education institutions

Piramal Swasthya

- More than 2.5 Crore people have been delivered health facilities at their doorstep through community outreach programmes in 15 states through 132 mobile medical vans
- 3 Lakh+ beneficiaries have been provided specialist consultations through 80+ telemedicine services across three states
- More than 8 Crore beneficiaries have been provided with validated health advice through Remote Health Advisory and Information (RHAI) programme across eight states through 439 call centre seats

COVID Helpline:

- Health Information Helplines: Piramal Swasthya operates the '104' toll-free health information helplines in public private partnership with eight state governments across India
- Attended to over 6 lakh calls (since February 1, 2020) touching a call load of nearly 20,000 calls in a day at the time of national lockdown

Employee Social Impact

- Over 55,000 volunteering hours by Piramal Group employees

Outcome of CSR initiatives

Healthcare

21
Footprint across states

12 Cr
beneficiaries

132
Medical Mobile Vans

80+
Telemedicine Centres

Education

3.4 Cr
students

440,000
Schools

10
States

700+
Gandhi Fellows

1,558
Anagnwadi workers

Management Discussion & Analysis

PIRAMAL ENTERPRISES LTD.

FY2020 Revenue: ₹13,068 Crores*

FINANCIAL SERVICES FY20 Revenue Contribution – 59%	PHARMA FY20 Revenue Contribution – 41%
WHOLESALE LENDING	PIRAMAL CDMO
RETAIL LENDING	COMPLEX HOSPITAL GENERICS
INVESTMENTS IN SHRIRAM	CONSUMER HEALTHCARE
ALTERNATIVE AUM	JOINT VENTURE WITH ALLERGAN

* FY2020 revenue does not include revenue from JV with Allergan

Total operating income breakup

(₹Crores or as stated)

Revenues break-up	% Sales	FY2020	FY2019	% Change
Financial Services	**59%**	7,649	**7,063**	**8%**
Pharma	**41%**	5,419	**4,786**	**13%**
Pharma CDMO	*24%*	*3,154*	*2,783*	*13%*
Complex Hospital Generics	*14%*	*1,853*	*1,669*	*11%*
India Consumer Products	*3%*	*418*	*334*	*25%*
Others	**-**	-	**34**	**-**
Total	**100%**	13,068	**11,883**	**10%**

(1) Previous year figures are restated for accounting effect of Piramal Phytocare merger and discontinued operations from HIA

(2) Pharma revenue includes revenue from Pharma CDMO, Complex Hospital Generics and India Consumer Healthcare and certain Forex exchange loss

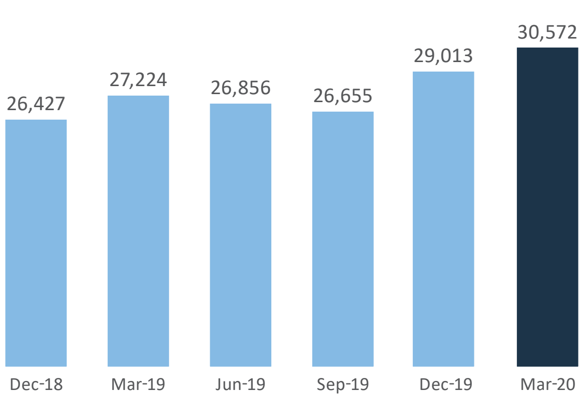
(3) Others include revenue from discontinued operations of Imaging business

STRENGTHENING THE BALANCE SHEET

To further strengthen the balance sheet, the Company raised capital through multiple transactions worth ₹14,500 Crores during the year.

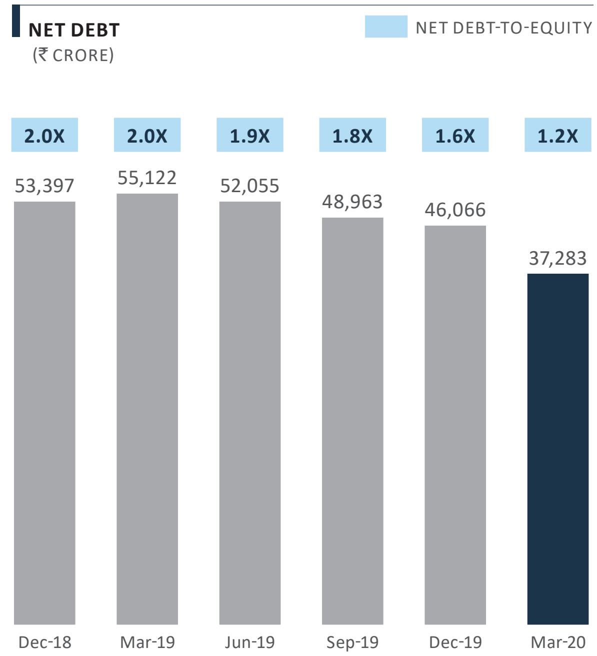
~₹1,750 Crores	was raised from preferential allotment of Compulsorily Convertible Debentures (CCDs) to CDPQ – an existing long-term investor.
~₹3,650 Crores	was raised through the Rights Issue – oversubscribed more than 1.14 times, with participation from most large existing investors. The promoters had not only underwritten the entire issue but also fully participated in the Rights offer, reinforcing their commitment to the future of the Company.
~₹6,750 Crores	was brought in from the sale of the Healthcare Insights & Analytics business.
~₹2,300 Crores	from the sale of the 10% stake in Shriram Transport Finance (STFC)

TOTAL EQUITY
(₹ CRORE)



Note: Figures for March 2019 are readjusted for Piramal Phytocare merger

NET DEBT
(₹ CRORE)



Consolidated Balance Sheet

(in ₹Crores)

Particulars	As on March 31, 2020	As on March 31, 2019
Equity Share Capital	45	37
Other Equity	30,526	27,187
Non-Controlling Interests	-	9
Borrowings (Current & Non-Current)	42,055	56,040
Deferred Tax Liabilities (Net)	8	19
Other Liabilities	1,965	2,109
Provisions	310	211
Total Liabilities & Equity	**74,909**	**85,613**
PPE, Intangibles (Under Development), CWIP	5,794	5,751
Goodwill on Consolidation	1,139	5,939
Financial Assets		
Investment	19,443	25,747
Others	31,854	33,661
Other Non-Current Assets	1,144	633
Deferred Tax Asset (Net)	2,372	4,068
Current Assets		
Inventories	1,061	831
Trade Receivable	1,324	1,403
Cash & Cash Equivalents & Other Bank balances	4,771	919
Other Financial & Non-Financial Assets	6,006	6,660
Total Assets	**74,909**	**85,613**

Note: The above numbers have been regrouped from IND AS Financial Statements for Presentation purposes only

Equity

The net worth as on March 31, 2020 was ₹30,572 Crores as compared with ₹27,224 Crores as on March 31, 2019. The increase in equity was primarily driven by the proceeds from the preferential allotment to Caisse de dépôt et placement du Québec (CDPQ), capital raise via the Rights Issue and profit from the sale of the Healthcare Insights & Analytics business. However, the increase was partly offset by one time DTA write-off and MAT credit reversal, additional conservative Expected Credit Loss (ECL) provisions, dividends, movement in other comprehensive income due to the stake sale in Shriram Transport Finance Company and movement in share price of listed investments.

Post the revised equity allocation adjusted for the one-off items, the financial services business now has an equity of ₹15,599 Crores and borrowings of ~₹40,000 Crores at a leverage ratio of 2.6x vs. 3.9x in March, 2019. Pharma business has an equity base of ₹4,491 Crores.

In addition to both the businesses, there is unallocated equity pool of ~₹10,500 Crores available, comprising investments in Shriram, proceeds from capital raise and sale of DRG, net of debt.

Loan Funds

Total borrowings decreased to ₹42,055 Crores as on March 31, 2020 vis-à-vis ₹56,040 Crores as on March 31, 2019. The reduction in debt was primarily on account of deleveraging in the Financial Services business. At the PEL-level, net debt-to-equity ratio decreased from 2.0x on March 31, 2019 to 1.2x on March 31, 2020.

Goodwill

During FY2020, goodwill decreased from ₹5,939 Crores to ₹1,139 Crores, primarily on account of sale of the Healthcare Insights & Analytics business.

Loan Book

Loan book as on March 31, 2020 was ₹50,963 Crores as compared to ₹56,624 Crores as on March 31, 2019, as the business continued to enhance granularisation and reduce large single-borrower exposures.

BUSINESS-WISE REVENUE PERFORMANCE

PEL's consolidated revenues grew by 10% to ₹13,068 Crores in FY2020 vis-à-vis ₹11,883 Crores in FY2019. Revenues generated in foreign currencies constituted 34% of the Company's FY2020 revenues.

Financial Services:

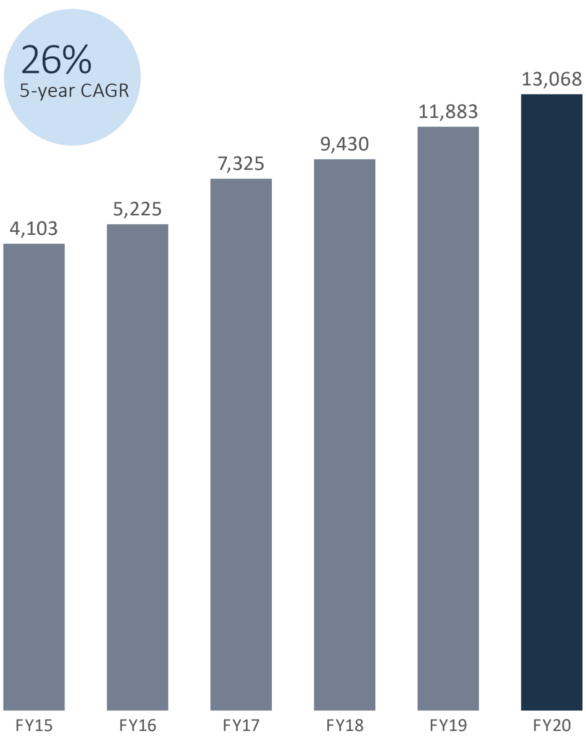
Income from the Financial Services business increased by 8% YoY to ₹7,649 Crores in FY2020 as compared to ₹7,063 Crores in the previous year. The moderation in YoY revenue growth was due to the reduction in average loan book size, which was partly offset by improved yields in the wholesale loan portfolio.

Pharma:

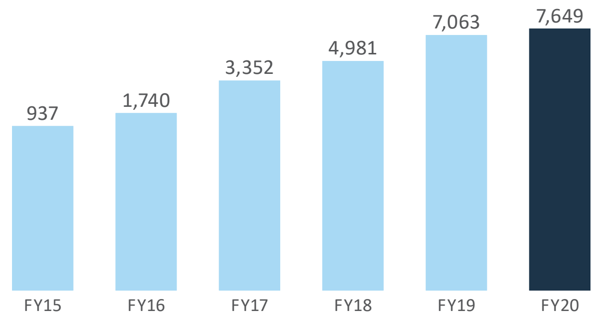
Revenues for the Pharma business increased by 13% in FY2020 to ₹5,419 Crores as compared to ₹4,786 Crores for FY2019. The increase was on account of growth in core businesses, new product launches, strong order book and robust demand. Pharma revenues grew at a CAGR of 15% over the last nine years and now contributes 41% to PEL's overall revenues.

Business wise revenue trend

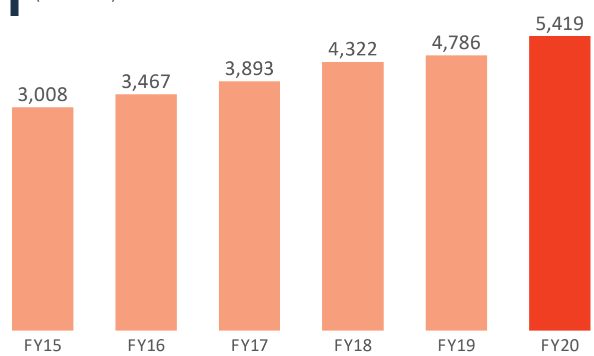
PEL: TOTAL REVENUES[1,2]
(₹ CRORE)



FINANCIAL SERVICES TOTAL INCOME
(₹ CRORE)



PHARMA REVENUES[3]
(₹ CRORE)



(1) FY2015 results have been prepared on IND GAAP anf FY2016 onwards on IndAS basis

(2) Previous year figures are restated for discountinued operations of HIA

(3) Pharma revenue includes Pharma CDMO, Complex Hospital Generics and India Consumer Healthcare and certain foreign exchange loss

P&L Performance

(₹ Crores or as stated)

	FULL YEAR ENDED		
	31-Mar-20	**31-Mar-19**	**% Change**
Net Sales	13,068	11,883	10%
Non-operating other income	491	310	59%
Total Income	13,559	12,192	11%
Other Operating Expenses	4,926	4,692	5%
Expected Credit Loss	1,875	324	478%
OPBIDTA	6,758	7,175	-6%
Interest Expenses	5,321	4,100	30%
Depreciation	520	401	30%
Profit before tax & exceptional items	918	2,675	-66%
Exceptional items (Expenses)/Income	-	(452)	-
Income tax			
Current Tax and Deferred Tax	203	852	-76%
DTA and MAT Credit written off	1,758	-	-
Profit/(Loss) after tax (before MI & Prior Period items)	(1,043)	1,370	-
Minority interest	-	-	-
Share of Associates[1]	490	319	53%
Profit / (Loss) from Continued operations	(553)	1,690	-
Profit / (Loss) from Discontinued operations	574	(226)	-
Reported Net profit	21	1,464	-
Normalised Net Profit[3]	**2,615**	**2,142**	**22%**

(1) Income under Share of Associates primarily includes our share of profits at Shriram Capital and profit under JV with Allergan, as per the new accounting standards.

(2) Previous year figures are restated for accounting effect of Piramal Phytocare merger and discontinued operations.

(3) Normalised Net profit excludes one-time impact of gain/loss from sale of businesses; reversal of Deferred Tax Asset (DTA) and Minimum Alternate Tax (MAT) credit and additional provisions created on account of COVID-19, net of tax.

Expected Credit Loss

Expected credit loss for the year was higher at ₹1,875 Crores as compared to ₹324 Crores in the previous year. Taking into cognisance the current indicators of future economic conditions from COVID-19, the Company conducted a scenario analysis based on macro-economic factors to enhance the provision.

Finance Costs

Finance costs for the year increased to ₹5,321 Crores from ₹4,100 Crores in FY2019, due to an increase in cost of borrowings amidst a challenging business environment, particularly for the Financial Services business.

Depreciation

Depreciation for the year was ₹520 Crores as compared to ₹401 Crores in FY2019. This was primarily due to increased capitalisation in the Pharma business, movement in average foreign exchange rate and reclassification of expenses on account of adoption of Ind As 116 -“Leases”.

Taxation

Current tax and Deferred tax expenses were at ₹203 Crores in FY2020 vis-à-vis ₹852 Crores in FY2019, primarily on account of adoption of the new income tax regime by the Company and some of its Indian subsidiaries. The Company has re-measured the opening balance of Deferred Tax Assets, including Minimum Alternate Tax as on April 1, 2019 and accounted for a one-time charge of ₹1,758 Crores.

Net Profit after Tax

Reported net profit after tax for FY2020 stood at ₹21 Crores vis-à-vis ₹1,464 Crores in FY2019. The decline in reported net profit after tax was primarily due to one-time DTA write-off and MAT credit reversal of ₹1,758 Crores on adoption of the new income tax regime by the Company and some of its Indian subsidiaries, and the incremental conservative ECL provision in the Financial Services business of ₹1,903 Crores (or ₹1,411 Crores, net of taxes).

Net Profit Reconciliation: Details of one-off adjustments to determine 'Normalised Net Profit':

***One-off adjustments** (₹ Crores, unless otherwise stated)	**FY2020**	**FY2019**
Reported Net Profit	**21**	**1,464**
(A) Add: DTA write-off and MAT Credit Reversal		
– One-time gain on creation of DTA of ~₹3,570 Crore in Q4 FY18		
– Opted for lower rate under new corporate tax regime, resulting in one-time write-offs of ₹1,758 Cr. due to:	+1,758	
(i) Forgoing partial benefit under DTA; and (ii) unutilised MAT credit		
– Benefit to profitability/cash flows to continue in future by opting for lower tax rate regime		
(B) Add: Incremental conservative provisions		
– Adopted a conservative and prudent approach to provisioning		
– Incremental provisions of ₹1,903 Cr. (₹1,411 Cr., net of taxes) in Financial Services	+1,411	
– Conservative provisioning is in addition to the usual provisions created for GNPAs		
– Provision has been created out of Abundance of Caution		
(C) Less: (Profit)/loss from discontinued operations		
– Sold DRG for a consideration of USD 950m	-574	+226
– Profit/loss from operations (including gain on sale of DRG) has been reversed to determine normalised profit		
(D) Add: Accounting charge on sale of Imaging Business in FY19		+452
Normalised Net Profit	**2,615**	**2,142**
YoY Change in Normalised Net Profit	+22%	

Normalised Net Profit

Normalised net profit (i.e. excluding the impact of one-time adjustments*) for FY2020 grew by 22% to ₹2,615 Crores as compared to ₹2,142 Crores in FY2019, primarily driven by the improved performance in Pharma business.

Dividend

Keeping in mind the global environment of heightened uncertainty caused by COVID-19 on the one hand and on the other, the recent sale of our DRG business as well as the interest of the minority shareholders, the Board has recommended a dividend of ₹14 per share for your approval as against a dividend of ₹28 per share in the previous year. The total dividend payout on this account would be ₹316 Crores.

FINANCIAL SERVICES

PEL's Financial Services business offers a wide range of financial products and services to cater to the diverse needs of its clients. The Financial Services business had a strong portfolio with loans, alternative assets under management (AUM) and investments of nearly ₹66,500 Crores as on March 31, 2020.

BUSINESS OVERVIEW

Over the past few years, the Company has consistently diversified its exposure across both wholesale and retail financing through its presence in the following sub-segments:

Wholesale Lending

- Real Estate Developer financing loan book stood at ₹37,561 Crores
- Corporate lending book (including Emerging Corporate Lending) stood at ₹7,868 Crores

Retail Lending

- Housing Finance loan book of ₹5,534 Crores, accounted for 11% of overall loan book
- Building a multi-product retail lending platform

Alternative Asset Management

- Strategic partnership ventures with Caisse de dépôt et placement du Québec (CDPQ), Bain Capital Credit, Canada Pension Plan Investment Board (CPPIB) and APG Asset Management (a Dutch pension fund asset manager)
- AUM of ₹11,496 Crores across various investment platforms and Joint Ventures

Investments in Shriram Group

- Investments of ₹3,954 Crores[1] in Shriram Group of Companies, which includes a ~20% stake in Shriram Capital Ltd. (SCL) and a ~10% stake in Shriram City Union Finance (SCUF)

Overview of the Financial Services business

ENTIRE LOAN BOOK IS SECURED IN NATURE

As on Mar 31,2020

FINANCIAL SERVICES

Loan Book	Alternative AUM	Investments in Shriram[1]
₹50,963 Cr	₹11,496 Cr	₹3,954 Cr

WHOLESALE FINANCING

Real Estate Lending	Corporate Lending (CFG+ECl)	Alternative AUM
Loan Book ₹37,561 Cr	Loan Book ₹7,868 Cr	Loan Book ₹11,496 Cr

RETAIL FINANCING

Housing Finance	Other Retail Lending	Investment in Shriram
Loan Book ₹5,534 Cr	In build-up phase	SCL 20% Stake; SCUF 10% Stake

STRONG PORTFOLIO WITH TOTAL INVESTMENTS, LOANS AND AUM OF

~INR 66,500 Crores

CFG - Corporate Finance Group
ECL - Emerging Corporate Lending
SCL - Shriram Capital Limited
SCUF - Shriram City Union Finance

Note: (1) Investments in SCUF based on market value; SCL based on book value, including accumulated profits

Market Scenario – Financial Services

Non-Banking Financial Companies (NBFCs) and Housing Finance Companies (HFCs) play an important role in ensuring last-mile funding across the economy. Their niche financial intermediation complements and competes with the banking credit network, fostering better efficiency and wider financial inclusion. Indian policy makers have reiterated the relevance of NBFCs in India. To quote Hon. Finance Minister, Ms. Nirmala Sitharaman, during her FY2020 budget speech, "NBFCs are playing an extremely important role in sustaining consumption demand as well as capital formation in small and medium industrial segment."

Balance sheets of NBFCs witnessed a sharp growth between FY2017 and FY2019 (CAGR 25%). The asset size of NBFCs, including HFCs, grew to ₹44.4 Lakh crores by March, 2019 dominated by loans to industries, real estate and retail. Major beneficiaries of NBFC/HFC credit include micro, small and medium enterprises (MSMEs) and real estate developers. NBFCs in real estate is evident from the fact that they account for over 33% of the total credit exposure to the top 310 real estate developers in India as identified by the RBI. This rapid growth among NBFCs and HFCs was fuelled largely by funds from Indian banks and asset management companies (AMCs). As on Q2 FY2020, NBFCs and HFCs owed ₹14.2 lakh Crores to the rest of the financial sector (including ~44% to banks and 26% to AMCs), deeply intertwining them with India's financial system.

In recent times, NBFCs and HFCs are experiencing liquidity stress owing to rating downgrades and defaults in a few large NBFCs in the aftermath of the IL&FS event. This slowdown has been witnessed mainly in the systemically important (assets ≥INR 500 Crores) non-deposit taking NBFCs. Consequently, financial markets and investors have been discriminating between stronger and weaker NBFCs, based on asset quality and asset-liability mismatch. Due to a rise in risk aversion, only well-governed, sufficiently capitalised NBFCs with a strong parentage have continued to receive funds, even though their cost of borrowings increased marginally. Both the RBI and the Goverment of India have introduced measures to alleviate some of these stresses through liquidity injections, regulatory relaxations and partial guarantees. These measures have eased business conditions and assisted several NBFCs/HFCs to build adequate capital buffers, reduce ALM mismatches and improve their asset quality.

However, due to the COVID related lockdowns, business conditions for NBFCs and HFCs are once again likely to get impacted. The RBI announced a moratorium on loan repayments between March 1 and August 31, 2020. The moratoriums on loan repayments may lead to a substantial decline in cash inflows over the next few months for some NBFCs and HFCs. This may also increase liquidity stress and ALM mismatches, in case the NBFC/HFC does not have sufficient on-balance sheet liquidity. Several weaker NBFCs/HFCs have already halted disbursements and are looking for avenues to raise capital, which has shrunk considerably. Hence this could accelerate the on-going consolidation in the sector, with the "strong becoming stronger" as the more resilient and adaptable NBFCs/HFCs are able to navigate the current market volatility.

Owing to the economic uncertainties, some of the larger NBFCs/HFCs are focusing on portfolio stress tests based on worst case macro-economic scenarios, in order to assess the impact of COVID-19. Based on the outcome of these stress tests, these NBFCs/HFCs are creating COVID-19 provisions and calibrating their internal credit-risk models.

Some of the major developments post the COVID-19 outbreak have been the rising prominence of technology and changing consumer behaviour. These mega trends are likely to create new opportunities for the NBFC/HFC sector. So players who embrace digitalisation will be able to address the evolving needs of clients and potentially benefit from the market dislocations caused by COVID-19.

In the past, players who have adopted transformational strategies have emerged winners from a crisis. Hence adaptability and agility of NBFCs will be key to navigating the current macroeconomic headwinds. Moreover, the players with:

i. sufficient on-balance sheet liquidity,
ii. access to long-term funding,
iii. healthy provisioning,
iv. a diversified loan portfolio and
v. adequate capital buffers with low leverage are relatively well-positioned to withstand the impact of disruptions caused by the COVID-19 outbreak.

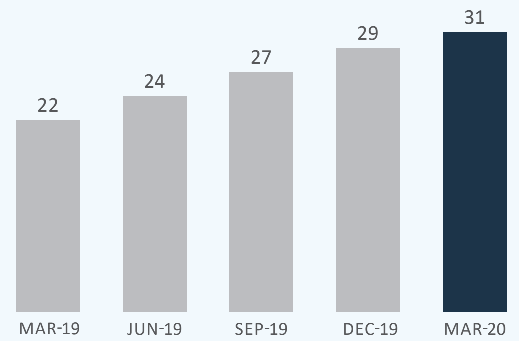
Factors determining resilience and stability of NBFCs

Owing to the growing importance of NBCFs and HFCs, policy makers are expected to work towards harmonising their regulatory framework with that of banks. This will benefit the well-governed and well-capitalised NBFCs and HFCs and, in all likelihood, lead to quicker consolidation within the space.

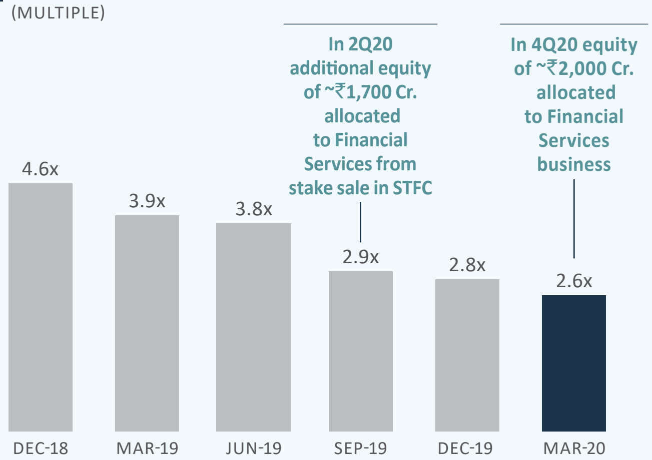
Significantly improved capital adequacy and deleveraged the business

- As of March-2020, out of the total equity of ₹30,572 Crores, equity allocated to the Financial Services business was ₹15,599 Crores (vs. ₹11,400 Crores a year ago)
- The Financial Services business has a 'best-in-class' capital adequacy ratio[1] of 31% (vis-à-vis 22% a year ago)
- Gross debt-to-equity multiple reduced to 2.6 times as of March 2020 from 3.9 times a year ago

CAPITAL ADEQUACY RATIO[1]
(%)



GROSS DEBT-TO-EQUITY[2]
(MULTIPLE)

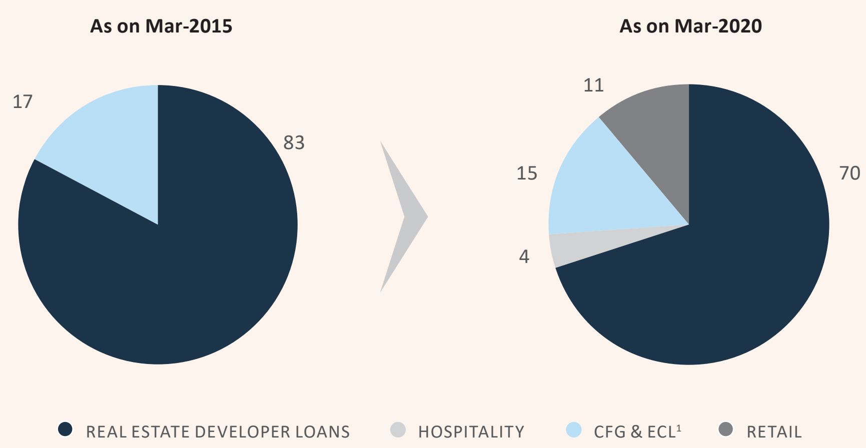


Notes:
(1) The capital adequacy ratio is for the overall Financial Services business and is based on internal estimates/assumptions.
(2) Data for the lending business

Diversifying the loan book by gradually increasing the share of retail loans

- Share of real estate developer loans has declined from 83% in Mar-2015 to 70% in Mar-2020
- As of Mar-2020, Retail loans (Housing Finance) accounted for 11% of overall loan book
- Expect to further improve the share of retail loans through the launch of other retail financing products

BREAKDOWN OF OVERALL LOAN BOOK
(%)

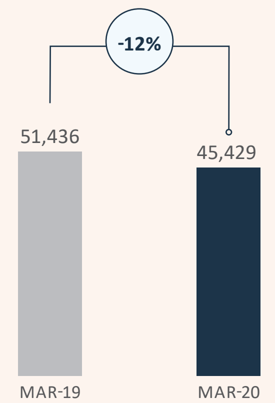


Note:
(1) CFG includes education sector loans

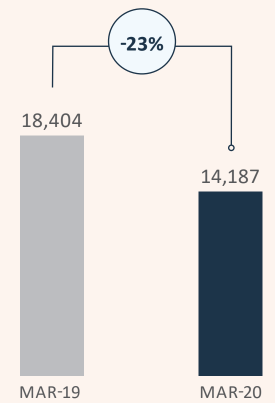
Reducing large single-borrower, on-balance sheet exposures

- 12% YoY reduction in wholesale loan book, which includes real estate and corporate loans
- Exposure to top-10 accounts reduced by ~₹4,200 Cr. during the year (decline of 23% YoY)
- As of Mar-20, only 3 exposures were ≥10% of the net worth of the FS business

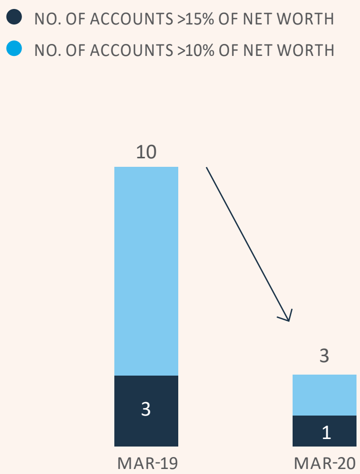
WHOLESALE LOAN BOOK
(IN ₹ CRORES)



TOP-10 EXPOSURES
(IN ₹ CRORES)



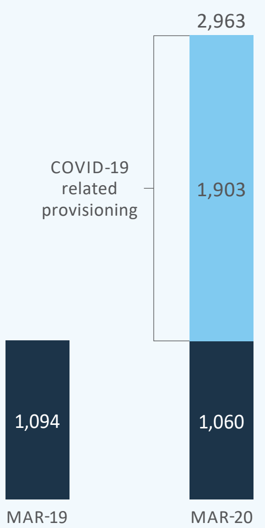
SINGLE-BORROWER EXPOSURES
(NUMBER OF BORROWERS)



Made conservative provisions, as a matter of prudence, in response to COVID-19

- Adopted a conservative and prudent approach to provisioning, given macroeconomic uncertainty
- Created incremental conservative provision of ₹1,903 Crores in Q4 FY2020, resulting in an overall provision of ₹2,963 Crores (vis-à-vis ₹1,094 Crores a year ago)
- Total Provisions at 246% of GNPAs or 5.8% of overall loan book

TOTAL PROVISIONS
(IN ₹ CRORES)



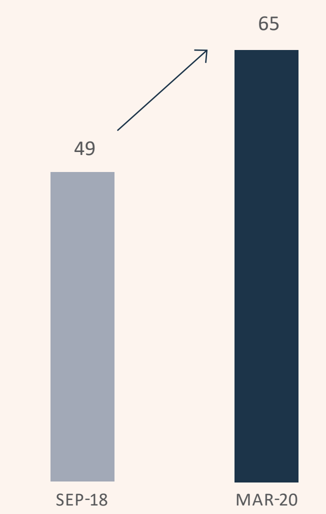
GNPA Ratio	**0.9%**	**2.4%**
Provisions as a % of loan book	**1.9%**	**5.8%**

KEY HIGHLIGHTS

Diversifying borrowing mix by raising long-term funds and maintaining adequate liquidity

- The Company has raised ~₹30,000 Crores in long-term borrowings (including securitisations) since September 2018
- As a result, the share of bank borrowings[1] stands at 65% of overall borrowings as of March 2020 vis-à-vis. only 49% as of September 2018
- ~₹8,900 Crores were available in the form of cash and undrawn bank lines as of March 31, 2020

SHARE OF BANK BORROWINGS IN BORROWING MIX[1]
(%)

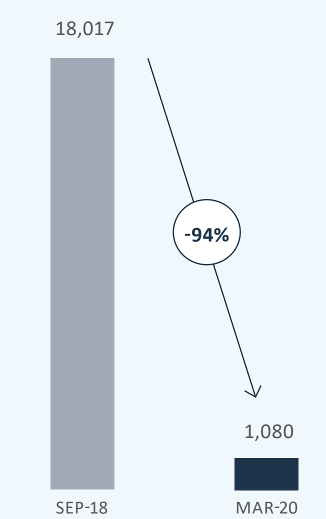


Note: (1) Data for PCHFL

Reduced exposure to Commercial Papers

- Significant reduction in CP borrowings – exposure to CPs has declined 94% to ₹1,080 Crores as of Mar-2020 vis-à-vis ₹18,017 Crores as of Sep-2018

COMMERCIAL PAPER (CP) BORROWINGS
(₹ CRORES)



Building a multi-product retail lending platform

- The Company has announced the launch of a multi-product retail lending business
- We plan to build a fully tech-enabled, 'digital at the core' business model
- Retail financing market in India has significant untapped potential, which offers long-term growth opportunities
- Consolidation is expected to pick up further speed in the sector as a result of the COVID-19 pandemic
- We are currently focused on:

  (i) building the technology infrastructure

  (ii) setting up key processes

  (iii) hiring top-tier talent

  (iv) refining product and channel strategy

  (v) identifying target markets for the retail lending business

Building fund-based platforms (off-balance sheet) by partnering with marquee global investors

CDPQ	Senior debt platform with CDPQ to invest in senior-debt in non-real estate, non-infra sectors
BainCapital CREDIT	IndiaRF – a Distressed Asset Investment platform in a JV with Bain Capital Credit – to tap into distressed asset resolution opportunity in India
Ivanhoé Cambridge Caisse de dépôt et placement du Québec	Partnered with Ivanhoé Cambridge to provide long-term equity to blue chip residential real estate developers
apg	Strategic alliance with APG Asset Management, a Dutch pension fund asset manager, to invest in infrastructure companies / projects
CPP INVESTMENT BOARD	Co-sponsored a renewable energy-focused infrastructure investment trust (InvIT)
IFC International Finance Corporation WORLD BANK GROUP	Investor in IndiaRF (the Company's Distressed Asset Investment platform)

Wholesale Lending

Real Estate Developer Finance

Market Scenario

The Indian real estate sector has been adapting to a rapidly evolving environment over the last few years. Several regulatory reforms and policy measures, such as RERA, GST and demonetisation, have reduced the sector's growth momentum, but helped to improve transparency and accountability while contributing to healthy consolidation and driving sustained long term performance.

Even while the sector is re-emerging from the impact of regulatory reforms and a system-wide liquidity tightening, it faces further headwinds from the COVID-19 pandemic. The pandemic is likely to further accelerate the pace of the on-going consolidation in the sector, as many weak, unorganised players will cease to exist.

Real estate directly accounts for 7% of GDP and 17% of employment. The impact is more pronounced through inter-linkages with about 250 auxiliary industries, such as steel, brick kilns, cement, paint, hardware, sanitary etc. The National Council of Applied Economic Research (NCAER) estimates that for every ₹1 Lakh invested in the housing sector, nearly three new jobs are created in the economy. Till now, the Pradhan Mantri Awas Yojana (PMAY) alone has created 12 million jobs. Hence the slowdown in real estate has reverberated into an overall economic slowdown in India.

Given the significance of the sector, the Government of India and the RBI have announced several measures to combat the social and economic crisis arising out of the COVID-19 breakout, which should likely improve system-wide liquidity and provide some relief to the real estate sector. Some of these measures include last-mile stressed asset funds, extension in date of commencement of commercial operations (DCCO) by 24 months applicable for bank and NBFC loans, extension in PMAY housing loan subsidy and extension in RERA completion timelines of projects. It is likely that more demand boosting measures will be undertaken going forward.

Impact of COVID-19: Outlook and Current Trends in the Real Estate Sector

A. Residential Real Estate

Sales through digital platforms: Developers are adapting to technology and creating an online presence. As a result, virtual site tours and digital sales are gaining prominence. For instance, one of our largest clients sold ~300 housing units via digital channels during the lockdown period of March and April 2020.

Discounts to boost sales: Enquiries for ready inventory are likely to increase and a few developers could offer further discounts to close transactions.

Focus on cash flow management: There is a greater focus by developers on liquidity and cash flow management, along with other risk management practices.

Demand for housing and home office space likely to pick up: As confidence in the economy is restored, demand for housing will gradually pick up. Also, people would increasingly prefer to stay in their own homes and so demand for housing with 'modern' amenities is likely to improve. Moreover, developers plan to launch larger apartments, where extra rooms can be used as a home-office to facilitate the 'work from home' culture.

Some of these measures are structural in nature and shall not only help developers navigate the current crisis, but will also yield longer-term benefits.

B. Commercial Real Estate Sector

Working from home (WFH) is likely to become the new norm: As more companies adopt a WFH policy, allowing a large portion of their employee base to work remotely (especially IT & ITES companies), rental growth is expected to remain muted on a YoY basis, and lessees are likely to seek reduction or deferment of rent escalations.

Changing demand for the type of office spaces: Deferment of large space lease commitments in the next 12 months as corporates may shrink existing leased space and smaller companies may opt for co-working spaces. Also, some companies may opt for centralised operations and consolidate their space holdings to cut cost and optimise operations.

Investments by global funds: Total investments by global private equity (PE) firms in the Indian real estate sector is estimated at around USD 5 billion during CY 2019, of which nearly two-thirds was towards commercial real estate. Global funds may continue to invest in 'Grade-A' commercial assets, which may offer reasonable valuations.

C. Hospitality

Adverse impact due to lockdowns: Hospitality sector is amongst the most severely affected, as cash flows of hotels have been impacted due to the nationwide lockdown.

Marquee brands relatively better positioned: As the environment normalises gradually over the next 12-18 months, hotels/ properties in prime locations with marquee brands are likely to be the first to recover.

PEL's positioning:

Despite significant headwinds faced by the real estate sector, PEL's asset quality has been resilient, that can be attributed to the Company's domain expertise, client selection, underwriting and strong risk and governance mechanism. Further, PEL's ability to proactively cure stressed deals and swiftly adapt to an evolving business environment has enabled its loan portfolio to withstand market volatility.

While the eventual impact of COVID-19 is difficult to predict, real estate construction activity has been delayed and industry-wide sales can be expected to remain slow in the near term. As a matter of prudence, the Company has created an additional provision of ~₹1,900 Crores in Q4 FY2020, which takes the total provision to ~₹3,000 Crores. This sizeable provision should be sufficient to meet any contingencies.

Also, we were able to raise long-term funds during the year and maintained adequate liquidity in the form of cash and undrawn bank lines as of Mar-2020. As a result, during the nationwide lockdown due to COVID-19, we were able to ensure that there are enough funds to meet the liquidity and working capital requirements of our clients. The Company continued to support its partners and clients during the volatile market environment by extending moratorium to all its clients, with non-NPA accounts, as per regulatory guidelines.

Operational Performance:

Loan book: The real estate developer financing loan book reduced by 6% YoY to ₹37,561 Crores as of March 31, 2020 from ₹40,160 Crores as of March 31, 2019, as the Company has continued to reduce large single-borrower exposures. As of March 2020, real estate developer financing accounted for ~74% of the overall book.

Yields: Yields in wholesale lending have improved significantly due to consolidation and limited supply of credit in developer financing. Also, we remain focused on "risk-adjusted" returns, which has led to an improvement in yields. As a result, average yields in our wholesale RE loan portfolio have improved by ~150bps to 15% in Mar-2020 from 13.5% in Sep-2018 (i.e. pre-liquidity tightening).

Granularisation of the developer financing loan book:

The Company has been making consistent efforts to reduce concentration risk and has made a conscious decision to reduce large single-borrower exposures. Since Sep-2018, PEL has made significant progress in reducing single-borrower exposures as a percentage of the net worth of the Financial Services business. This has been driven by both re-financing of loans and capital raise.

As of Mar-2020, only one exposure was above the threshold of 15% of net worth of the Financial Services business and two other exposures at ≥10% of net worth, whereas all other exposures were below 10% of the net worth. The exposure to Top-10 wholesale accounts was reduced by ~₹4,200 Crores as of Mar-2020 vis-à-vis Mar-2019.

Commercial Real Estate exposure:

Our wholesale commercial real estate portfolio is split across under-construction projects, lease rental discounting (LRD) and loans against property (LAP). Many of our projects are in mid-stage and have continued to witness steady sales (for e.g. smaller offices, etc.).

Our exposure to the hospitality sector accounts for ~4% of the overall loan book, where we have exposure to operating assets/ properties by marquee brands. While the sector may take 12-18 months to recover from the impact of the COVID-19 related lockdown, we expect that the properties to recover first would be hotels in prime locations with marquee brands.

Selectively tap superior 'risk-reward' opportunities in wholesale financing

Amid consolidation in the real estate sector, PEL plans to leverage its underwriting strengths to focus on 'last-in, first-out' (LIFO) deals that offer attractive yields. In its endeavour to reduce developer concentration, the Company plans to enter into co-lending arrangements with public sector banks, global funds as well as foreign banks, to selectively tap superior 'risk-reward' opportunities in the wholesale real estate space.

Corporate Lending (CFG and ECL)

Market Scenario

In India, corporate lending covers a wide range of financing requirements which were traditionally served by the banking system. With rising NPA levels, especially in public sector banks, NBFCs stepped in to fill the void. Over the last few years, NBFCs have continued to gain market share in corporate lending as a result of their domain expertise, ability to price risks and financial innovation.

However, post COVID-19, availability of credit to corporates has further declined, with lenders focusing only on select high-rated companies. For instance, corporate credit growth within the banking system decelerated to 1.4% YoY as of Mar-2020 vis-à-vis 6.9% YoY growth in Mar-2019.

The magnitude of the impact of COVID-19 varies from sector to sector, depending on supply-side disruptions and the duration for demand recovery for the respective sector. Some sectors such as auto and auto ancillaries, export-oriented industries, hotel and tourism, and engineering and manufacturing have been more adversely impacted than others. Hence the overall availability of wholesale financing in the system remains limited, with only few banks and NBFCs lending actively.

Corporate Finance Group (CFG)

CFG works closely with clients across several non-real estate sectors to develop credit solutions that tie in to the underlying cash flows of the business. The portfolio comprises loans to sectors such as infrastructure, renewables, cement, auto components, logistics, warehousing, packaging, building materials, cash management and various sub-segments within manufacturing and services industries. CFG offers multiple solutions with yields ranging from 12% to 16%.

CFG's loan book stood at ₹7,198 Crores as of March 31, 2020 compared to ₹9,889 Crores a year ago, given the focus on exits and the endeavour to reduce single-borrower exposure through down-selling/re-financing.

Emerging Corporate Lending (ECL)

ECL is a sector-agnostic platform and engages with clients from Manufacturing to Trade and Services, offering funding with a ticket size of ₹10 Crores to ₹100 Crores. ECL caters to the borrower's requirements with customised solutions, in terms of security and repayment tenor to match the underlying cash flows of the business.

The business follows a regional origination and a centralised underwriting model. Origination efforts are led by a team of Relationship Managers based in Mumbai, Delhi Hyderabad, Pune and Ahmedabad, alongside a centralised underwriting team at Mumbai.

In the current environment, the business remains focused on preserving liquidity through refinancing, resulting in the shrinkage in loan book YoY. As of March 31, 2020, the ECL loan book stood at ₹670 Crores (as compared to ₹1,387 Crores as of March 31, 2019), with an average ticket size of ₹47 Crores across 14 deals, with 13 unique client relationships.

Retail Lending

Market Scenario

Retail lending penetration in India is relatively low and stands at ~15% of the country's GDP, as compared to 66% in China and 81% in the US. Over the last few years, NBFCs/HFCs have played a crucial role in providing retail credit, owing to their deep understanding of target customer segments, use of technology, lean cost structures and differentiated business models to reach credit-starved segments.

Within retail lending, housing finance forms a sizable portion of the loan book of NBFCs/HFCs. Housing is an economic and social priority for the Indian society. More than 60% of India's household savings is invested in homes as estimated by the Central Statistics Office. Economic development, rising per capita income and urbanisation have led to the emergence of an aspirational India. And owning a home continues to remain a key aspiration.

While Central and State governments have focused on housing ever since Independence and continue to do so, housing remains a distant dream for many. The Government of India estimates that by 2022, about 100 million new homes will be required. Bulk of this requirement (95%) will be for low income group (LIG) and economically weaker sections (EWS) of the population. This presents an immense opportunity, for affordable homes as well as for housing finance. Due to low financial inclusion, penetration of housing finance in India has been restricted to primarily within the mid-income and high-income groups of the population. Similar to the trends observed in overall retail lending, mortgage to GDP ratio in India is ~9% as compared to 18% in China or 56% in the U.S. But, strong demand will likely raise this to ~12%, as per a RBI Report in September 2019. Recent reforms like RERA, Benami Property Act, Pradhan Mantri Awas Yojana (PMAY) and even GST were aimed at strengthening the demand and supply enablers for housing in India.

At present, the key providers of home loans are commercial banks (57.8%) and HFCs (42.2%). Among HFCs, the market is highly concentrated within the top 5 companies, accounting for 85% of the loans. It is quite likely that due to this rise in demand for new homes and low penetration of mortgages, the housing finance market will undergo a secular growth over the next few years. The Government of India's Smart City Mission will benefit the cities with better connectivity and infrastructure boosting urbanisation. In fact, as per a study by Oxford Economics, the top 10 fastest growing cities in the world are in India.

However, the sector has faced a liquidity stress owing to rating downgrades and defaults in a few large HFCs in the aftermath of the IL&FS event, which challenged the sector's secular growth assumption. Prompt policy interventions from the RBI, NHB and the Government of India led to the easing up of some of these issues, especially for the well managed larger HFCs. We expect additional proactive efforts by the government and the RBI to boost housing demand and ease cash flow issues within developer balance sheets. Also, a new normal could emerge post the COVID-19 pandemic that could benefit real estate and HFCs. Factors like work from home, hub-and-spoke models adopted by employers, lower prices and interest rates, etc. could lead to higher demand for homes as consumer sentiment revives over the next 2-3 quarters.

PEL is well-positioned to tide over such times and emerge stronger post this crisis. While the Company continues to increase the share of Housing Finance in its loan book, it also aims to build a retail financing multi-product lending platform, which would be digital at its core. The current market dislocation caused by the COVID-19 pandemic is creating opportunities for some incumbents, as well as new entrants, to capture market share, provided they have adequate capital, robust underwriting processes and are able to meet the evolving needs of retail customers.

Housing Finance

Business performance during FY2020

As of March 31, 2020, the Housing Finance loan book stood at ₹5,534 Crores compared to ₹5,188 Crores as of March 31, 2019. The book is largely stable as the growth in the book was partly offset by routine pay-downs, accelerated pre-payments, balance transfers and sale/securitisation. Also, we plan to gradually move from affluent to mass affluent category in housing finance space.

The Housing Finance loan book accounted for 11% of overall loans as of March-2020 (vis-à-vis 9% a year ago) and its share is expected to increase in the medium-to-long term.

Amidst the lockdown due to COVID-19, the Company offered a 3-month moratorium to its retail housing finance clients and 24% of its clients (as of Apr-2020) availed themselves of the benefit.

Housing Finance: Loan book profile and KPIs

	As on Mar-20
Share of Housing Finance in Overall Loans	11%
Average ticket size (Home Loans)	₹70 lakhs
Weighted average loan-to-value	65%
Salaried: Self-employed customers	62 : 38
GNPA ratio	0.17%

Strategic priorities and focus areas: HFC

Given the market environment, we are being cautious on disbursements. Hence the portfolio size may remain steady for the next few months. Simultaneously, we will continue to shift the loan book mix towards mass affluent housing finance. In the near-to-medium term, the mass affluent housing finance market is also expected to witness significant consolidation, which is likely to create substantial growth opportunities for the business.

Consumer and other Retail Lending

The competitive intensity in the retail consumer financing space is expected to reduce due to COVID-19. Given the Company did not have a legacy retail financing book, it will incorporate learnings from the current environment, and build the book more conservatively.

FY2021 will be used for laying the foundation of the business, with focus on the following areas:

- Product strategy: There have been some changes to our retail strategy due to the COVID-19 impact. We are now working towards launching a combination of secured and unsecured products. We already have a presence in the safe-end of the retail business with our housing portfolio, which we plan to enhance with other products now.
- Channel strategy: We plan to have a combination of Physical and Digital distribution. We are exploring opportunities to create channel partnerships to enable distribution.
- Geography selection: We will be focusing on small-town and mid-town markets of India and are in the process of identifying target markets and creating a presence there.
- Technology: Technology is a central component of our retail strategy and we are putting together the tech stack necessary for a successful launch. We plan to have a fully tech-enabled, 'digital at the core' business model. Also, given that we are a new entrant, we do not have to manage or deal with any legacy infrastructure.
- Team: We are hiring top-tier talent to lead our retail business across roles in business, collections, operations, as well as technology.
- Processes: The existing Housing Finance team and fresh talents who are coming on board will be working with top quality external consultants to set-up robust processes and controls for the business.

Investments in Shriram Group

PEL had invested a total amount of ₹4,583 Crores in Shriram Group companies, which comprised ₹1,636 Crores for a ~10% stake in Shriram Transport Finance Corporation, ₹2,146 Crores for a ~20% stake in Shriram Capital Limited and ₹801 Crores for a ~10% stake in Shriram City Union Finance.

In June 2019, PEL sold its entire direct investment of 9.96% in Shriram Transport Finance Corporation for ~₹2,300 Crores. Post the Shriram Transport Finance Corporation stake sale, the investments were worth ₹3,954 Crores[1] as of March 31, 2020.

Additionally, the investment is part of the unallocated equity pool – serving as an accessible, return-generating pool of capital for PEL's future growth initiatives.

Alternative AUM

IndiaRF – JV with Bain Capital Credit (BCC)

IndiaRF is a "Distress to Control" fund set up with PEL and BCC, as General Partners. BCC is the credit-investing arm of Bain Capital with about USD 39 billion in assets under management.

IndiaRF seeks to provide attractive, long-term risk-adjusted returns to investors primarily by making distressed investments with significant control, influence or management in Indian companies / assets, across all sectors other than real estate. The Fund would look to invest in companies /assets which are currently under distress but have fundamentally strong growth prospects linked to India's infrastructure and consumption needs or are competitive on exports. The Fund aims to drive a resolution plan focused on specific financial and operational turnarounds with dedicated management oversight, while protecting the sustainable debt value and maximising stakeholder value.

The platform is fully operational and invests in debt and/or equity, through secondary purchases and/or primary investment into companies or assets. The platform also has a licence for an asset reconstruction business, which would allow it to consolidate debt, with the intent to gain a position of control so as to further aid the objective of the investment.

The Fund currently has US$ 567 miilion under management. PEL and BCC have each committed US$ 100 million to IndiaRF. CPPIB and IFC have also committed US$ 225 million and US$ 100 million, respectively to the Fund.

The Fund till date has invested US$ 398 million along with its affiliates, across sectors including marine chemicals, pharmaceutical and steel.

Co-investment platform with Ivanhoé Cambridge

PEL has formed a strategic partnership with Ivanhoé Cambridge, a real estate subsidiary of Caisse de dépôt et placement du Québec (CDPQ), to provide long-term equity capital to top-tier residential real estate developers across India. Ivanhoé Cambridge had committed an initial US$ 250 million for both pure and preferred equity transactions. PEL had committed to co-invest 25% of pure equity transactions and 50% of preferred equity transactions, with the balance coming from Ivanhoé Cambridge. The platform's investment focus included the Mumbai Metropolitan Region, Delhi-NCR, Bengaluru, Pune and Chennai. The capital, which will be in the form of pure and structured equity, will be deployed with a 7-10 year investment horizon.

So far, Piramal and Ivanhoé Cambridge have made an equity investment of ₹500 crores in an integrated smart city project being developed in the Mumbai Metropolitan Region. The Fund continues to evaluate several other deals to provide long term equity capital to blue chip residential developers across major cities in India.

InvIT platform for renewables with CPPIB

In May-2019, PEL and CPPIB launched a renewable energy-focused Infrastructure Investment Trust (InvIT). With an initial targeted corpus of up to US$ 600 million, with an option to scale up further, InvIT would seek to acquire up to 1.5-2 gigawatts (GW) of stable and long-term cash generating renewables assets, with a firm focus on diversification of clients of both solar and wind assets as well as consumers for the generated electricity.

AIF platform with IIFL Wealth for last-mile funding

In Dec-2019, PEL and IIFL Wealth Management Limited announced a co-investment on an Alternative Investment Fund (AIF) platform to fund select advance stage/last-mile real estate projects across Tier 1 cities in India. With a target size of ₹2,000 crores, AIF aims to provide capital to Tier 1 developers in key markets. The Fund will initially be seeded with existing loans from Piramal Group's portfolio while continuing to explore quality deals from the market in the future. The platform enables PEL to facilitate external capital (on a fund or co-investment basis) alongside its lending business, and to further grow the lending business through a new co-investment/co-origination model.

Progress on strategic alliance with APG Asset Management

PEL and APG Asset Management (a Dutch pension fund asset manager) have a strategic alliance for investing in rupee-denominated mezzanine instruments issued by India's infrastructure companies. The aim is also to focus on operational and near completion projects with limited execution risks and high visibility of cash flows coming from a portfolio of projects.

Both PEL and APG had initially committed US$ 375 million each as part of this 50:50 strategic alliance. The Fund is fully-deployed across six deals totalling US$ 750 million, largely in the Renewable Energy and Infrastructure space. The investments were primarily used towards growth capital and to provide exit to existing investors. In the Renewable Energy space, the investments have helped facilitate an increase in capacity across the country.

Senior-debt platform with CDPQ for private credit financing

In February 2020, PEL announced a US$ 300 million platform with Canadian Pension Fund CDPQ to target private credit financing opportunities in India spanning across multiple sectors (other than real estate). CDPQ and Piramal will contribute 75% and 25% capital respectively. The partnership affirms CDPQ's confidence in the deep expertise and track record of Piramal in this segment. The partnership will focus on performing credit.

Note: (1) Investments in SCUF based on market value; SCL based on book value, including accumulated profits

Asset Quality

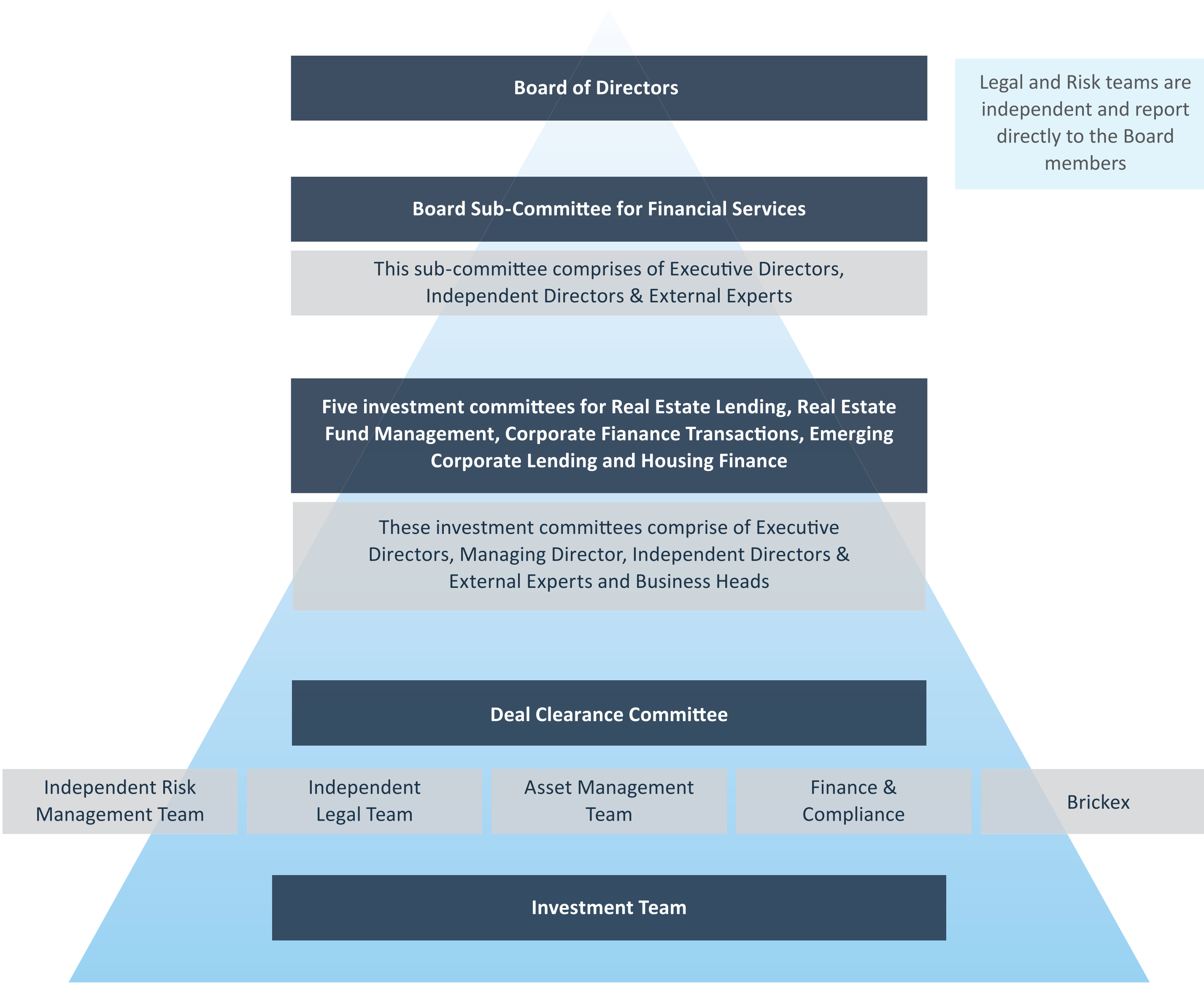
Asset Monitoring and Risk Management

PEL has a strong risk management framework and robust asset monitoring in its financial services business. The risk management framework spans across the pre-qualification and pre-approval stage, whereas asset monitoring takes place throughout the life cycle of a project.

As part of our Review and Governance mechanism, Risk and Legal teams are independent and report directly to the Board. The investment committees, apart from Executive Directors and Business Heads, also include Independent Directors and External Experts.

The Company maintains a healthy security and cash cover, which varies across deals, based on its conservative underwriting assumptions, with the ability to enforce security. Also, all our deals follow the escrow mechanism and hypothecation of receivables, resulting in visibility and control of project-level cash flows.

Review and governance mechanism



GNPA and Risk Mitigation Actions

The Asset Monitoring team critically analyses the key set of triggers like financials, operational performance, regulatory changes, macro-economic factors etc., and highlights the Early Warning Signals (EWS). The early-warning predictive model helps in identifying deals that could potentially go into stress in the near-to-medium term. Further, by leveraging both the Company's proprietary data as well as the rich external data sources, the team identifies ways to minimise NPA risk.

As of Mar-2020, GNPA stood at 2.4% (vis-à-vis 1.8% as of Dec-2019 and 0.9% as of Mar-2019). While the Company built additional conservative provisions in Q4 FY2020, it continues to take several risk mitigation actions and proactively cure some of the potentially stressed deals.

WHERE WE STAND	RISK MITIGATION ACTIONS
• 100% secured portfolio • Adequate security cover taken at the time of deal origination • Superior client selection • Conservative underwriting • Proactive corrective actions to cure potentially stressed projects	• **Conducted 'Sensitivity Analysis'** on loan book • Adopted a **conservative and prudent approach to provisioning** • Deal-specific actions including **reconfiguration of projects, equity infusion by clients and additional security cover** • Maintaining **adequate liquidity surplus** • **Raising long-term borrowings**

Examples of mitigation actions taken during the year

REAL ESTATE DEAL	RESOLUTION PLAN	ACTIONS TAKEN
Mumbai-based	Credit Risk shifted to stronger developer	• The new developer took over the project by land purchase of ₹270 Crores.
Gurugram-based	Last-mile funding provided, while seeking re-financing options	• Provided last-mile funding of ₹40 Crores for project completion while maintaining the required security cover and obtaining DCCO extension. • Simultaneously, carried out discussions with a real estate fund for re-financing the deal.
Bengaluru-based	Entered into a Development Management agreement	• Development Management agreement executed with a stronger, listed developer. • Soft launch done by the new developer and the project has received DCCO extension.

Scenario Analysis and Provisioning

While the balance sheet of the Financial Services business has adequate buffers for contingencies, given the low debt-to-equity of 2.6x times (gross), low GNPA (2.4%) and track record of resolving stressed deals, it was prudent to be cautious during this unprecedented macro crisis emanating from COVID-19.

The portfolio may face potential headwinds due to the emerging economic conditions, as sectors such as residential and commercial real estate, renewables, logistics etc., where the company has exposure, might be impacted directly or indirectly by COVID-19. Hence the Company ran a scenario analysis using proprietary algorithm-based risk models on both its wholesale and retail portfolio. The adverse economic scenario was translated into sectoral impacts through detailed econometric models. These sectoral impacts were then applied at the deal-level to assess the impact of the scenario on the overall portfolio.

For the wholesale residential real estate portfolio, we estimated the impact of macro factors on the revenues of real estate developers (borrowers). Further, we applied specific micro stresses on each deal based on decline in prices for additional collateral assessment, financial closure analysis, approval delays, ability of the developer to contribute equity and estimating probable losses.

For the non-real estate portfolio, the macro-economic scenario was converted to sector-specific risks. The sectors covered included renewables, auto ancillaries, logistics, etc. Each transaction was then assessed in detail to calculate a loss estimate.

For the retail portfolio, we took into account the impact of potential loss or drop in income of the borrowers. The average loan-to-value of retail loan book (housing finance) is 65%.

It may be noted that the estimated potential impact is based on hypothetical scenarios and the Company may not incur these losses. However, given the current macro-level uncertainty, the Company decided to be conservative and made an incremental provision of ₹1,903 Crores, based on the scenario analysis.

As a result, total provisions increased to 5.8% of the overall loan book as of Mar-2020 versus 1.8% as of Dec-2019. This incremental provision has been split between some specific asset provision and general provision spread across the entire portfolio. Moreover, a large part of the portfolio is standard (97.64%) and the asset quality has been robust, as reflected in the low NPA levels over the years. However, the Company has decided to provide higher as a matter of abundance of caution.

Details of stage-wise provisioning:

Particulars	As on Dec-19	As on Mar-20
Gross Stage 1 & 2 loans	₹50,485 Cr.	₹49,761 Cr.
Provision - Stage 1 & 2 loans	₹717 Cr.	₹2,480 Cr.
Provision Coverage Ratio - Stage 1 & 2 loans	**1.4%**	**5.0%**
Gross Stage 3 loans (GNPAs)	₹944 Cr.	₹1,202 Cr.
GNPA Ratio (% of loans in Stage 3)	1.8%	2.4%
Provision - Stage 3 loans	₹230 Cr.	₹483 Cr.
Provision Coverage Ratio - Stage 3	**24%**	**40%**
Total Provision	₹947 Cr.	₹2,963 Cr.*
Total Loans	₹51,429 Cr.	₹50,963 Cr.
Total Provision/ Total Loans	**1.8%**	**5.8%**
Total Provision/ GNPAs	**100%**	**246%**

* Mar-20 data includes incremental conservative provisons of ₹1,903 Cr.

Borrowing Side

Market Scenario/Key developments

In the current uncertain environment, liquidity remains the top priority for most NBFCs. However, liquidity continues to remain scarce for NBFCs owing to heightened risk aversion amongst lenders.

Over the last several months, the RBI announced several measures to improve system-wide liquidity and make funds available particularly for NBFCs and HFCs. Some of these measures include reduction in repo rate to 4% and reverse repo rate to 3.35% during the May 22, 2020 announcement; ₹30,000 Crore Special Liquidity Scheme; Partial Credit Guarantee Schemes for NBFCs/HFCs/MFIs with total guarantee of ₹10,000 Crores; Targeted Long-term Repo Operations (TLTRO) amounting to ₹1.5 Lakh Crores. As a result of these measures, investment-grade NBFCs, with strong parentage, are still able to access funds.

Liquidity/long-term debt fund raising

Over the last one year, the Company has raised ~₹13,500 Crores of long-term debt (via bank term-loans, NCDs, etc.). As of March 31, 2020, the Company had ~₹4,350 Crores of cash and cash equivalents and ~₹4,500 Crores of undrawn bank lines.

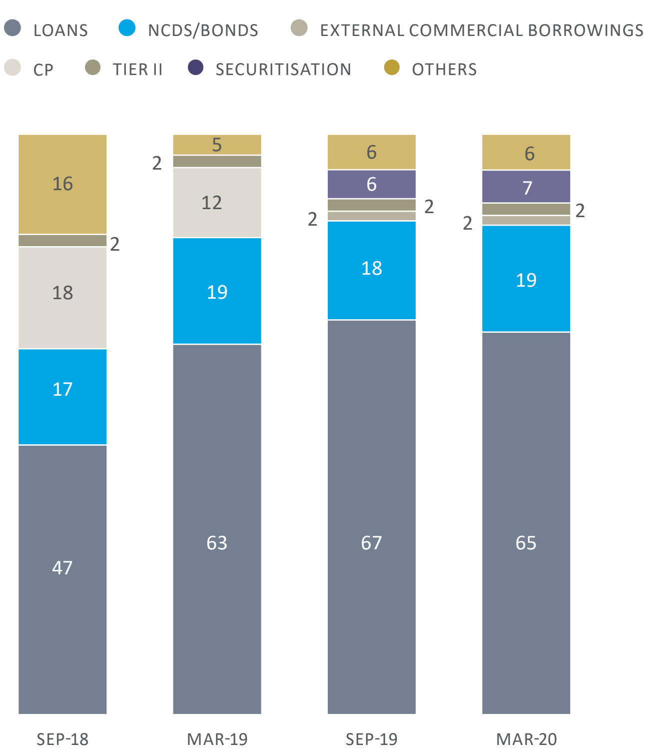
In April-May 2020, the Company raised ₹5,000 Crores of long-term borrowings, which included drawing-down bank lines from large public sector banks. Further, it issued NCDs amounting to ₹2,590 Crores in June 2020.

Funding Sources

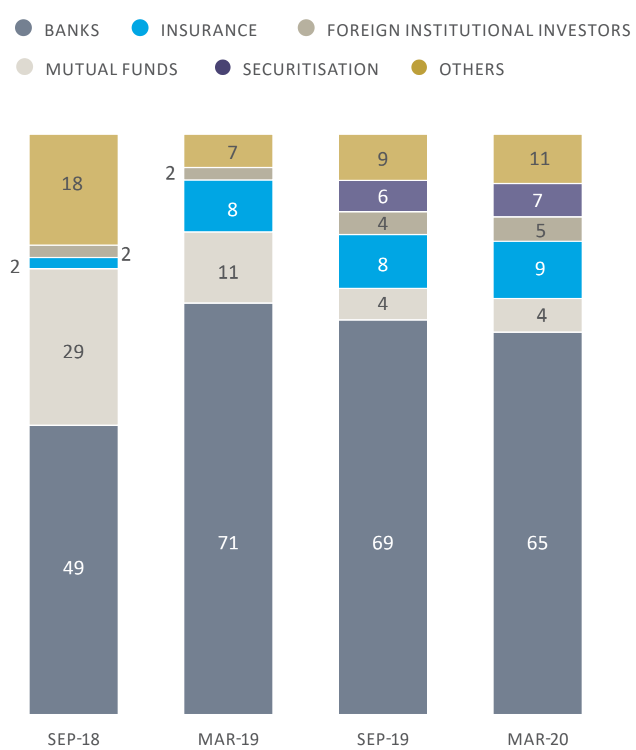
The Company primarily sources funds through term loans, NCDs and commercial papers. Our borrowings are primarily long term in nature, with the predominance of term loans and NCDs in the funding mix.

Borrowing Mix

BORROWING MIX BY TYPE OF INSTRUMENT
(%)



BORROWING MIX BY INVESTOR
(%)



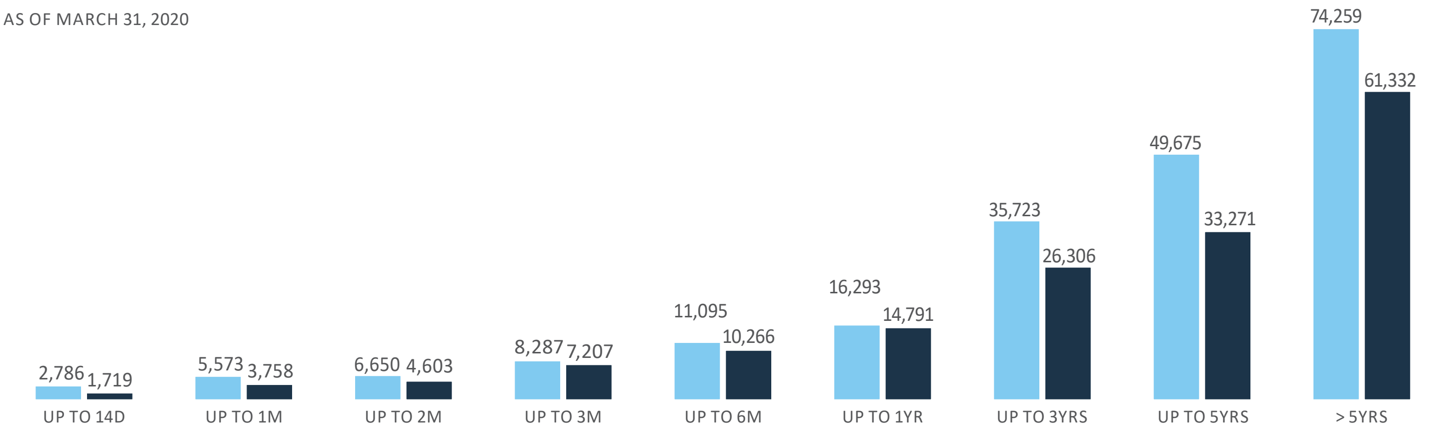
Note: Data for Piramal Capital & Housing Finance Limited (PCHFL)

Cost of borrowings

The average cost of borrowings in FY2020 was higher at 11.2%. The increase in funding costs reflects the system-wide liquidity shortage following the default by IL&FS in September 2018 and the shift in the borrowing mix towards long-term sources of funds, which continues to be a focus area in FY 2021.

ASSET LIABILITY (ALM) PROFILE
(₹ CRORES)

- CUMULATIVE INFLOWS
- CUMULATIVE OUTFLOWS



Note: ALM profile for Piramal Capital & Housing Finance Limited (PCHFL)

Capital adequacy ratio

As of March 31, 2020, PEL's Financial Services business had a capital adequacy ratio[1] of 31% as compared to 22% a year ago.

Financial Performance for the Year

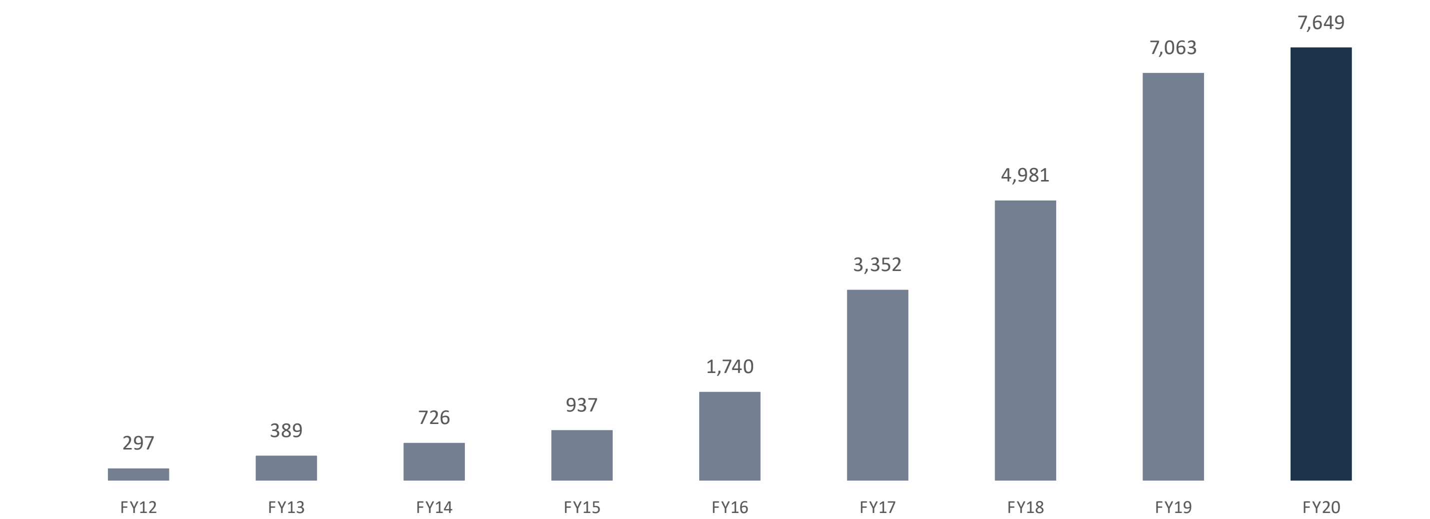
In line with our stated strategy, for the last few quarters we have been treading with utmost caution, preserving liquidity and deleveraging the business instead of chasing growth. However, average yields in our wholesale real estate loan portfolio have improved by ~150bps to 15% in Mar-2020 from 13.5% in Sep-2018. The revenue performance of the Financial Services business was primarily impacted by the reduction in loan book from ₹56,624 Crores to ₹50,963 Crores during FY2020, partly offset by an improvement in wholesale yields. As a result, revenue growth of Financial Services moderated to 8% YoY to ₹7,649 Crores during FY2020.

The Company also adopted a conservative and prudent approach to provisioning. While GNPAs stood at 2.4%, incremental conservative provisions of ₹1,903 Crores were built in Q4 FY2020, over and above the usual provisions created for GNPAs. The provision was created out of an abundance of caution, resulting in total provision of ₹2,963 Crores – at 5.8% of overall loan book and ~2.5 times of GNPA.

Excluding the additional conservative provisioning of ₹1,903 Crores and the recent incremental capital allocation of ~₹2,000 Crores to the Financial Services business, ROE stood at 16.3% on a cash tax basis.

Note: (1) The capital adequacy ratio is for the overall Financial Services business and is based on internal estimates.

INCOME FROM FINANCIAL SERVICES
(₹ CRORES)



Key Performance Indicators: PEL Financial Services (Lending Business)

Excl. additional conservative provisioning of ₹1,903 Cr. and incremental capital allocation of ~₹2,000 Cr. to Financial Services

Particulars	FY2020	FY2020 (Normalized)
Total Loan Book size	₹50,963 Cr.	
Total Equity on Lending (utilised synergies from reverse merger)	₹15,599 Cr.	
Gross Debt	₹39,832 Cr.	
Net Debt	₹35,480 Cr.	
Gross Debt-to-Equity (for Lending business)	2.6x	
Average Yield on Loans	14.3%	
Average Cost of Borrowings	11.2%	
Net Interest Margin	5.2%	
Cost to Income Ratio (CIR)	22.7%	
Total Provisioning as a % of loan book (as on Mar 31, 2020)	5.8%	2.1%
Gross NPA ratio (based on 90 dpd)	2.4%	2.4%
ROA	0.5%	3.1%
ROA (considering Cash Tax and other synergies from merger)	0.8%	4.1%
ROE	1.9%	12.4%
ROE (considering Cash Tax and other synergies from merger)	3.3%	16.3%

PHARMA

PEL's Pharma business includes a global Contract Development and Manufacturing business ("CDMO"), a global Complex Hospital Generics business ("CHG") business and a Consumer Healthcare business in India ("CHD").

CDMO (Piramal Pharma Solutions)

- Offers integrated drug discovery, development and manufacturing services to pharmaceutical companies globally for both drug substance (APIs) and drug products (formulations)
- Through integrated offering, the CDMO business supports a customer's product across its lifecycle from discovery and clinical development to commercial launch
- Has a diversified customer base that includes large global innovator pharma companies, emerging biopharma companies and generic pharma companies
- Has development and manufacturing facilities located in India, the UK, the US and Canada
- These facilities have requisite approvals from global pharma regulatory agencies including US FDA (Food and Drug Administration), UK MHRA (Medicines and Healthcare products Regulatory Agency), Japan PMDA (Pharmaceuticals and Medical Devices Agency), ANVISA (Brazilian Health Regulatory Agency), and Health Canada to supply products to respective markets
- Offers strong development and manufacturing capabilities including in several niche areas such as handling of Highly Potent APIs (HPAPIs), Antibody Drug Conjugates (ADCs), Injectables and Hormonal products
- Can support manufacturing of both small volume products as well as those requiring several tons of supply per year

Complex Hospital Generics (Piramal Critical Care)

- Markets niche inhalation anaesthesia, injectable anaesthesia, pain management, intrathecal spasticity and other products used in hospitals or other managed care settings
- Is one of the few global suppliers of inhaled anaesthetics with an internal capability to manufacture all four generations of inhalation anaesthetic products
- Is building a portfolio of injectable products with strong presence in anesthesia, pain management and intrathecal therapy. Launched 9 injectable products during FY20 and has a pipeline of [20+] products, in various stages of development, targeted for launch over the next 3-4 years
- Has strong commercial capabilities that allow the business to distribute products in over 100 countries with (a) direct sales presence in the US, the UK, Italy and Germany and (b) strong local marketing partnerships in other markets including in Japan and South Africa

Consumer Healthcare

- Is among the leading players in India in the self-care space, with established brands in the Indian consumer healthcare market
- Markets marquee brands such as Saridon, Lacto Calamine, I-Pill, Supradyn, Polycrol and Tetmosol across key OTC categories such as Analgesics, Gastro-Intestinal, Skin care, Vitamins and supplements, Women care and Baby care
- Has a large India-wide distribution network across 1,500+ towns with 1700+ field force reaching ~2,80,000 outlets, giving us a chemist coverage comparable with the top OTC players

Market Scenario: Pharma Industry

In the times of health emergencies such as the ongoing COVID-19 global pandemic, the contribution of the Pharma sector becomes even more critical. Pharmaceutical and healthcare companies are playing an extremely important role by enabling the supply of key medicines across the world, despite having to deal with challenges of managing workforce safety and handling constantly evolving government restrictions, while preparing for new vaccines and therapeutics. This makes the Pharma industry one of the most important, safest and most resilient industries in such periods of uncertainty.

During this pandemic, the pharmaceutical industry has also been impacted both on demand as well as supply side. And though the impact on the demand side may be short-lived, that on the supply side is expected to have long-lasting effects on the global pharma supply chain.

A) **Demand:** The demand for pharma products is driven by underlying medical requirements, which are unlikely to change materially due to COVID-19. Therefore, while there is likely to be a dislocation in sales and procurement patterns in the short-term, pharma businesses are expected to normalise over time. For example, as the pandemic progressed and hospitals were repurposed to treat or be available to treat COVID-19 patients, elective and other surgeries were halted or reduced in many geographies. This in turn resulted in reduced consumption of some anaesthesia and allied products typically used in these surgeries. However, these surgeries will take place as the severity of the pandemic reduces and the demand for these products will normalise.

B) **Supply:** At the industry level, supply chain network strategies are evolving. While requirements around quality and environment health and safety have enhanced, the relative emphasis has shifted from cost efficiency to resilience and security of the supply chain. While these strategies were always present, there is greater intensity and focus on supply chain initiatives including: backward integration, adding additional sources, geographic diversification or rebalancing, and increased safety stocks of inventory across the supply chain. This shift may result in increased industry-wide capacity and investment in some markets or product types.

Further, as a result of this pandemic and the challenges the industry has faced due to it, there could also be some new opportunities for pharma industry:

- Greater demand in certain categories such as hygiene products or preventive healthcare products – e.g. multivitamins, sanitizers
- Building of redundancies into supply chain by global companies as well as a focus on regional and local manufacturing for some products, leading to opportunities for companies with global production networks with a track record for reliable supply, high quality and good EHS practices

At the individual company level, companies are now more focused on operational resilience and agility — including workforce agility as workforces become more remote and distributed—and transparency through greater deployment of digital and analytics tools and automation.

As the recovery begins to shape, there are considerations for the regulators as well. In the wake of the ongoing COVID-19 pandemic and the subsequent lockdowns, shelter-in-place and travel restrictions, site inspections have become challenging. Key global agencies, such as the US Food and Drug Administration (USFDA) are now considering alternative approaches for inspections of manufacturing sites such as physical examinations and/or product sampling at borders, review of company's compliance history, and use of information from other governments. There have also been examples of speedier approvals of regulatory submissions which can reduce the time for new product introductions or changes to existing products. These moves may have also been triggered by the current priority of the agencies to minimize drug shortages at the time of already stretched global pharma supply chains.

Overall, the industry will be different after the crisis passes, and the pharma companies must prepare for the changes to come. Those companies that will be able to learn quickly and adapt to this fast-changing business environment and take proactive steps to secure supply chain and business continuity while maintaining a strong focus on quality and compliance, will emerge stronger on the other side of this pandemic.

Contribution of our Pharma businesses during COVID-19 pandemic

Our company manufactures drugs that are considered 'essential' by many governments across the world. Hence, most of our manufacturing facilities and those of our manufacturing partners around the world have largely remained open and operational, despite lockdown or other restrictions. In line with our value of Care efforts have been focused on sustaining our operations in a manner that allows us to serve patients across the globe while protecting the health and well-being of our workers. In the case of our CDMO, we are engaged with a number of our customers assisting them in their endeavour to develop therapeutics or vaccines for COVID-19 or associated diseases. In the case of Complex Hospital Generics business, some of our products are used during treatment of COVID-19 patients in critical condition, and we have continued to supply these products globally. In our consumer healthcare business, demand surged for hand sanitizers, wet wipes, and multivitamins and we took necessary measures to meet most of the increased demand by ramping up production and maintaining higher stocks.

Business continuity

The Company's production facilities are diversified geographically across India, the US, the UK and Canada that provides customers with flexibility and business continuity options.

As a responsible business, PEL prioritises the health and safety of its employees. Under the circumstances induced by COVID-19, business continuity plans were triggered at all our sites to ensure employee health and well-being. This included enabling 'work from home' for roles that did not require physical presence at a factory, revising visitor guidelines and providing regular updates on health and travel advisory to all employees.

The Company has also taken suitable measures to ensure robustness of supply chain for all our businesses in view of disruption in movement of goods / supplies globally. PEL manufactures several intermediates, APIs and finished drug products internally. Further, through our initiatives taken over last few years to proactively reduce supplier concentration and location risks, we have developed alternative vendors or have taken backward integration initiatives for most of our key raw materials.

So far, while we have encountered numerous challenges, we have not faced any material supply or production disruptions due to COVID-19 that adversely impacted patients' access to our medicines. There were some situations where we experienced periods of abnormally high demand for products used in COVID-19 treatments, which we addressed proactively with the relevant stakeholders to ensure medical needs were prioritized and met to the best of our ability. The current environment remains dynamic, and we remain cautiously optimistic towards managing any possible future impact of COVID-19 pandemic on our operations and eventual delivery of our products and services to our patients and clients.

KEY HIGHLIGHTS - PHARMA

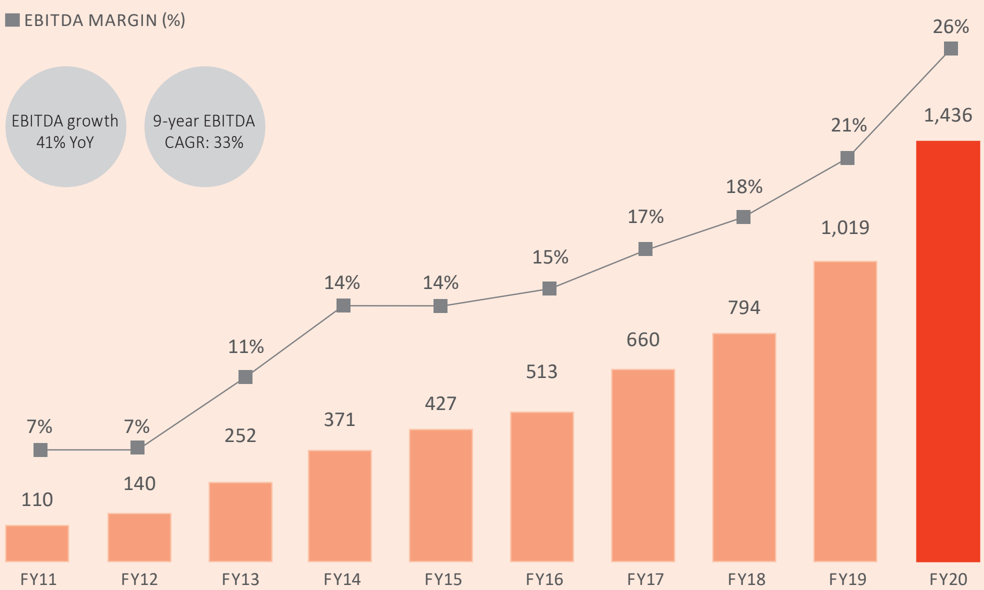
Consistent long-term track-record of revenue growth

CONSISTENT REVENUE GROWTH SINCE FY11
(IN ₹ CRORE)

Notes:
(1) Pharma revenue includes Pharma CDMO, Complex Hospital Generics and India Consumer Healthcare and certain foreign exchange loss
(2) FY2016 - FY2020 results have been prepared based on IND AS, prior periods are IGAAP

Consistent improvement in operational profitability

SIGNIFICANT IMPROVEMENT IN EBITDA OVER THE LAST FEW YEARS



Note: *EBITDA disclosed is for continuing Pharma businesses

Our manufacturing facilities are spread across 3 continents

1 LEXINGTON, USA
Sterile Development & Manufacturing (USFDA)

2 RIVERVIEW, USA
HPAPI Development & Manufacturing (USFDA, Health Canada)

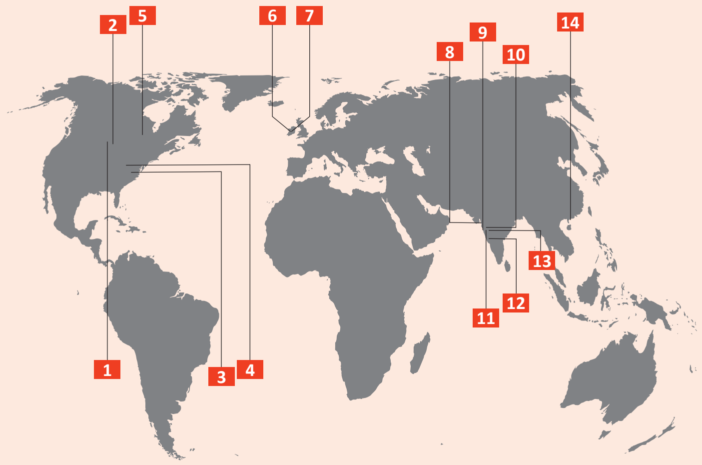
3 SELLERSVILLE, USA
Formulation Development and & Manufacturing (USFDA, EMA)

4 BETHLEHEM, USA
Anesthesia Manufacturing (USFDA)

5 AURORA, CANADA
API Development & Manufacturing (USFDA, PMDA Japan)

6 MORPETH, UK
API & Formulation Development & Manufacturing (USFDA, MHRA)

7 GRANGEMOUTH, UK
ADC Development & Manufacturing (USFDA, MHRA)



8 AHMEDABAD, INDIA
Drug Discovery & Formulation Development (FIMEA Finland)

9 MUMBAI, INDIA
API Development

10 MAHAD*, INDIA
Vitamins & Minerals Premixes (USFDA, WHO-GMP)

11 ENNORE, INDIA
API Development & Manufacturing (WHO-GMP)

12 DIGWAL, INDIA
API Development & Manufacture, Anaesthesia Manufacturing (USFDA, MHRA, PMDA Japan)

13 PITHAMPUR, INDIA
Formulation Manufacturing (USFDA, FIMEA Finland)

14 SHANGHAI, INDIA
Sourcing Office

Notes: * Dietary Ingredients
Sellersville facility was acquired post the balance sheet date (31st March 2020).

Strong focus on Quality and Compliance

- Successfully cleared 36 USFDA inspections, 169 other regulatory inspections, and 1,130 customer audits since start of FY2012
- Never had any 'Official Action Indicated (OAI)' for any of the USFDA audits
- Strong quality governance model with the Quality function reporting directly to a Board Member

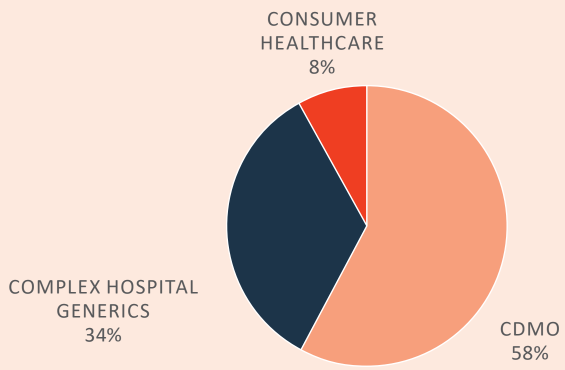
Year	USFDA	Total Regulatory Inspections (incl. USFDA)	Customer Audits
FY2012	5	13	60
FY2013	2	10	71
FY2014	4	14	116
FY2015	7	17	115
FY2016	5	26	140
FY2017	5	25	157
FY2018	3	27	167
FY2019	2	44	163
FY2020	3	29	141
Total	**36**	**205**	**1,130**

KEY HIGHLIGHTS - PHARMA

Differentiated Business Model

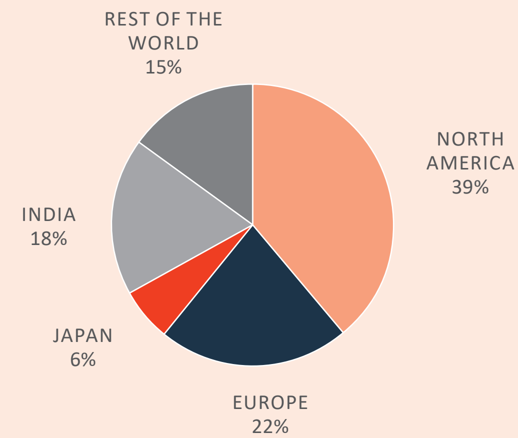
- With over 90% of revenues derived from complex hospital generics and CDMO, PEL has a differentiated business model in Pharma as compared with most of the other large Indian peers in the industry.
- Due to this differentiation, PEL's Pharma business has been comparatively less affected by the industry headwinds such as pricing pressures in the US and other regulated markets over last few years

SEGMENT-WISE BREAKDOWN
(%)



OVER 90% OF REVENUES DERIVED FROM TWO NICHE GLOBAL BUSINESSES

GEOGRAPHICAL BREAKDOWN
(%)



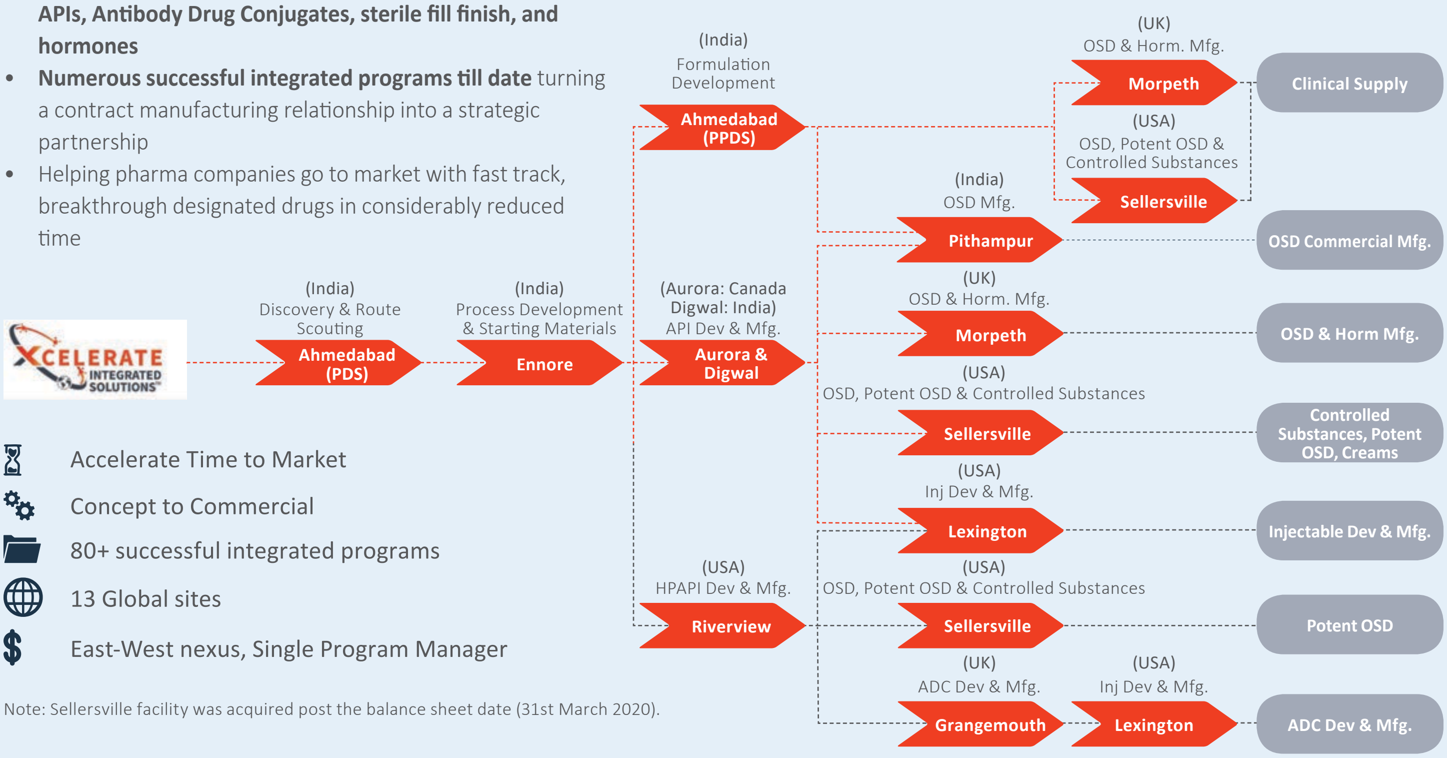
KEY REGULATED MARKETS (US, EUROPE AND JAPAN) ACCOUNT FOR ~67% OF REVENUES

Integrated model in the Pharma CDMO business

- **Integrated model of services** spanning across the entire drug life-cycle with strong capabilities in **High Potency APIs, Antibody Drug Conjugates, sterile fill finish, and hormones**
- **Numerous successful integrated programs till date** turning a contract manufacturing relationship into a strategic partnership
- Helping pharma companies go to market with fast track, breakthrough designated drugs in considerably reduced time

HPAPI: High Potent API
ADC: Antibody Drug Conjugate
Horm: Hormonal

OSD: Oral Solid Dosage
Inj: Injectable
Dev & Mfg: Development and Manufacturing



- Accelerate Time to Market
- Concept to Commercial
- 80+ successful integrated programs
- 13 Global sites
- East-West nexus, Single Program Manager

Note: Sellersville facility was acquired post the balance sheet date (31st March 2020).

Differentiated product portfolio of Complex Hospital Generics:

- Niche portfolio of injectable anaesthesia, inhalation anaesthesia, intrathecal spasticity, pain management and select antibiotics
- Strong core base of inhalation anesthesia business with vertically integrated in-house manufacturing
- Expansion in to broader hospital channel through injectable products

Complex Hospital Generics: Differentiated Product Portfolio

INHALATION ANAESTHESIA	INJECTABLE ANAESTHESIA /PAIN MANAGEMENT	PLASMA VOLUME EXPANDER	INTRATHECAL SPASTICITY PAIN MGMT	INJECTABLE FOR MYXEDEMA COMA	CAPSULE FOR TYPE I GAUCHER & NIEMANN-PICK DISEASE	SELECTED ANTI-INFECTIVES	MUSCARINIC ANTICHOLINERGIC	MUSCLE RELAXANT
	ACQUIRED FROM JANSSEN PHARMACEUTICAL IN 2016		ACQUIRED FROM MALLINCKRODT LLC IN 2017	ACQUIRED IN JAN 2018	ACQUIRED IN JUN 2018		DEVELOPED THROUGH AN AFFILIATE	ACQUIRED DISTRIBUTION LICENSE IN 2020
SOJOURN® SEVOFLURANE USP	**SUBLIMAZE®** FENTANYL CITRATE •	**HAEMACCEL#** POLYGELINE	**GABLOFEN®** BACLOFEN	**LEVOTHYROXINE SODIUM**	**YARGESA** MIGLUSTAT	**AMPICILLIN-SULBACTAM#**	**GLYCOPYRROLATE INJECTION**	**ROCURONIUM BROMIDE***
TERRELL® ISOFLURANE USP	**SUFENTA®** SUFENTANIL CITRATE •		**MITIGO™** MORPHINE SULFATE •			**CEFEPIME#**		
FLUOTHANE® HALOTHANE USP	**RAPIFEN®** ALFENTANIL HYDROCHLORIDE •					**CEFTRIAXONE#**		
TORRANE™ DESFLURANE USP#	**DIPIDOLOR®** PIRITRAMIDE •					**OXACILLIN#**		
	HYPNOMIDATE® ETOMIDATE					**AMPICILLIN SODIUM#**		
						PIPERAZILIN TAZOBACTAM#		
						LINEZOLID BAG#		

\# In select markets • Controlled substances * To be launched in FY22

Leveraging a large country-wide Distribution Network in the India Consumer Healthcare business

- PEL's chemist coverage of 160,000+ outlets across 1,500+ towns is comparable with top OTC peers

India Consumer Healthcare: Large India-wide Distribution Network

Country-wide Distribution Network

Our chemist coverage is now comparable with the top OTC players

	FY2008	FY2012	Now
No. of Towns present	16	481	**1500+**
Total Outlet presence	24,000	200,000	**280,000+**
Chemist Outlet presence	16,000	100,000	**160,000**+
Field Force	80	800	**1,700+**

Pharma CDMO

Market Scenario

Contract Development and Manufacturing Organisations (CDMOs) offer services ranging from preclinical and clinical development and commercial manufacturing to pharmaceutical companies.

Pharmaceutical companies are striving to de-risk R&D efforts and increase the speed to market of their drugs, while simultaneously reducing their development and manufacturing costs. A growing number of specialty and biotech firms now rely on service providers to avoid the high fixed costs of in-house development, investments in building manufacturing capabilities required to drive clinical development and potential commercial manufacturing. CDMOs are therefore an important and growing part of the pharmaceutical value chain. With increased outsourcing, the CDMO market, which is valued at US $80 - 100bn, is growing at 5-6% p.a.

Despite ongoing consolidation, the CDMO market remains fragmented, with only a small number of companies achieving global reach and scale. The market is competitive and, hence, differentiation is important. Players with differentiated technologies, offering niches having high barriers to entry and higher regulatory standards or scrutiny enjoy higher growth and higher margins as compared to their peers. CDMOs who can provide customer-centric, high quality, integrated solutions, including niche capabilities, across drug product and drug substance from multiple continents have been differentiated versus other market participants.

Moreover, outsourcing has evolved from being a transactional activity to a strategic function. Working with a limited number of supplier partners helps sponsor companies to optimise operational and capital expenses, get products to market faster, reduce internal complexity and increase agility. The ability to be aligned with the requirements of customers and their patients, while prioritising values over commercial interests, supports long-term win-win partnerships between CDMOs and their customers.

Impact of COVID-19

This pandemic has impacted multiple aspects of the pharma and biopharma industry, from drug development, clinical trials, supplies, and manufacturing, to supply chain.

In such a scenario, the CDMO industry can be more important as the global pharma industry tries to overcome challenges and capitalize on COVID-19 related opportunities. As pharma companies look to develop new therapeutics and vaccines, many do not have idle capacities available to support this near-term unplanned demand. In addition, as pharma companies look make their supply chains more resilient and re-balance their activities, they will want to make changes that require new capacities in new places. In both cases, CDMOs can provide flexible immediate capacity to support these shifts without the capex and time implications of developing new internal capacities. CDMOs which have capabilities and capacities aligned with these evolving needs will be well positioned to grow and support their customers changing priorities.

In the current scenario, customers are approaching existing CDMO partners (including PEL) for new and additional work because on-site visits to qualify new partners is not possible or more difficult in the near term, thus enabling the business to deepen its relationship with existing customers. Conversely, it makes it harder to progress entirely new relationships as rapidly as before.

Operational Performance

PEL's positioning

We have an integrated model of services spanning across the entire drug life-cycle with strong capabilities in High Potency APIs and Antibody Drug Conjugates and have delivered many successful integrated programs till date turning a contract manufacturing relationship into a strategic partnership. We have been helping pharma companies go to market with fast-track, breakthrough designated drugs faster and with less complexity.

Along with the niche capabilities and integrated services, PEL's CDMO business also exhibits numerous other strengths:

- Top quality process chemists and formulation scientists who are experts in oral solid dose and injectable drug development
- World-class infrastructure to support these chemists
- Manufacturing facilities in both eastern and western parts of the world
- Strong track record for API and formulation developments, including several successful commercial launches for our clients

On the supply side of the CDMO business, our supply chain teams have been working for nearly 2 years on a project to diversify our vendor base and to secure alternate vendors to mitigate supplier-concentration and location risks in case of unexpected future disruption. The business also makes contingency arrangements with back up suppliers and maintains inventory levels to offset risk to supplies. As the impact of the pandemic and disruptions have intensified across various continents and countries, we have broadened the scope of our tracking of supply chain related issues to cover these additional affected geographies.

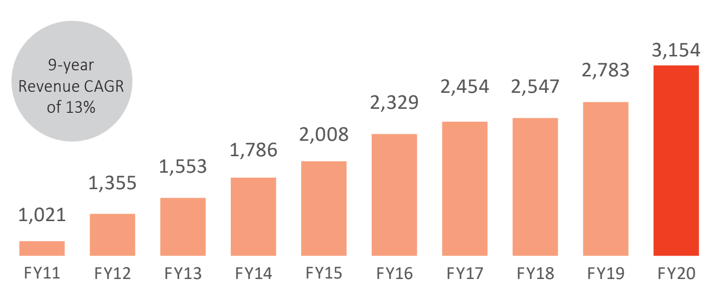
All these factors have established the Company firmly as one of the favoured strategic partners of global pharma and biotech firms, making it one of the frontrunners in the race for attracting a significant share of the additional business being generated due to the impact of the COVID-19 pandemic. We also have an attractive pipeline of molecules at various stages of development, including a strong late stage pipeline where we will support our clients to commercialize their new medicines in the near term.

FY20 Performance

During FY20, PEL stayed on course in executing and delivering on its 3C strategy – Customers, Capability and Capacity:

- Revenues grew by 13% over FY19 to ₹3,154 Cr
- Diversified Customer base with >900 customers served
- Substantial growth in the order book and pipeline in FY20
    - o Emerging biotechs that are looking for integrated solutions across drug substance and product development and manufacturing, are key drivers for the growth
    - o A significant part of the development pipeline from integrated projects
- Launched 'Patient Centricity' drive to be a better partner to customers by working towards a common goal of serving patients

CDMO REVENUE PERFORMANCE
(IN ₹ CRORE)



Complex Hospital Generics

Market Scenario

PEL's Complex Hospital Generics business is present in the Inhalation Anaesthesia and Sterile Injectables segments which have a global market size of over USD 50 billion.

These market segments have significantly high entry barriers that limit the scale of new entrants and hence maintain reduced competition versus traditional generics. In the inhalation anaesthesia segment, heavy investments for dedicated manufacturing facilities for difficult-to-manufacture products and high upfront investments for providing and maintaining the required medical devices like vaporizers are some of the big entry barriers for new entrants. Even for the sterile injectables segment, there are significant entry barriers such as highly stringent quality and compliance requirements and specialized expertise and resource requirements. Additionally, a very large chunk of both these segments consists of institutional, Group Purchasing Organisation (GPO) and tender based business that is highly relationship-based in nature, which further makes it difficult for new entrants.

Impact of COVID-19

Since most of the products in this category are critical, life-saving, or life-sustaining drugs, aside from the initial government response in China, in many parts of the world, governments supported continued pharmaceutical manufacturing operations throughout the pandemic. At different points in the pandemic, some governments limited the export of certain pharmaceutical products to focus limited supplies on domestic demand. The industry did face some challenges, especially for input materials from China during the peak of the pandemic there. This has reinforced the importance of a resilient supply chain.

On the demand side, during the initial phases of the pandemic, in some geographies there was some stock-piling of hospital generic pharmaceuticals driven by perceptions around potential supply chain challenges, which resulted increased demand. As the pandemic progressed and hospitals were repurposed to treat or be available to treat COVID-19 patients, elective and other surgeries were halted or reduced in many geographies. This in turn resulted in reduced consumption of some anaesthesia and allied products typically used in these surgeries. As different regions confronted the pandemic or started to resume activities, surgeries are also resuming, along with the use of the generic pharmaceutical products that enable them. Given the underlying medical drivers behind these surgeries were present throughout the pandemic and were largely unmet during the pandemic, we expect demand for these products to normalize in due course.

Some products used in the hospital setting to treat COVID-19 patients experienced periods of abnormally high demand, leading to short-term supply and demand mismatches for these products. As and when the number of COVID-19 related hospitalizations reduce, we expect the demand for these pharmaceutical products to return to the normal levels.

Given some negative experiences of shortages during this pandemic, some customers and supply chain partners will want to hold more inventory than in the past and may show preference for local or regional supply going forward.

Operational Performance

PEL's positioning

With a strong presence in niche therapy areas and complex hospital generics with high entry barriers, the business has delivered consistently high growth with a CAGR of 19% over nine years.

Over the last few years, through organic and inorganic routes, PEL has added various new therapy areas and product ranges to its product portfolio in order to diversify its offerings and leverage its strength and capabilities in the channel.

On the supply side, Piramal had been sourcing key starting materials (KSMs), APIs and finished dosage forms for its products from various countries, to bolster supplies. It has also aggressively taken initiatives to develop alternative vendors and backward integration to reduce supplier concentration and location risks.

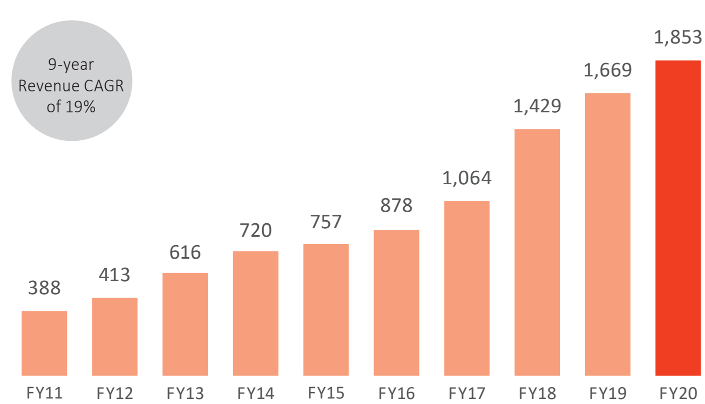
It has further established a distribution network in over 5,500+ hospitals in 118 countries, leveraging direct sales force as well as distributor channels. PEL operates through its own field force in the US, the UK, Italy, France, Germany and South Africa and through multiple business partners in other countries. Leveraging this global distribution network to add new products to its portfolio with minimal incremental fixed costs, has resulted in improved operational profitability.

FY20 Performance

During the year, the business has witnessed strong growth, driven by PEL's focus on forging deeper relationships with its extensive customer base while also adding new customers:

- Revenues grew by 11% to ₹1,853 Cr.
- New launches including pilot launches of Desflurane in the UK, South Africa, Italy, France and Germany supported growth in existing portfolio
- Sevoflurane registered and launched in Russia
- Fentanyl launched with PEL's partner in Japan
- Won dual award to supply Sevoflurane to members of Vizient – the largest Group Purchasing Organization (GPO) in the US that covers ~50% of the hospitals and surgery centres

COMPLEX HOSPITAL GENERICS REVENUE PERFORMANCE
(IN ₹ CRORE)



India Consumer Healthcare

Market Scenario

The health-focused branded consumer segment in India has a market size of around US$ 19 billion in 2019 and is growing at a rate of 7%-8% annually.

This segment in India is expected to continue growing at a considerable rate in the years to come due to the following factors:

- Young, urbanizing population with increasing health consciousness
- Digital revolution
- Retail disruptions like e-commerce
- Continued value-seeking behaviour of consumers

After undergoing a couple of difficult years due to disruptions like demonetisation and GST implementation, PEL's business in this segment bounced back strongly in FY20 and it is expected to continue this strong positive momentum.

Impact of COVID-19

The pandemic has brought quite a few lifestyle changes globally, and the Indian consumer healthcare market is also witnessing many changes. A recent report on consumer spending patterns highlights the current state of the Indian consumer who is anxious about health and safety while also trying to plan for the new normal.

The COVID-19 pandemic is driving growth in the market segments such as preventive healthcare and personal hygiene. Consumers are now seeking more preventive healthcare products such as multivitamins, ayurvedic supplements, etc. for boosting immunity. Even personal hygiene products are expected to become an essential part of the monthly grocery basket of Indian consumers.

Operational Performance

Strong product portfolio: Over the years, PEL has built a significantly large portfolio of commercially successful products

- Grown from a six-brand portfolio in FY11 to 20+ brand portfolio by FY20, led by acquisitions and new products development
- Portfolio of products, primarily in areas of routine health disruption and proactive care, ranging from value to premium-priced products

Strategic shifts made in the business in FY20

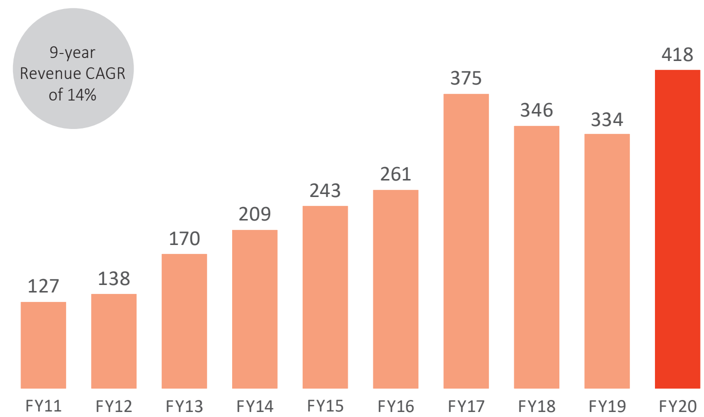
- Augmenting strengths of distribution with investments in mass media for power brands like Saridon, Lacto Calamine, Polycrol and Little's
- Delivering successful new products via an 'E-commerce first' strategy
- Using analytics and technology to improve productivity and strengthen distribution

FY20 Performance

- Achieved sales of ₹418 Cr. in FY20, delivering 25% growth over last year despite the uncertainty around COVID-19 and the resulting lockdown impacting sales of ~₹22 Cr. in March 20
- Delivered a strong EBITDA growth during the year over FY19
- Implemented significant Return on investment improvement measures, including field force productivity enhancement and enhanced credit controls

- The business also took steps to launch two new brands of hand sanitisers as it ramped up its production in response to the COVID-19 pandemic

INDIA CONSUMER HEALTHCARE REVENUE PERFORMANCE
(IN ₹ CRORE)

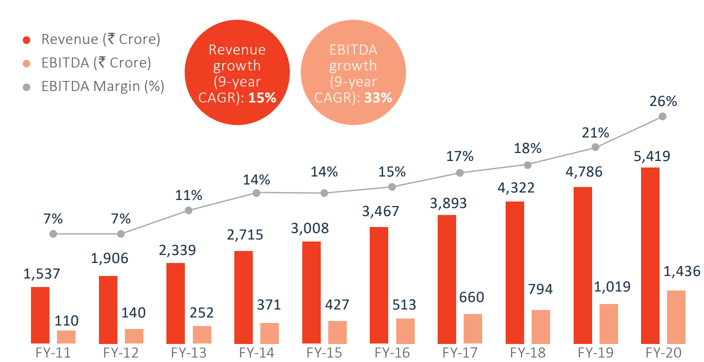


Note: FY2016 - FY2020 results have been prepared based on IND AS, prior periods are IGAAP

Financial Performance

Revenue from Pharma business grew by 13% YoY in FY2020 to ₹5,419 Crores on account of growth in base business, new product launches, strong pipeline and robust demand. Revenue has grown at a CAGR of 15% over the last nine years, now contributing 41% to overall PEL revenue mix. The Pharma business has delivered a strong growth in EBITDA margins from 7% in FY2011 to 26% in FY2020.

Pharma: Performance Trend



Notes:
(1) Revenue includes Pharma CDMO, Complex Hospital Generics and India Consumer Healthcare and certain foreign exchange loss
(2) EBITDA disclosed is for continued operations

Pharma growth drivers

In each of the three Pharma segments that PEL is present in, it has identified key drivers for future growth.

CDMO	COMPLEX HOSPITAL GENERICS	CONSUMER HEALTHCARE
• Healthy pipeline of early and late-stage development projects - Share of innovator products in the CDMO portfolio is increasing • Strong capabilities in niche, complex areas such as Antibody Drug Conjugates (ADCs), high potency APIs and sterile injectables, serving high growth segments • Integrated services across the drug life-cycle to increase customers stickiness • Enhance production capacity through brownfield expansions	• Increasing market share in the inhalation anesthesia portfolio • Leveraging strong global distribution network and GPO relationships by adding new complex hospital generics • Strong pipeline of new products across various stages of development	• Leveraging strong brand equity and consumer pull for the core brands to cater to a larger share of the consumer healthcare market • Increased investment in marketing and launch of successful new products through ‘Ecommerce-first’ route • Ability to pilot and pivot to newer business models and newer products portfolio in response of market conditions and changing consumer needs

With its focused efforts to leverage these growth drivers, PEL is confident about growing all its Pharma businesses significantly in terms of both revenue and profitability in the years to come.

Fundraising in the Pharma business:

To raise a strategic growth capital for the Pharma business and as a step in the direction of eventual demerger and separate listing of the Pharma and Financial Services businesses, PEL decided to do a fund raising in our Pharma business. Accordingly, Pharma businesses of Piramal Enterprises will be integrated into a wholly-owned subsidiary of PEL – Piramal Pharma Limited.

In June 2020, Carlyle Group Inc. agreed to invest fresh equity capital of ~US$490 million for a 20% stake in Piramal Pharma Limited. The transaction valued the Pharma Business at an enterprise value (EV) of US$2,775 million with an upside component of up to US$360 million depending on the company’s FY21 performance.

The capital raise will accelerate Piramal Pharma’s organic and inorganic growth plans. Also, Carlyle’s global healthcare experience will bring significant value to Piramal Pharma. This transaction is one of the largest private equity deals in the Indian pharmaceutical sector, and is expected to close in 2020, subject to customary closing conditions and regulatory approvals.

Quality And Compliance

Committed to building a strong quality culture, the Company has established an exemplary framework that is implemented across all its manufacturing facilities, including those of its suppliers. PEL consistently strengthens its systems by introducing improvement initiatives and hiring world-class talent, which ensures its competitive edge and helps it to remain attractive to customers who seek preferred partners with strong regulatory credentials.

Patients are at the centre of any quality decision PEL takes on product disposition. To further fortify this, it up-scaled its data governance process to include the maturity model and risk mitigation. Its post-marketing Pharmacovigilance system closely tracks risks, if any, with the products and all products of the Company continue to remain under the low risk and high benefits bracket.

Key Highlights of FY2020:

- Brexit readiness: With its offices and Marketing authorisation entities established in the EU region, the Company was approved and listed on the EU website well ahead of the Brexit cut-off date. More than 500 batches have been released from the Company's EU entity, which also offers a ready facility for customers with EU Quality Person (QP) and Brexit solutions. This was necessary to continue supply of products to Europe from the two manufacturing facilities of the Company located in the UK.
- Nitrosamine compliance was an unforeseen regulatory challenge imposed due to serious safety concerns raised with respect to Ranitidine (Zantac, a GlaxoSmithKline brand). PEL's Quality team stepped in to complete all required assessment of the product well before the regulatory timeline to enable the Company's products to stay afloat in the market
- Exemplary track record with regulatory inspections at the Company's facility continues this year too with no OAI (Official Action Indicated) categorisation

Staying Ahead of the Regulatory Curve

The dynamic regulatory landscape coupled with greater scrutiny by regulatory authorities has been a key challenge for the pharmaceutical industry. PEL addresses the evolving regulatory requirements by establishing even higher internal standards that ensure perpetual inspection readiness. Over the past several years, the Company has successfully cleared 36 USFDA audits, 205 total regulatory inspections and 1130 customer inspections. The Company's internal search engine closely tracks any upcoming regulatory guidance at its nascent stage and updates the global quality guideline well before time to enable the site quality system to align with the new regulation in a timely manner.

Quality-centric Culture

At PEL, 'quality' is viewed as an integral part of the Company's identity and as one of the most important aspects of its brand that dictates the Company's culture, hires, and policies. The Company employs a 3-tier quality governance model to prevent dilution of the quality bandwidth while enabling central, regional and local controls. To provide due authority and enablement to the Quality group, this group is permitted to operate in an independent functional silo and reports to the Board. The Quality team is competent, multi-layered and capable of handling any compliance challenge with strategies spearheaded from its central cell. Quality continues to be a collective responsibility of all functions across the organisation.

Quality Tool Kit

In order to enable easy oversight and identify focal points, PEL uses patented tools to identify site quality health, site audit readiness index and the site's data integrity compliance. These strategies are controlled through the central cell at the Head Office and apply to all businesses and sites. Calculations computed using these tools are validated from time to time by corporate audits at the site. Periodic and designed reviews keep close track of site systemic health by measurement o on the basis of compliance metrics. Quality of products manufactured at CMO locations is closely tracked by the CMO governance model there by ensuring that it measures to the Company's quality standard.

Summary

At PEL, quality is a collective responsibility, and is part of its DNA. The quality advancement journey to be best-in-class continues.

RISK MANAGEMENT

A well-defined risk management framework is integral to any business. , risk management becomes especially important during times of crisis and uncertainty. The outbreak of COVID-19 and the ensuing lockdown has resulted in disruption in the business environment. Hence, it becomes crucial to conduct a scenario analysis to assess the potential risks. Also, during such a crisis, system-wide capital and liquidity becomes scarce, resulting in a greater focus on optimal capital deployment and risk-adjusted returns on capital.

Enterprise Risk Management

PEL has an independent and dedicated Enterprise Risk Management (ERM) system to identify, manage and mitigate business risks. Risk management, internal controls and assurance processes are embedded into all activities of the Company.

PEL's ERM framework is designed by integrating COSO* framework at its core.

BOARD OF DIRECTORS

↑

BOARD-LEVEL RISK COMMITTEE

↑

RISK MANAGEMENT GROUP

INDEPENDENT OF BUSINESS HEAD AND OPERATIONAL TEAMS

*COSO - Committee of Sponsoring Organisations of the Treadway Commission

The Risk Management Group (RMG) establishes the risk policy and processes for risk evaluation and measurement; and business units focus on developing and implementing mitigation measures while taking controlled risks. Specific risk approaches are in place for both the Financial and Pharma businesses.

The Company ensures seamless interaction between the Strategic Business Units (SBUs) and RMG to assess the real risks and their severity. The RMG is independent of SBUs and reports directly to the Board.

The Board

The Board oversees PEL's risk management programme. It regularly reviews and evaluates the programme to ensure that adequate policies, procedures and systems are in place to execute the strategy and manage related risks. The Board-level 'Risk Committee' reviews the micro-level risks and reports it to the Board. Additionally, the Risk Management Committee for Financial Services (FS) – formed in FY2018 – focuses on strategy and risk management practices followed in the FS business unit.

The RMG periodically appraises the portfolio health in the FS vertical and the risk profile of the business verticals in non-financial services (non-FS) businesses to the Board.

Evolution of the Risk Management Group:

2014
- ERM Policy
- Risk Evaluation Model

2015
- ALM Policy
- Risk Rating
- Risk Registers (Non-FS)

2016
- Portfolio Analytics
- Transfer Pricing Mechanism (FS)
- Model Development (new FS product)

2017
- Limits framework
- Product-wise Provisioning
- Corporate Governance Review

2018 onwards
- Annual Macro-economic Stress Testing
- ALM Analytics
- Credit Approval Authorisation Matrix
- New Model Development (new products)

Financial Services

The RMG independently assesses all investments and loans of PEL's FS business. The Group uses internal risk assessment models to evaluate credit, market and concentration risks embedded in any deal. Based on the assessment, the RMG recommends a plan to mitigate or to eliminate the identified risks in the investments.

Risk Assessment Approach

The approach involves identification and measurement of risk for each investment. Risks are classified into quantifiable and non-quantifiable risks.

1) Quantifiable risks are estimated as the deficit in Cash Flow
2) Non-quantifiable risks are estimated through comprehensive scorecards and standard mark-ups
   - Security value, promoter evaluation, exit options, etc. are rated through scorecards
   - Operational and concentration risks are covered through standard mark-ups (multiples) to the risk-weights, for determining the risk rating of a deal

The Risk team considers various factors, such as historical performance, execution capability, financial strength of the promoter and company, competitive landscape in the industry and specific segment, regulatory framework and certainty, impact of macroeconomic 'changes', etc. while assessing the deal. The security structure is assessed for value, enforceability and liquidity. The rating generated is used for internal benchmarking and pricing. The Credit team takes inputs from the RMG to arrive at optimal deal structuring.

Portfolio Revaluation Process

All executed deals are re-valued by the RMG at regular intervals. The portfolio revaluation provides the Management with latest overview of the portfolio performance. It also triggers specific action plans for identified deals and data-based insights for enhancing the underwriting criteria for future deals.

Underwriting and Risk Mitigation

Generally a conservative, data-driven underwriting and structuring approach is adopted. The deal related idiosyncratic risk and the risks emanating from exogenous events are thoroughly analysed as part of the risk assessment process. The impact of any event on specific micro-markets, industries and product segments are carefully analysed and the deal underwriting criteria is altered accordingly.

Governance Structure

A robust governance structure for the risk management process has been put in place. Various committees, both at the senior executive management level and at the Board sub-committee level, have been formed to evaluate risk and the risk management process at PEL.

Framework to evaluate Risk Adjusted Returns

The Risk team assesses every loan proposal independently using proprietary risk assessment models.

Risk Assessment & Measurement: Transaction Assessment

Proprietary Model

- Identify primary risk drivers: Industry/Company
- Cash flow modelling-stress case scenario
- Security risk: Adequacy & enforceability
- Promoter risk: Track record, management strength
- Exit risk: Refinance ability, capital markets, liquidity event
- Output: Risk adjusted return, risk rating, commentary

- Quantitative and score cards based rating methodology
- Scoring of around 40+ parameters
- Comparability across transactions; clear record of transitional matrices
- Amenable to analytics

Appropriate Stress is Assumed for Key Project Variables to Compute Cash Flow at Risk

Cash Flow at Risk

- Slowdown in sales velocity
- Rise in input costs / delay in execution
- Drop in prices

Factors such as business strength, competition and industry risks are evaluated to arrive at cash flow at risk

Retail Risk Management

PEL determines the creditworthiness of a borrower based on the policy and process standards set by the Company. There are several credit checks and controls at multiple stages of the loan process to ensure and strengthen the asset quality of the portfolio. Following are the credit checks and controls at various stages:

Onboarding
Documentation & Verification

- Collection of mandatory documents
- Residence & office address verification
- KYC authenticity & independent fraud check
- Fraud Analytics Rule Engine trigger

Credit Appraisal
Customer Assessment

- Bureau assessment
- Registrar of Companies & other relevant checks (Litigations, stake holding and sister concerns, etc.)
- Negative & defaulter database checks
- Internal application scorings
- Financial & Banking assessment
- Personal discussion

Credit Appraisal
Collateral Assessment

- Legal assessment
- Technical assessment
- Dual valuation
- Project level feedback
- Collateral visit

Approval Process & Delegations in the Retail Business:

The sanctioning authority has been assigned based on the level of hierarchy within the organisation to ensure smooth processing of loan applications. However, at the transaction level, exceptions are built in to capture the severity of risk. Also, critical policy revisions (new product / income programs etc.) are jointly approved by the National Credit Manager, COO and Compliance Head and placed to Group Risk Head and Board for ratification on a quarterly basis.

Operational Risk:

The independent Operational Risk Management (ORM) team aims to create a framework and review mechanism to rigorously monitor, manage these risks and measure the effectiveness of governance, risk management, and internal controls under the guidance of the Board-approved Operational Risk Management Policy. The framework comprises two lines of defence:

- **Line Business Management (including support and operations):** Manages operational risk on a daily basis, maintains strict internal controls, designs and implements internal control-related policies and procedures.
- **ORM:** Focuses on development and implementation of policies, procedures, tools and techniques to assess and monitor the adequacy and effectiveness of the internal controls.

Fraud Risk:

The Fraud Risk Management Policy and the applicable regulations require the Company to report all instances of frauds and attempted frauds to the Board of Directors / Audit Committee of the Board, along with the actions taken by the Company in each instance.

The Fraud Risk Management Committee comprises members from the Company's top management and is supported by a group of experts, using advanced software systems and techniques to prevent, detect and investigate frauds.

Impact of COVID-19:

The Company's balance sheet is adequately ring-fenced for contingencies given PEL's low debt-to-equity and steady asset quality. However, caution needs to be exercised during the unprecedented macro-crisis caused by COVID-19.

The Risk Management Group has run a macro-economic stress test to assess the impact of the pandemic on the Financial Services (FS) portfolio. The economic scenario generated was translated to sectoral impacts through detailed econometric models. These proprietary models were created and calibrated for each sector where the Company has significant exposure. The sectoral impacts were applied at the deal-level to assess the impact of the situationon the portfolio.

The output of this conservative approach was used to determine the amount of incremental provision. Based on the stress testing output, the RMG along with the senior management and other control functions has initiated a detailed review of the portfolio to ensure early resolution of any potential stress on the deals.

The RMG has also evaluated the regulatory guidelines issued in the context of COVID-19 and implemented a Board-approved policy for the subsidiaries involved in Financial Services business.

Non-Financial Services Businesses

Risk assessment at non-Financial Services business units is carried out using risk registers. Risks across different business units, their probability, impact and mitigation plans are properly documented at regular intervals. These risks are then aggregated, and key risks across each business unit, along with the proposed mitigants, are presented and reviewed by the Board on a periodic basis.

Another important focus area for PEL in mitigating risks associated with the non-Financial Services businesses is to harness quality as a culture. The Company strongly believes that quality is driven by concern for patient safety. An exemplary quality framework is implemented at PEL's facilities as well as at several contract manufacturing operations. A deep commitment to building a quality-driven organisational culture has helped PEL achieve the highest level of regulatory compliance.

The two key risks faced by the Pharma industry due to COVID-19 were:

- **Business Continuity:** As life-saving drugs are considered 'essential' by governments across the world, companies were required to make efforts to sustain operations and ensure that manufacturing facilities were operational during the lockdown periods.
- **Securing the supply chain:** During a pandemic, supply chains can be at significant risk due to over-reliance on a location. As a result, companies may be required to reduce supplier concentration and reduce dependence on certain markets for raw materials. Some businesses may also be required to ramp-up production and inventory management to meet the higher demand for certain products amidst the pandemic (e.g. hand sanitizers, multi-vitamins and painkillers.

These have been explained in detail in the Pharma section
(Refer to page no. 67 of this report)

Major Risks and Mitigating Actions

The major risks perceived by PEL, along with the measures taken to mitigate them, are as follows:

Impact	Mitigating Measures
Default and concentration risk in the Financial Services business	
In the Financial Services (FS) business, the risk of default and non-payment by borrowers may adversely affect profitability and asset quality. The Company may also be exposed to concentration risks across sectors, counterparties and geographies.	At PEL, each investment is assessed by the investment team as well as an independent risk team on the risk-return framework. The combined analysis of these teams is presented to the Investment Committee for investment decision. The loan book is generally secured in nature, with healthy security cover obtained at the time of deal origination. Moreover, the deals are based on conservative underwriting parameters. Concentration risk is partly mitigated by the concentration risk framework, which incentivises businesses to diversify portfolio across counterparties, sectors and geographies. Some of the key measures during the year to mitigate default and concentration risks in the FS business are: • 12% YoY reduction in the wholesale loan book, which includes real estate and corporate loans. • Exposure to top-10 accounts reduced by ~₹4,200 Crores during the year (decline of 23% YoY). • As of Mar-20, only three exposures were greater than or equal to 10% of the net worth of the FS business. In Q4 FY2020, the Company created additional provisions of ₹1,903 Crores, based on the outcome of a macro-economic stress test to assess the impact the of the COVID-19 pandemic. It should be noted that the provision is to cover for extremely conservative hypothetical scenarios. The Company continues to regularly assess the incremental working capital requirements of its clients, based on the project completion status and maintains adequate liquidity buffer to meet any disbursement requirements – thus ensuring that progress on projects remains on track.
Client and product concentration risk in the Pharma business	
Client Concentration: Pharma business has some major contracts with few customers. Any set back at customers' end may adversely affect the Company's financials. **Product Concentration:** Decrease in sale of products with a significant share in revenue may lead to adverse profit margins.	PEL's business development teams continue to actively seek to diversify its client base and products to mitigate concentration risk. The Pharma business continues to focus on backward integration, alternative vendor development and geographically-diverse production facilities, to ensure production is closer to end markets. The Company also acquired niche products to reduce its dependence on inhalation anaesthesia in the Global Pharma Products business.
Product and quality risk	
PEL is expected to maintain global quality standards in manufacturing as some of the products are directly consumed/applied by consumers. Any deviation with regard to quality compliance of products would impact consumers worldwide, and hence, adversely affect the Company's performance.	A dedicated Corporate Quality Assurance Group actively monitors adherence to prescribed quality standards. PEL has a strong governance and escalation mechanism. The Company's quality management system is independent of its businesses and reports directly to the Board. PEL is on a quality advancement journey from 'Quality for Compliance' to 'Quality as a Culture', with a focus on systems, processes, technology and people. PEL has successfully cleared 36 USFDA inspections, 169 other regulatory audits and 1,130 client audits, since the beginning of FY2012.
Adverse fluctuations in foreign exchange risk	
PEL has significant revenues in foreign currencies through exports and foreign operations. Thus, the Company is exposed to risks arising out of changes in foreign exchange rates.	The centralised treasury function aggregates the foreign exchange exposures and takes prudent measures to hedge these exposures based on prevalent macro-economic conditions and in line with applicable regulatory guidelines.

Impact	Mitigating Measures
Interest Rate Risk	
Volatility in interest rates on investments, loans and treasury operations could cause the net interest income to decline adversely, affecting profitability of the Financial Services business.	ALCO (Asset Liability Committee) actively reviews the interest rate risk and ensures that interest rate gaps are maintained as per ALCO's interest rate view. A healthy mix of fixed-and-floating assets and liabilities enables PEL to pass on any changes in borrowing costs to customers.
Liquidity and ALM Risk	
Mismatch in the tenor of assets and liabilities in the Financial Services business could lead to liquidity risk.	ALCO reviews the GAP statements and formulates appropriate strategy to manage the risk. PCHFL maintained a positive GAP between cumulative inflows and cumulative outflows across all maturity buckets as on March 31, 2020. The Company shifted its borrowing mix towards long-term sources of funds and raised ~₹13,500 Cr. via long-term borrowings during FY20. Also, the Company reduced its CP exposure to ₹1,080 Crores as on Mar-2020 vis-a-vis ₹18,017 Crores as of Sep-2018.
Financial Leverage	
The Company needs to be adequately capitalized both at the Group-level and in Financial Services business. This serves as a buffer to absorb any risks arising from a volatile market/business environment and helps the Company to meet regulatory requirements from RBI/NHB.	In FY20, the Company brought in ~₹14,500 Crores of funds through several capital market transactions and also significantly deleveraged its balance sheet. As a result, the net debt-to-equity reduced to 1.2 times as of Mar-2020 compared to 2.0 times as of Mar-2019. As of Mar-2020, out of the total equity of ₹30,572 Crores, equity allocated to the Financial Services business was ₹15,599 Crores (compared to ₹11,442 Crores a year ago). Gross debt-to-equity for the Financial Services business reduced to 2.6 times from 3.9 times a year ago.
Regulatory risk	
PEL requires certain statutory and regulatory approvals for conducting businesses. Any failure to obtain, retain or renew them in a timely manner may adversely affect operations. A change in laws or regulations made by the government or a regulatory body can increase the costs of operating a business, reduce the attractiveness of investment and/or change the competitive landscape. Also, PEL is structured through various subsidiaries across various countries in a tax-efficient manner. Regulatory changes in terms of repatriation and funding may lead to adverse financial impacts.	The applicable regulatory framework is continuously tracked by various teams within PEL. Necessary and appropriate actions are undertaken to ensure compliance with all regulatory requirements.
Investment risk	
PEL has equity investments in various companies in India which are exposed to systematic and unsystematic risks.	The Company continues to effectively evaluate various risks involved in underlying assets, before and after making any such strategic investments. These investments are re-valued and appropriate valuation adjustments are taken into consideration.
Environment	
PEL is committed to conserving resources as it recognises the importance of preserving the environment. Any non-adherence to the Company's approved EHS practices and procedures may expose it to adverse consequences.	The Company has adopted the 'reduce, reuse and recycle' mantra for natural resources. Several sustainability initiatives are underway in areas such as reduction of carbon footprint, water conservation, waste re-use / re-cycle.

ANALYTICS

Data analysis, at its core, is an attempt to find a pattern within, or correlation between different data points, and draw insights and conclusions from these patterns and correlations. PEL's presence across diverse businesses gives us access to a significant amount of data. The Analytics function aims to deliver data-driven actionable insights to key decision-makers across the organisation and embed this approach in the day-to-day processes.

With an increasing proficiency in collecting and managing data, the opportunity to find valuable insights through analytics has become manifold. Moreover, analytics is critical to assessing and addressing the impact of COVID-19, as it would help identify and prepare for the emerging risks across our businesses. Artificial Intelligence- and Machine Learning-backed tools are also likely to bring greater focus on improving efficiency through business process re-engineering and automation.

Recognising the importance of data analytics, PEL's in-house Analytics function has developed tools with diverse applicability and replicability across the Company's Financial Services and Pharma businesses.

Financial Services

Analytics is crucial to facilitating better customer engagement, mitigating risks and navigating through complex data to solve business problems. In the Financial Services business, the power of data is being effectively used to detect frauds, determine credit-worthiness of potential customers, monitor loan portfolios and measure business performance.

(A) Fraud detection and loan application screening:

The Fraud Analytics Rule Engine (FARE) for retail lending is a data-driven fraud detection platform which aims to strengthen the loan application screening process. The system ensures minimal fraudulent applications and improves the overall quality of lending by declining upfront suspect applications. There are plans to further enhance fraud analytics through collaboration with fintech partners. Some of the approaches followed are:

- Integration of information from third-party fraud detection service providers to match loan application data against fraud prevention databases and watch-lists
- Use machine learning algorithm to detect fraudulent applications by analysing data from credit information bureaus based on loan applications received by other lending institutions.

(B) Credit analytics for new loan applicants:

For the Housing Finance business, a predictive credit risk model was developed called the 'Credit Analytics Rule Engine (CARE)' – which helps in determining whether an applicant is likely to default over the next 24 months. Going forward, we plan to further enhance the model by incorporating additional credit assessments criterions.

(C) Portfolio monitoring:

The framework ranks customers according to their creditworthiness by leveraging data from both internal data sources and credit bureaus. It leverages Machine Learning to provide the most updated and accurate risk assessment of existing customers and is used for pre-emptive decision making.

(D) Performance management:

A framework has been developed for real-time monitoring of sales, credit and other operational key performance indicators (KPIs) to enable quick and data-driven actionability. Some of the KPIs include: portfolio-level loan-to-value, login productivity to assess performance of direct sales agents (DSAs), turnaround time (TAT) at various stages of the customer's journey (i.e. from on-boarding to disbursal).

Many of these existing tools and frameworks, currently being implemented in the Housing Finance business, shall be leveraged across other retail lending products that will form part of the Company's upcoming multi-product retail lending platform.

Pharma

India Consumer Products Division:

Use of data analytics has been instrumental in the identification of the following goals for the Consumer Products Division:

- Categorisation of distributors based on key parameters, such as business relevance, risk etc.
- Development of a 'smart bidding' search marketing algorithm (for online/web search) to optimise the e-commerce marketing mix for the entire portfolio.
  - The algorithm leverages Natural Language Processing (NLP) to increase sales at a lower cost of acquisition.
  - Incorporation of frameworks to understand the end customer, competition and return on investment (RoI).

Machine learning to increase sales

In the India Consumer Products business, the Company has leveraged a Machine Learning algorithm which uses in-house data to categorise retailers based on their performance. The movement of retailers across these categories is monitored on a monthly basis to identify high opportunity and high impact areas in order to increase sales at the most granular level.

Global Pharma Products business:

Leveraged analytics across the value chain of the Global Pharma business to maintain and enhance PEL's competitive advantage.

- Developed a sales analytics engine leveraging Machine Learning to predict the likelihood of purchases, based on metrics such as monetary value, repeatability and recency.
- Market assessments conducted by leveraging big data to identify high opportunity areas – for example, potential markets for penetration and product rationalisation to improve the wallet share.

These are a few areas where the Company is leveraging analytics to ensure its continuous success and growth. As data-driven decision-making becomes an essential part of PEL's everyday operations, it is strongly pursuing technology-enabled opportunities and adapting contemporary best practices to deliver exceptional business value.

INFORMATION TECHNOLOGY & DIGITAL

Information and digital technology has revolutionised the way companies engage with customers, partners and employees, COVID-19 is a catalyst that is bringing the new order to the forefront. What was once done as a matter of convenience, is now a necessity. Companies are focusing on the adoption of technologies that would ‘future-proof’ their businesses against contingencies. Post COVID-19, technological transformation will pivot around a ‘low-contact’ workplace that ensures business continuity amid social distancing.

Vision and Strategy

In line with the Company's Technology Vision ASPIRE —'**A**spire to be a **S**trategic **P**artner through **I**nnovative solutions for **R**apid growth **E**nablement' — the Information Technology function continues to transform the business through several technology and digital-led initiatives and programmes.

While PEL has launched multiple initiatives in **getting technology-ready** for business, it continues to focus on:

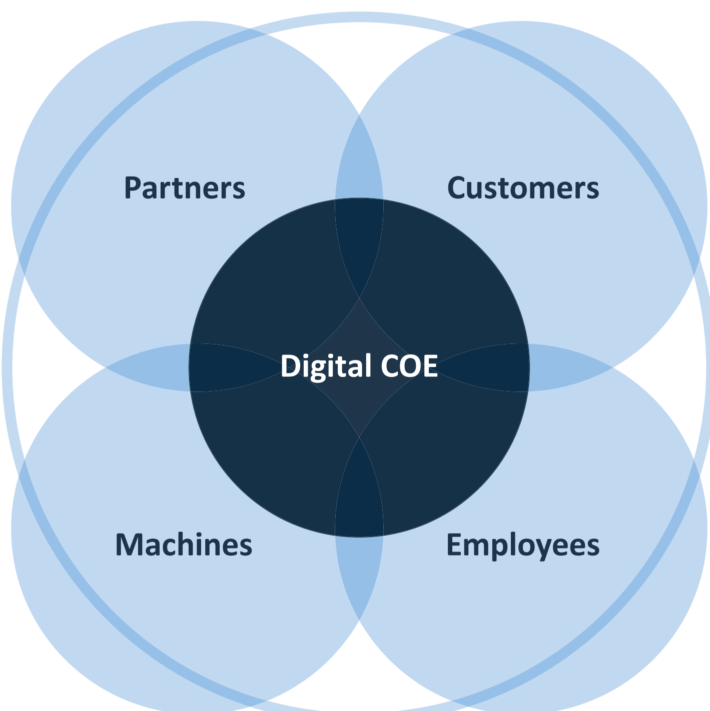
- **Strengthening the core:** Exploring the known while streamlining core business functions such as sales, manufacturing, logistics, etc.
- **Building for the future:** Solving new problems and optimising areas of uncertainty to make them more predictable.

Key Group-level Initiatives

PEL's Digital Ecosystem

- **Digital Centre of Excellence (COE):** Established last year, the Digital COE is at the core of the Company's digital ecosystem which focuses on enhancing business value.

PEL's Digital Ecosystem



PEL leverages different technologies and processes, established under the Digital COE, to impact partners, customers, employees and machines. These include Robotic Process Automation (RPA), Organization Change Management (OCM) and Business Intelligence (BI), among others.

- **RPA** enables automating select processes and redeploying or removing excess capacity. With RPA, **50+ processes were automated across Financial Services, Pharma, HR, M&A and shared services at PEL.**
- **OCM** enables a cultural shift towards technology through multiple initiatives and programmes.
- **BI** comprises strategies and technologies used for data analysis of business information.

The Digital COE promotes an effective and efficient work environment, enhances communication with customers, collaborates with partners and facilitates strategic decision-making. Some of the key initiatives that leverage the Digital COE include:

- **Enhanced employee experience:** Online HR portal was revamped, HR service delivery processes streamlined and new apps introduced to allow employee self-service. A new Learning & Management tool was also launched to help build leadership skills and retain talent.
  - **Effective communication and collaboration:** Our best-in-class Enterprise Service Management platform was enhanced with self-service capabilities, coupled with new modules of Change Management and Knowledge Management. New workflows and functions, such as Information Security and HR Operations, are being added to enhance visibility, transparency and productivity.
- **Partner Ecosystem:** Supply chain is being digitalised using Supply Chain Management System for planning and demand forecasting. Through automation of supply chain and operations planning, the Company will be able to better manage quality, visibility and transparency for its pharmaceutical products.
- **Enhanced customer experience:** PEL continues to focus on better communication and engagement with clients, increasing trust and building long-term customer relationships. Chatbot and WhatsApp for business were introduced to facilitate this engagement process.
- **Machines:** Launched '3D Virtual Site Walkthrough' for the Pharma Solutions manufacturing site to give customers a feel of the actual site.

Other key initiatives:

Cloud journey

The Company migrated its Global HR function, corporate websites and portals to the digital cloud and shifted to an industry-led cloud platform to improve employee productivity and collaboration while increasing flexibility and controlling costs.

Driven by its evolving business needs, the Company has adopted a blend of hybrid and multi-cloud, and now has ~40% of the workload now running of this blend. PEL has also introduced a cloud-based secure messaging gateway solution to prevent insidious email threats.

Information security, data protection and privacy

- The data leakage protection tool in use for the Financial Services workforce, restricts and monitors external media access, internet uploads and outgoing emails containing sensitive information.
- Enterprise mobility and security is being implemented in the Financial Services business to strengthen data protection capabilities when employees access work-related sensitive information on personal assets.
- Vulnerability assessment and penetration testing are conducted periodically to identify any weakness in the IT infrastructure and applications.
- Security incident and event monitoring has been put in place to monitor security alerts pertaining to corporate IT infrastructure and PCHFL applications. Security incident and event monitoring will be extended to the Pharma network and applications in 2020.
- Ensuring employee awareness on Information security / cyber security issues / breaches via periodic awareness emails.

Business Continuity Plan

In response to COVID-19, the Company took necessary actions to safeguard the health and wellbeing of all employees. Technologies that enabled employees to work from home were adopted and implemented, while several necessary measures and **tools were deployed** to ensure **information security and prevention of data leakage during remote working.** As a result, the Company has been able to run its business operations with minimal downtime.

Critical technologies and practices deployed to enable work from home include:

- Secured remote connectivity options
- Collaboration platforms for conducting meetings
- Remote IT support desks with extended working hours
- Regular sharing of technology tips, awareness initiatives and best practices for effective work from home

An in-house tool, COVID Safe (C-Safe) Tracker, was launched to ensure the safety of employees, contractors, visitors etc. for our sites and offices in India. 'C-Safe' is a tool that supports self-reporting, self-evaluation and self-monitoring of the health status of an individual. It also provides automatic instructions on self-isolation or self-quarantine as needed.

Financial Services

The Company's Financial Services business has made early investments in next-gen core tech platforms interweaved with analytics.

- **Wholesale Finance:** Launched 'Pinnacle' – an end-to-end digitalised platform – to support loan origination as well as loan management.
- **Retail Housing Finance:** Launched new-age IT system to enable an end-to-end digital journey for our frontline along with our partners, via their handhelds. This was empowered by an ecosystem that included a digital campaigning platform, WhatsApp, self-service portals, chatbots and alternate data sources.
- **Other Retail Lending:** PEL is building a multi-product retail lending platform, with technology at its core. Key IT and digital initiatives include:
  - Digital assets driving 'persona-based' user journeys, co-lending partnerships
  - Bouquet of AI, voice, facial recognition driven loan origination and loan management services
  - End-to-end digital collection strategy
  - Smart contact centre
  - Big data, security and fraud architecture
  - 'Branch in a box' distribution strategy

Second edition of Piramal TechFest:

After the success of the first Piramal TechFest in FY19, the Company unveiled the second edition of the TechFest for its Pharma business and corporate functions. With digital disruption changing the face of pharmaceutical industry, PEL's top management is constantly trying to leverage smart manufacturing, smart supply chain, connected customers and connected workplace in the Pharma businesses. At the event, 12 leading technology partners and innovative tech start-ups showcased futuristic technologies and hosted experiential learning sessions for employees.

Pharma

The Pharma business of PEL strategy continues to focus on customer, quality, workforce and capabilities.

Enhanced customer experience

- Launched a 3D Virtual Site Walkthrough for the Ennore Plant to enhance customer centricity at the time of lead discussion. The facility is currently being extended to all global Pharma solutions locations.
- Digitisation of the entire Contract Lifecycle Management process for Pharma Critical Care is being considered. This will be integrated into the existing CRM platform and enable preparation and routing of contracts to customers.
- The roll out of an application to capture around 2.25 lakh retailer profiles used to execute strategic marketing campaigns, targeted communication etc. in the OTC business.

Workforce efficiency

- Launched an initiative to enhance productivity and automate MIS preparation in the Pharma Solutions business, saving ~1,200 man-hours annually.
- Enabled AI-based HR Bot for domestic sites in the Pharma Solutions business that acts as a shadow HR consultant and resolves HR-related queries instantly.
- An application built for field users in the Consumer Products Division to capture and submit photos of 'stock & sales' statements of distributors in order to derive secondary sales.

Quality/Compliance

- The Company continues to drive automation of regulatory and quality systems across locations. Further steps are being taken to enhance compliance, using innovative solutions such as chatbots for IT compliance.
- Pharma Critical Care implemented a new GxP Learning Management System, which offers role-based training and provides online dashboards of training statuses.

Futuristic capabilities

- Leveraged technology to enable expansion to newer geographies while being compliant with local regulations.
- Implemented radio-frequency identification (RFID) technology across manufacturing sites for inventory management with hand-held devices.
- Seamlessly integrated newly acquired entities and products into enterprise-wide core systems and processes to increase overall productivity.

The way forward

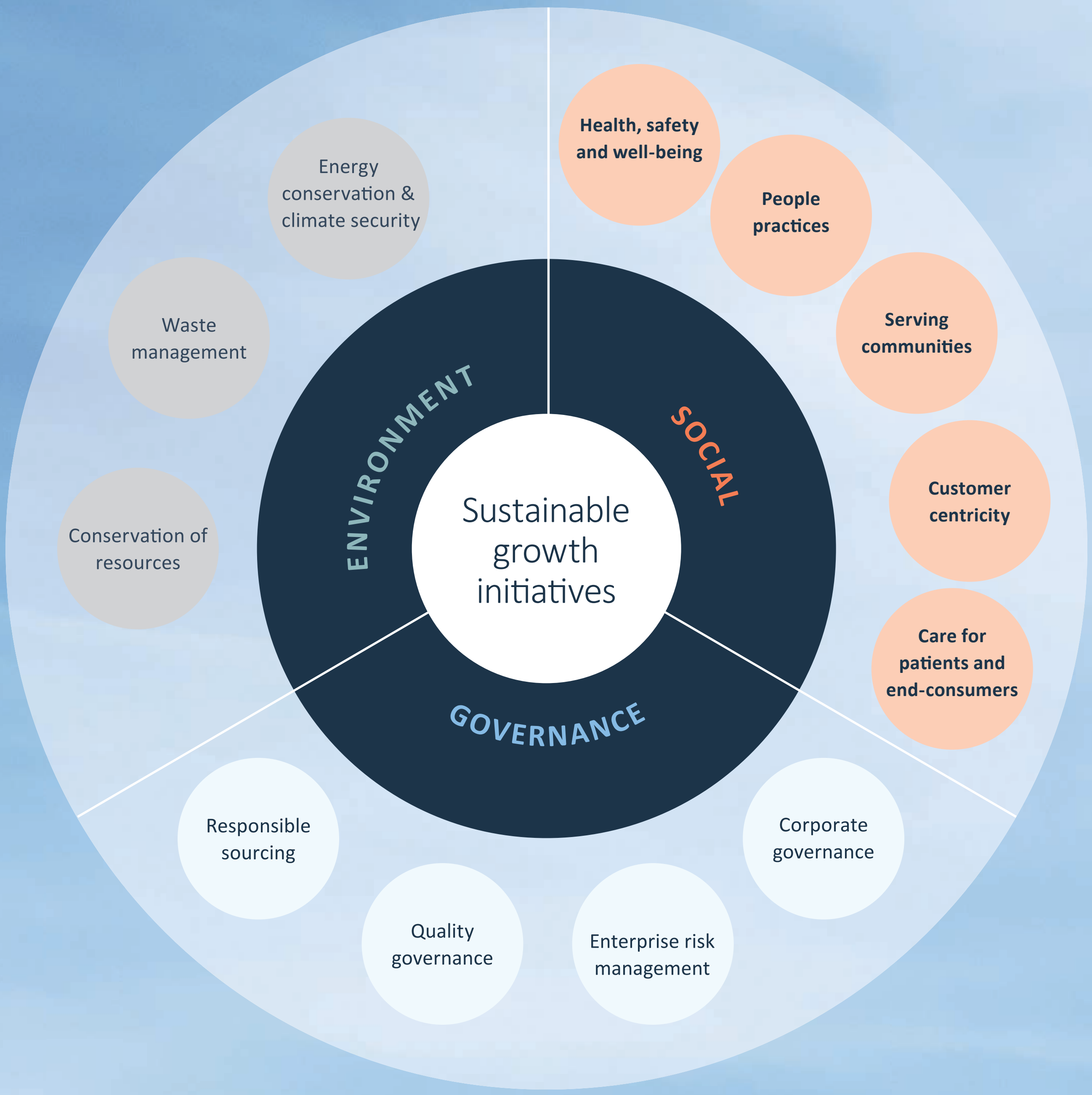
The COVID-19 outbreak has accelerated the pace of IT and digital transformation across companies. PEL had laid the foundation of its digital transformation in last four to five years, and is now leveraging its technology and digital footprint to achieve faster innovation at a greater scale, in renewing customer experience, automating core business processes, and creating value for its customers as well as stakeholders. In response to COVID-19, the Company is moving towards newer ways of working without any loss of productivity or efficiency. PEL will now incorporate remote working as a part of its business model and continue to build on a digital culture that is closely aligned with the business, talent and technology strategies to scale up its digital transformation.

Manufacturing CEO Roundtable:

Ms. Nandini Piramal (Executive Director, PEL) and Mr. Satya Nadella (CEO, Microsoft) along with other select industry leaders attended 'Manufacturing CEO Roundtable'

At the roundtable, the industry leaders shared their views on the intersection of technology & manufacturing industries and its future.

SUSTAINABLE GROWTH INITIATIVES



Values and Purpose

All our sustainability initiatives originate from and are driven by our corporate purpose of 'Doing Well and Doing Good'. This purpose is embodied in our constant endeavour to make a positive difference by serving people and living our values. We stay true to our purpose by following three basic tenets:

SERVING PEOPLE	MAKING A POSITIVE DIFFERENCE	LIVING OUR VALUES

Environment

Conservation of resources
Our continuous endeavor to conserve natural and man-made resources fuels the positive initiatives towards doing more and doing better by consuming less

PAGE **95**

Waste management
With focus on recycling wherever possible and safe & secure disposal in remaining cases, the emphasis is on continuous conservation of environment

PAGE **95**

Energy conservation & climate security

In order to achieve long-term sustainability, concerted efforts are made to conserve energy, assess viable energy efficient projects and take initiatives to help environmental stability

PAGE **95**

Social

Health, safety and well-being
PEL is committed to protecting our employees from work-related hazards and promoting their well-being

PAGE **97**

People practices

At PEL, we believe that human resources are critical to the Company's ability to drive growth, efficiency and productivity. PEL continues to attract and retain the best talent due to its value-driven high-performance culture and its brand reputation

PAGE **98**

Serving communities

Our Corporate Social Responsibility (CSR) entities develop innovative approaches and solutions to resolve issues that are critical roadblocks towards unlocking India's economic potential and delivering a sustainable impact.

PAGE **102**

Customer centricity

Our aim is to get into the hearts and minds of our customers through delivery of highest quality products and services

PAGE **109**

Care for patients and end-consumers
We engage with and provide value to our patients and end-consumers in a responsible manner and strive to make our businesses and brands find a uniquely relevant place in hearts of the consumers

PAGE **109**

Governance

Corporate governance
PEL's Board of Directors views corporate governance in a comprehensive manner with its main objective being creation of and adhere to a corporate culture of integrity and consciousness

PAGE **111**

Enterprise risk management

An independent and dedicated Enterprise Risk Management (ERM) system to identify, manage and mitigate business risks. Risk management, internal controls and assurance processes are aligned to the Company's goals and integrated throughout all significant activities.

PAGE **111**

Quality governance

PEL employs a 3-tier quality governance model to prevent dilution of the quality bandwidth while enabling central, regional and local controls

PAGE **112**

Responsible sourcing

PEL has procedures in place for sustainable sourcing, which are in-line with its endeavor to continuously improve the social and environmental performance of its supply chain

PAGE **111**

At our Company, we are committed towards ethical and transparent business practices. Our values act as guiding principles to steer the path in forming the right partnerships in creating sustainable, long-term stakeholder value.

The Company's Code of Conduct for Board Members, Code of Conduct for Senior Management and the Code of Conduct applicable to all employees of the Company are testaments to the Company's efforts in ensuring that ethical conduct is not compromised. We have also laid down a Business Code for Contractors (BCC) covering vendors and sub-vendors with whom we engage, to ensure that they also adhere to our high ethical standards.

Read more about our core values and corporate purpose

ENVIRONMENT

PEL's Environment Philosophy

PEL is dedicated to maintaining high standards of environment performance through its employees, who strive to achieve Environmental excellence. 'Doing Well and Doing Good', coupled with doing the right things so that the employees, the community at large, and the environment, including the natural and man-made resources, are protected while leaving minimal environmental footprints, is integral to PEL's Environment philosophy.

The Company has a Corporate Environment team that continually builds excellence in environment management, monitors performance and supports all operations and functions on all environmental aspects.

Building Environmental excellence

The Company's environmental initiatives are designed to create long term sustainability and value for the Company and all its stakeholders. With that in mind, PEL has implemented the 'CORE' (Creating Optimal and Responsible Environment) programme, which has helped it contribute to the larger goal of sustainable development.

The Company is redefining its Environment management system through an integration of current global best practices, technology absorptions and its learnings. The journey began with the development, ratification and release of PEL Environmental Standards that are applicable to its global operations. In response to the changing market dynamics that require improved and efficient supplies, the year witnessed upgradation of the Environment protection infrastructure at the Company's sites through several capex projects.

Conservation of resources

As a responsible corporate citizen, PEL is committed to designing, constructing, operating and maintaining its facilities in a manner that results in conservation of resources, including water and energy. Our major manufacturing sites in India continued their accreditation to ISO14001 certifications. All sites remained compliant to the current environmental regulations.

Water security

At our API sites, besides conventional biological treatment, the wastewater is also subjected to tertiary treatment of reverse osmosis (RO) and thermal systems comprising multiple effect evaporators and agitated thin film dryers. Continuous monitoring ensures compliance and confirmation that the statutory norms are met. The treated water from these systems is fully re-used as cooling tower make-up and utilities, thereby conserving this valuable natural resource. These initiatives in water management have resulted in making our API manufacturing facilities **"zero liquid discharge (ZLD) sites"**. PEL sites do not discharge any untreated or treated wastewater from its site boundaries.

During the year, the additional water conservation initiatives included improved steam condensate recovery and recycle, improved efficiencies in manufacturing processes and use of efficient alternatives to reduce tap water flow, to name a few. **This resulted in overall reduction in fresh water consumption by ~3%.**

Air quality

Air quality is well managed through the use of stringent process controls and technologies, including nitrogen blanketing in the equipment, efficient gas scrubbing systems, use of HEPA filters to control indoor air quality in the pharmaceutical powder handling areas, and the use of closed systems.

Waste reuse, recycle and management

The solid hazardous wastes are carefully contained and stored for further disposal at approved secure hazardous waste disposal sites. We tag and treat rejected/expired pharmaceutical products originating from our manufacturing facilities as hazardous waste. These wastes are sent out through authorised transporters to the authorized secure disposal sites for incineration or for co-processing (high temperature thermal destruction) or else to secured landfills as per the permitted conditions. We recycle solid waste like recovered metal catalysts, metal scrap, paper, wood, glass, plastic waste etc.

The year saw an increase of recycling hazardous waste by ~5% through the co-processing route, mainly in the cement industry. Further, under extended producer responsibility, PEL recycled 402 MT of recyclable plastic waste and disposed 90 MT non-recyclable plastic waste through the incineration route.

Energy Conservation & Climate Security

The Company identifies climate change, extreme events like floods and droughts and energy availability as material issues that can impede business operations and impact the future growth of the Company. Assessment of viable energy efficient projects like renewables for our sites and processes is a key focus area for the Company.

With this in in mind, **tree plantation was increased by ~5% over the previous year.**

Robust Environmental governance

A robust governance framework comprising a Governance Committee, Global Sustainability Coordinator, Site Sustainability Sponsor, Site Sustainability Lead and Site Sustainability Champions ensure effective implementation of various initiatives. PEL participates in CDP (Carbon Disclosure Project) and voluntarily discloses environmental information (Climate Change and Water Security information).

SOCIAL

Occupational Health, Safety and Wellbeing

PEL believes that all injuries and illnesses are preventable. We are committed to protecting our employees from work-related hazards and promoting their well-being. Safety of our personnel is ensured through implementation of safe work practices driven by `Life Safety Rules' and standard operating procedures.

Industrial hygiene and risk-based workplace exposure assessment are accorded high importance and there are programmes around it. The year witnessed active upgradation of the management system and engineering controls around these programmes.

Safety management system implemented at a majority of our sites in India is through OHSAS 18001 certification, and the sites are in the process of switching to ISO 45001 standards.

Responsibility of people safety rests with the Site Heads, who conduct regular safety meetings with site leadership teams. The safety performance of each site is tracked by the Corporate Health and Safety team and its reports are reviewed by the senior management.

Health and safety considerations are integrated in the overall management systems and are an important driving force for our operations. Numerous safety training programmes, both by internal as well as external specialists, were conducted at manufacturing sites to refresh and enhance the Health and Safety competence of our people.

The injury frequency rates viz. First Aid Injury Rate (FAIR) and Total Recordable Injury Rate (TRIR), are continuously monitored. During the year, there was no fatality at any site nor were there any reported occupational illnesses. The TRIR for the year was 0.38 (per 100 employees).

We witnessed an increased employee involvement in Health and Safety matters through various programmes. **This resulted in an impressive 39% jump in reporting of learning incidents (near misses).**

COVID-19 Response

Faced with the unprecedented challenge of COVID-19, PEL executed a proactive and strategic response to ensure the safety of all employees while ensuring business continuity. Our value of "Care" took centre stage as we rolled out the following initiatives for the group companies:

- Continuing manufacturing of medicines: Even when India and other large economies were in lockdown, our Pharma plants continued to operate to ensure essential Pharma supplies are not disrupted.
- Stringent precautionary measures: Measures such as disinfecting the sites with sanitisers, fumigation, fogging etc., cleaning common touch points, contact-less attendance systems, revised shifts to maintain social distancing norms were implemented at the plants.
- Care for the employees: Support was provided to employees through financial assistance for testing for them and their families, extended medical insurance cover and additional leave.
- Nerve Centre: A central committee called Nerve Centre continuously tracked real time field reports in the Consumer Healthcare business with the objective of tracking the well-being of our employees and ensuring that the business contingency plan works for areas where we foresee a concern.
- Sales in a virtual setting: Sufficient training and support were provided to the sales team of the Consumer Healthcare business to enable them to connect with the retailers and distributors on call to ensure sales continuity during the times of the lockdown.
- Transition to Work From Home mode ensuring business continuity through a planned, concerted transition.
- Employee Helpline for PEL employees and their to address any queries related to COVID-19.
- Employee Assistance Programmes on a mental health platform, 'Inner hour', to help employees cope with the uncertainty through online therapy.
- Online learning modules on our Piramal Learning University Virtual Campus to equip employees to handle the tough times better.

People practices

PEL's Philosophy

At PEL, we believe that human resources are critical to the Company's ability to drive growth, efficiency and productivity. In an increasingly competitive market for talent, PEL continues to focus on attracting and retaining the best talent.

One of our most important success factors is a value-driven high-performance culture which is defined by our values of Knowledge, Action, Care and Impact, and it plays an integral part in guiding our people philosophy.

PEL's strength lies in its diversity across teams and businesses, and it brings together fresh ideas, perspectives and experiences. It also fosters a truly collaborative workplace. Our people initiatives focus on enabling this diverse, global workforce to consistently deliver on the Group's purpose of 'Doing Well and Doing Good'.

The year 2019 saw PEL getting recognised as one of the world's top employers in Forbes' Global 2000 Rankings. The Company ranked 32 out of a list of 2000 of the world's largest public companies (highest ranked Pharmaceutical Company globally and second-highest ranked Indian organisation) based on 1.4 million employment recommendations sourced from a global poll and regional surveys.

Demographics Snapshot & Diversity Initiatives

Business segment	March 31, 2020	March 31, 2019	Change
Pharma	5,565	5,329	+236
Financial Services	1,014	1,330	-316
Total[1]	**6,579**	**6,659**	**-80**

Note: (1) The numer for employees as on March 31, 2019 mentioned here does not include 1,161 employees of the Healthcare Insights & Analytics business that was divested during FY20

6,579
Employees

43
Locations

17
Countries

Diversity

At the heart of PEL's diversity agenda is the promise to be an equal opportunity employer. PEL's code of conduct emphasises the Company's commitment towards supporting diversity in hiring and promotions across levels. Gender diversity is the first area of focus in building a culture of diversity and inclusion.

Women employees comprise:

15%

of the workforce

39%

of the corporate level workforce

26%

of identified 'High-Potential' employees

Safety

PEL has a Zero Tolerance policy towards any form of discrimination, including sexual, racial or other unlawful harassment, threats or acts of violence or physical intimidation, abuse of authority or any other discriminatory conduct. PEL is 100% Prevention of Sexual Harassment (PoSH)-compliant with 11 Internal Committee (IC) panels institutionalised to swiftly address any incidence of sexual harassment, bullying or misdemeanour, and regularly conducts sensitisation campaigns for employees and IC panel members.

Inclusivity at the Workplace

- Inspiration at Work: An exclusive network was launched for our women colleagues in India to gather, stay connected, learn and grow together. We conducted 15 inspiring sessions for over 400 colleagues.
- Second Innings: This programme aims to provide an opportunity to well-experienced and capable women who want to foray back into the workforce after having taken a career break.
- Flexi-work policies to empower employees to balance their personal and professional commitments.
- Childcare support: The Company provides childcare support to employees who have children below the age of six years through an in-house crèche and collaboration with other childcare facilities near offices in Mumbai.
- Parental support: The Company adopts a gender neutral leave policy for the primary caregiver and has in place a Parental Support Scheme.

Whistleblowing Policy

The Company has established a vigil mechanism, which includes a Whistle Blower Policy, for its Directors and employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. No Director/ employee has been denied access to the Audit & Risk Management Committee.

Human Rights

PEL's Code of Conduct includes clauses on human rights applicable to all group companies/suppliers/vendors/NGOs associated with PEL. We promote respect for human rights among suppliers and vendors through contractual obligations that ensure legal viability. We also set out the minimum requirements of compliance with clauses on human rights, failing which PEL reserves the right to terminate any purchase or other agreement with the contractor. We sensitise our stakeholders on the importance of human rights as well.

Enabling performance through HR technology

Driving efficient people decisions through HR Analytics

HR Analytics for monitoring performance and productivity helps us leverage our data based decision-making capability through our people metrics and algorithms to improve the effectiveness of the HR function.

This year, we democratised analytics through a state-of-the-art Business Intelligence platform, which enables our HR teams to analyse large and complex datasets with the help of multiple dashboards designed for gathering real-time data-driven insights.

Launch of Piramal Learning University Virtual Campus (PLU VC)

Keeping in mind the VUCA (volatility, uncertainty, complexity and ambiguity) world that we operate in today, building a world class Piramal Learning University has been one of the key focus areas of the HR strategy to upskill, reskill and enable continuous learning of our employees.

With this in mind, the PLU VC was launched in November 2019, as a mobile-first learning management system to help us create a culture of self-driven learning at Piramal. The success of the launch is evident in the fact that 99% of our target audience has already accessed the new platform.

Some key features of the PLU VC include:

- Access to 20,000+ world-class Skillsoft courses, videos, audiobooks and e-books
- Learner and Manager friendly dashboards to manage and optimise learning
- Tracking of all learning activities on one unified platform, including classroom learning and external training

Attracting Talent

Employee Value Proposition (EVP) launch

2019 saw the launch of our EVP - "Design your Destiny".

After a detailed analysis through focus group discussions, senior leadership interviews and data analysis, we finalised the embodiment of our commitment towards our existing and potential employees.

The logo captures each element of our 3 pillars:

- Seek to Grow stands for 'inclusive growth' and is about empowering our employees to make critical decisions and be part of our success story
- Seek to Transform is about providing our employees enormous autonomy to voice their ideas, take initiative or seek larger responsibilities
- Seek to Serve encapsulates not only the happiness and satisfaction of our customers, but also the goodwill of the society we live in

Campus Initiative (TANGRAM)

Tangram is one of our flagship campus engagement initiatives through which students from premier business schools are provided an opportunity to engage with the organisation through a creative and interactive learning experience. It provides students a platform to ideate and present solutions to some of India's prevalent social issues across healthcare, education and safe drinking water.

The contest, in its second year, saw three times the participation, received over 1,800 registrations from 40 institutes from India, with over 7,000 students participating.

Nurturing home-grown leaders

High Potential Programme

At PEL, home-grown leaders are the preferred choice for every critical role. Hence, various high potential development programmes are conducted to nurture home-grown talent and take them to the next level of success:

- IGNITE: Every year, the programme identifies ~25 high potential young leaders from junior management, who then undergo a 15-month long development journey that includes multiple aspects of functional and leadership learning, live functional projects and a certification course by Harvard.
- ASCEND: The platform selects and grooms high-potential employees at the middle management who undergo a 24-month structured development intervention which includes learning labs, individualised coaching, application of learning through strategic business improvement projects and access to Harvard ManageMentor resources.
- SUMMIT: The leadership programme focuses on preparing senior leaders to become successors to the CEOs of PEL businesses. Senior leaders define their own 'business mandate' – to act as true entrepreneurs of their business units or functions.

Talent Review & Succession Planning:

In line with the guidelines of SEBI and Companies Act, development of a succession plan for the Board and senior management is the objective of the Nomination and Remuneration Committee of the Company. Accordingly, the Talent Review and Succession Planning process was launched at the Piramal Group in the financial year 2019-2020.

The process aims to achieve 3 objectives

Identify successors for roles at the ExCom level

Know the talent health of the business

Identify capability development needs of the business

In the first year of running the process, we achieved the following milestones:

- Documentation and discussion on career aspirations for 450+ employees across mid-senior level and identification of potential
- Identification of succession pipeline for ~46 Executive Committee members
- Capability building of eligible employees and global HR teams on the process

The Group views this critical process as a continuous cycle and a governance mechanism has been put in place to keep track of the progress on development plans.

Piramal Leadership Series

The Piramal Leadership Series is a set of flagship leadership programmes designed for a targeted profile of future leaders at different career stages. The programme aims to strengthen the leadership pipeline of the Piramal Group to meet long-term business needs by equipping employees to develop essential leadership skills in line with the Piramal Success Factors.

Thinks Big
- Focuses on the long term
- Translates vision into actionable plan
- Welcomes new ideas
- Leads change

Empowers and Develops
- Shares and accepts feedback
- Builds own and team's capability
- Creates a learning environment
- Encourages others to take on larger roles

Serves Customers
- Identifies customer needs
- Delivers on customer expectations every time
- Finds new ways to add value to customers
- Builds trusted partnerships with customers

Collaborates
- Works cooperatively with others
- Prioritises team goals
- Builds relationships across boundaries
- Creates consensus

Commits & Delivers Results
- Identifies and acts on opportunities
- Sets high standards for self and team
- Persists despite setbacks
- Takes ownership for business and quality goals

Displays Humility
- Is humble
- Is open and transparent
- Treats others with respect
- Values diversity

Serving communities

PEL conducts its Corporate Social Responsibility (CSR) initiatives through the subsidiaries of Piramal Foundation, namely Piramal Swasthya Management and Research Institute, and Piramal Foundation for Education Leadership (collectively referred hereinafter as "CSR entities"). The CSR entities develop innovative approaches and solutions to resolve issues that are critical roadblocks to unlocking India's economic potential. The Company believes in collaborating with like-minded partners and nurtures projects that are scalable and deliver a sustainable impact.

Piramal Group's core values of Knowledge, Action, Care and Impact guide the organisation in carrying out its responsibilities towards society. In line with the Group's sustainable development goals, the CSR entities are focused on:

- **Universal primary education**
- **Maternal health, child health and non-communicable diseases**
- **Youth empowerment**

Vision

Piramal Foundation is committed to transforming health, education and social sector ecosystems through high impact solutions, thought leadership and partnerships.

Operating Model

The operating model of the CSR entities is built on the following principles:

Seeding innovation

The CSR entities attempt to address complex and deep-rooted issues by developing 'out-of-the-box' approaches and solutions.

Partnerships are a way of life

The CSR entities' philosophy is rooted in partnerships to deliver holistic solutions, including public-private partnerships with governments

In touch with ground reality

In order to generate an optimal social return on investment, approaches and solutions are developed in conjunction with stakeholders, tested for 'proof of concept' and fine-tuned

Technology as a key enabler

Technology is used to automate processes and digitise data to enhance seamless operations across the delivery chain, and promote accountability and transparency

Scale, an important lever

The organisation ensures that all its efforts are maximised for improved social returns with solutions that are robust and scalable across geographies and different socio-economic contexts.

Our initiatives

Democratising Healthcare – Piramal Swasthya

Piramal Swasthya, is focused on bridging public healthcare gaps by supplementing and complementing the Government of India's vision to meet Universal Health Coverage. **Piramal Swasthya is one of the largest not-for-profit organisations in India in the primary public healthcare space with a focus on maternal health, child and adolescent health, non-communicable diseases.** Piramal Swasthya employs 2500+ employees (including over 250 medical doctors).

Public Healthcare Scenario in India

India ranked 129 in
Human Developed Index (2019)

Key milestones:

21
states impacted positively by serving more than 12 crore beneficiaries through 35 healthcare initiatives

8+ crore
beneficiaries have been provided with validated health advice through Remote Health Advisory and Information programme across 8 states through 439 call centre seats

2.5+ crore
have been delivered health facilities at their doorstep through community outreach programmes in 15 states through 132 mobile medical vans

3+ lakhs
beneficiaries have been provided specialist consultations through 80+ telemedicine services across 3 states

Some of the initiatives under Piramal Swasthya are:

a. Remote Health Advisory and Information (RHAI):
RHAI services provide 24x7 health advice to remote and vulnerable sections of the community and aims to reduce the minor ailment load on the public health system. This service is provided through a toll-free health helpline number and Mother and Child Tracking System (MCTS) across eight states.

b. Community Outreach Programme:
Mobile Health Services: The aim is to tackle the barriers faced by people in hard-to-reach areas, who are unable to access primary healthcare, by reaching them through mobile medical vans that are equipped with medical devices, medicines and healthcare workers. In partnership with various state governments and corporates, two models – 1) Doctor-led and 2) Nurse-led – are operated across 15 states.

c. ASARA Tribal Health Programme: Tribal health programme is a unique model in the country which has demonstrated elimination of maternal deaths in the Vishakhapatnam tribal belt, including Araku valley, for more than three years by bringing healthcare to the doorstep of the beneficiaries and by linking them to the government facilities by a dedicated team that crosses difficult terrain every day. The significance of this programme rests with the fact that tribal areas have the highest maternal and infant mortalities. Hence any positive impact in such areas will result in a large impact on the national average.

d. D.E.S.H. Cancer Screening Programme:
D.E.S.H. (Detect early & save her/him), is a first-of-its-kind community-based cancer screening programme that addresses oral, breast and cervical cancers by taking screening services to the doorstep of beneficiaries in high incidence areas in the north eastern states, such as Kamrup (rural) district in Assam. The DESH team walks with the patient through the entire journey of initial screening to diagnosis to treatment. More than 28,000 community members have been screened so far.

e. Prerna – Integrated Healthcare Delivery Model:
This initiative screens and offers validated healthcare services and specialist consultation through mobile telemedicine in the Majuli (Jorhat) region of Assam, where the maternal and infant mortality rates are higher than the rest of Assam. The programme has served more than 57,000 beneficiaries

f. Accessible Medical Record via Integrated Technologies (AMRIT):
It is a technology platform to create and store electronic medical records of beneficiaries. Beneficiaries are given unique IDs that facilitate referral mechanism in the public health system and enable them to receive healthcare services by creating unified health records. AMRIT can also facilitate data sharing among various healthcare service providers and government schemes such as Ayushman Bharat.

Gosthani Nutrition Programme

in Araku Valley Visakhapatnam helps prepare, process and preserve nutritional food for families

2 Lakh +
population covered under ASARA Tribal Health initiative.

3,300 +
Pregnant women educated on Nutri gardens and food

50,000 +
Pregnant women served in the project area

Improved percentage of institutional deliveries from

18% to 72%

Piramal Foundation of Education Leadership (PFEL)

PFEL is a change management organisation that was founded with the objective of strengthening the public education system by transforming the new generation of leaders in education in order to create high performing environments for students by grooming school principals to be empathetic, pro-active and skilled practitioners. It is a multi-level partnership with state governments which aims to catalyse the turnaround of failing schools and help education system leaders in improving learning levels of students.

Major programmes:

a. School Leadership Development Programme (SLDP):
PFEL has partnered with many governments, corporates and educational institutions in the states of Rajasthan and Maharashtra and set up 375 functional libraries across all SLDP locations.

b. State Transformation Programme (STP):
PFEL collaborated with the 10 state governments to build institutional capabilities of state level education institutions. The STP programme refines organisational structures, capabilities, people policies and processes to build the leadership capabilities of more than 5,000 education officials across all the states.

c. Virtual Field Support (VFS):
PFEL established two empathetic call centres by developing 75 community women to provide support to government education officials and parents of students across Rajasthan and Gujarat. It collaborated with the Integrated Child Development Scheme (ICDS) department of Jhunjhunu to intervene with Anganwadi workers to enhance their competency. PFEL also transformed the SLDP Fellowship model to pioneer system immersion where Gandhi Fellows shadowed education officials to realise the systemic challenges in education.

d. The New Millionaire Programme (TNMP):
PFEL supported the establishment of alumni chapters in four major cities for facilitating alumni support and learning from one another. Furthermore, the programme is developing four key products for career management, networking and Learning and Development aimed at the alumni.

e. Advocacy:
PFEL is advocating competency-based selection, role-specific induction, multi-mode continuous professional development and linked continuous professional development with career progression of school heads as well as system officials in the Ministry of Human Resources Development (MHRD). PFEL was nominated to the committee on strengthening District Institutes of Education Training (DIETs) and has supported in evolving guidelines for states.

Key milestones:

3 lakh +
students work with 1,360 headmasters and 4,896 teachers,as part of School Leadership Development Programme

3.4 crore+
students across 4,40,000 schools in 10 states have benefited from the State Transformation Programme

6,000+
children enrolled in Anganwadis and 1,558 Anganwadi workers supported as part of Early Childhood Development Programme

2,16,000+
stakeholders (teachers, principals, etc.) of government education system supported as part of Virtual Field Support Centres

Employee Social Impact (ESI)

Employee Social Impact (ESI) is an effort within Piramal Foundation that enables Piramal employees to affect real change by volunteering for various social causes such as youth empowerment, education, health and nutrition, elderly care, environment.

ESI functions as a platform to bring volunteers, NGOs and end beneficiaries together. The team ties up with various NGOs that provide either the skills or the opportunities that their beneficiaries lack.

Each office and plant of the Company has a lead volunteer – the Champion for Change (CFC) who:

- Leads their location/team
- Inspires colleagues to experience volunteering
- Helps build a socially conscious culture within the group and
- Creates positive change

During FY2020, Piramal Volunteers dedicated 55,418 volunteer hours, during which they worked with various NGOs and helped beneficiaries on a variety of engagements:

a. Seed Balls:
It is an ancient technique for propagating plants from seeds; volunteers make seed balls and later drop them in the outskirts of rural region.

b. Environment:
Regular beach clean-up and cleanliness drives in support of the nationwide agenda of Swachh Bharat.

c. Be a Santa:
It is a unique initiative as employees reach out to the organisation's support staff (housekeeping, security, pantry staff etc.) appreciating and acknowledging their dedication and efforts.

d. One-to-One Mentoring:
Volunteers helped children in low-income communities reach their full potential by forging supportive one-to-one mentor-mentee relationships through various NGOs.

e. Paint the school walls:
Through 'Building as Learning Aid' (popularly called BALA'), volunteers painted the walls of municipal schools and drew educational concepts, cartoons, and graffiti on the walls, thereby building the infrastructure of schools and improving the learning experience for students.

f. Daan Utsav:
Every year, the National festival of giving (popularly called "Daan Utsav") is celebrated at all plants of the Company with great enthusiasm, wherein employees come together and collectively volunteer for diverse social causes like environment, women empowerment, education.

g. Coach Young Adults:
Volunteers helped young adults build their career readiness by polishing their interview skills, developing appropriate resumes, nurturing their IT skills, and developing a fair understanding of a professional environment.

55,418
volunteer hours

Piramal Swasthya & PFEL support India's fight against COVID-19

Piramal Swasthya has been supporting India's fight against COVID-19 by complementing and supplementing government's efforts. Following are a few initiatives Piramal Swasthya has taken to address the ongoing pandemic:

a. Health Information Helplines:

Piramal Swasthya operates '104' toll-free health information helplines in public private partnership with eight state governments across India, namely, Assam, Bihar, Chhattisgarh, Himachal Pradesh, Jharkhand, Karnataka, Maharashtra and Sikkim. The helpline in support of COVID-19 management has attended to nearly 6 Lakh calls (since February 1, 2020) touching a call load of nearly 20,000 calls/ day at the time of national lockdown. The helpline also proactively connected with quarantined people and created awareness around preventive measures to be taken for COVID-19.

b. Mobile Medical Units and Clinics:

Piramal Swasthya's staff from the mobile medical units and clinics have been engaged in door-to-door surveillance of quarantined people, creating awareness about social distancing, hand hygiene, cough etiquettes, etc. in the rural and peri-urban areas, and supporting in data collection and collation.

c. Telemedicine Services:

We operate 75 telemedicine centres across six remote districts in Himachal Pradesh in partnership with the Government of Himachal Pradesh. These centres, through the agency of six doctors including three specialists, continue to serve the vulnerable people in remote areas.

d. Life-saving Services:

While we are actively responding to COVID-19, we are also ensuring that essential lifesaving services remain unhampered despite mobility issues related to the lockdown.

- The team is ensuring services under the 'Ahana' programme, which is focused on Prevention of Parents to Child Transmission of HIV (PPTCT), and continues to deliver medicines
- In our community outreach project for tribal population 'ASARA', we continue to provide antenatal care to high risk pregnant women and inform them about precautionary measures against COVID-19.

As the scenario unfolds in the days and weeks to come, the organisation will continue to learn, adapt and reposition the programmes to address the most critical issues during the crisis. We will ensure that COVID-19 does not affect our commitment towards thousands of people who rely on Piramal Swasthya for basic healthcare.

PFEL has also made efforts to find some innovative ways to minimise the impact of COVID-19. We tried creating active forums through which it can support their stakeholders which include government officers, teachers, headmasters, students and, most importantly, internal staff.

Support during COVID-19:

104
toll-free health information helplines operated

6 lakh+
calls since Feb 1, 2020

upto 20,000
calls per day

75
telemedicine centres operated

Solutions we have designed for stakeholders within and outside:

a. **Piramal School of Leadership (PSL) space as Isolation Centre:**
The government and community were extended our support by making the PSL space at Bagar available for the medical department as an Isolation Centre where >300 suspected patients have been admitted so far.

b. **Learning at home for Early Childhood Development Program (ECDP) and Primary grades:**
In states such as Rajasthan, Jharkhand, Madhya Pradesh, and Union territories such as Jammu and Kashmir, we took the digital route in education through video conferencing and capacity building on platforms such as WhatsApp, Teams, Zoom and others. New initiatives like Digi-Sath in Jharkhand and BOLO App in Rajasthan were executed successfully.

c. **Surakshit Dada-Dadi, Nana-Nani Abhiyan with NITI Aayog:**
Raised 11,500+ community volunteers across 25 aspirational districts to ensure the well-being of one of the most vulnerable age groups (senior citizens) for COVID-19 protection by ensuring prevention, access and detection.

d. **VFS for Health and Well-being:**
A helpdesk was initiated for the migrant labourers of Odisha affected by the lockdown. In collaboration with the Government of Odisha and Government of Tamil Nadu, we actively functioned for ensuring supply of necessary basic support (food/accommodation/shelter) to migrant labours of Odisha stuck in Tamil Nadu.

Customer-centricity

Our aim is to get into the hearts and minds of our customers through delivery of highest quality products and services. And that is why 'Serving Customers' is one of the six critical Piramal Success Factors that the organisation looks to inculcate in all its employees.

Read more about how we carry out our responsibilities towards our customers here

Care for patients and end-consumers

We engage with and provide value to our consumers in a responsible manner and strive to make our businesses and brands find a uniquely relevant place in the hearts of the consumers.

Over the years, the Company has evolved from being a 'Product-Centric' business to a 'Customer-Centric' to now a 'Patient-Centric' business. It believes that patient-centricity is all about understanding the needs and wants of patients and building an organisation that is dedicated to addressing those needs.

To serve this purpose, the Company launched a 'Patient-Centricity' drive across the organisation in order to be a better partner to customers by working towards a common goal of serving patients. Patient Awareness Councils were established at all sites to promote awareness about patients and medicines being manufactured to serve them.

Moreover, with its Consumer Healthcare business, PEL is working towards making self-care more accessible to the masses. It is mindful of the fact that retailers play an important role in the dissemination of product related information to the end consumer. Therefore, the Company ensures that retailers are aware of the properties of its over-the-counter products, which, in turn, helps them respond to consumer queries appropriately. This business houses a range of consumer products – like Saridon and Lacto Calamine – and considers understanding consumer behaviour and needs as its topmost priority. It engages in listening to consumers, be it through first-hand research or custom studies that are done with independent research agencies. This process of unearthing consumer insights is then translated into decisions on new product launches, product improvements, and even other promotions that can help make PEL's brands relevant for the consumer.

With its unique set of brands and robust consumer-led initiatives as part of the core processes that run the business, the Company strives to make itself and its brands find a uniquely relevant place in the heart of the consumer. PEL makes efforts to fuel the future with new introductions that can drive growth and sustainability in tandem with each other.

GOVERNANCE

Governance has a broad scope and includes both social and institutional aspects. It is the combination of voluntary practices and compliance with laws and regulations, leading to effective control and management of the organisation by encouraging a trustworthy, moral, as well as ethical environment.

Corporate Governance

Corporate governance deals with determining ways to take effective strategic decisions which are essential to adding value to our relationship with stakeholders. It also ensures transparency which ensures strong and balanced economic development. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organisation towards creating wealth and stakeholder value.

PEL's essential character is shaped by the values of transparency, integrity, professionalism, accountability and customer delight. The Board views corporate governance in a comprehensive way with its main objective being creation of and adherence to a corporate culture of integrity and consciousness.

Board of Directors and Committees

Our Board of Directors is responsible for fostering the long-term success of the Company, and sustaining its competitiveness and profitability in a manner consistent with the Company's objectives and best interests of all stakeholders. They also play a key role in formulating the Company's vision, strategic priorities and policies that guide overall activities, and monitor performance.

Our strong governance and ethics are reflected in our business practices:

- Highly experienced Board of Directors – Most of them have been Chairman/CEO of large listed multinational companies across sectors we operate in.
- The Operations Board in Pharma and five Investment Committees in the Financial Services business comprise Executive Directors, Independent Directors, External Experts, Key Business CEOs and respective Business Vertical Heads
- Legal, Risk, Quality and Compliance teams are independent and report directly to the Board members

Read more about our Board Members, Committees and Corporate Governance initiatives

Enterprise risk management

A well-defined risk management framework is integral to any business. Moreover, risk management becomes especially important during times of crisis and uncertainty.

PEL has an independent and dedicated Enterprise Risk Management (ERM) system to identify, manage and mitigate business risks. Risk management, internal controls and assurance processes are embedded into all activities of the Company.

The Board of Directors oversees PEL's risk management programme. It regularly reviews and evaluates the programme to ensure that adequate policies, procedures and systems are in place to execute the strategy and manage related risks. The Board-level 'Risk Committee' reviews the micro-level risks and reports to the Board. Additionally, the Risk Management Committee for Financial Services (FS) – formed in FY2018 – focuses on strategy and risk management practices followed in the FS business unit.

Read more about our risk management initiatives

Quality governance

At PEL, 'quality' is viewed as an integral part of the Company's identity and as one of the most important aspects of its brand that dictates the Company's culture, hires, and policies. The Company employs a three-tier quality governance model to prevent dilution of the quality bandwidth while enabling central, regional and local controls. To provide due authority and enablement to the Quality group, this group is permitted to operate in an independent functional silo and reports to the Board. The Quality team is competent, multi-layered and capable of handling any compliance challenge with strategies spearheaded from its central cell. Quality continues to be a collective responsibility of all functions across the organisation.

Read more about our Quality governance initiatives here.

Responsible sourcing

The Company has procedures in place for sustainable sourcing, which are in line with its endeavour to continuously improve the social and environmental performance of its supply chain. PEL uses the CORE (Creating Optimal and Responsible Environment) programme to sensitise its supply chain about the benefits of effectively managing its performance while taking into consideration health, safety and the environment. The Company also encourages implementation of sustainable business practices.

The Company's Environment, Health & Safety ('EHS') Policy, Sustainability Development Policy and Safety management principles have set out guidance for its supply chain partners for sustainable procurement practices. PEL places special importance on consequences of design, materials, manufacture, production, logistics, service delivery, operations, maintenance, recycling and disposal, which are fundamental to its supplier selection process. The supply chain management is guided by the Sustainable Procurement Policy as well as SOPs which evaluate suppliers on material risk assessment, compliance to environmental regulations, labour laws, carbon footprint and health and safety parameters for procurement process. By means of the above systems, PEL procured 60% of its goods and services sustainably.

Furthermore, a number of supply chain initiatives were undertaken to reduce carbon footprint. Some of them are described below:

a. Saving of 9,880 Kg CO_2 equivalent ('CO_2e') by clubbing of effective shipments
b. Continuation of Direct Port Delivery (DPD) route, where import containers move directly from port to factory, reducing approximately 19,200 kms of transit distance, and thereby saving of 5,240 Kg CO_2e
c. Continuing the usage of Dell energy efficient servers has led to an estimated electricity saving of 21.5 MWh, while avoiding emission of approximately 18.13 MT CO_2e.

AWARDS & RECOGNITION

Mr. Ajay Piramal, Chairman, Piramal Group, won recognition as a titan of business and society at the vanguard of India and was ranked 11th on the "India Today Power List 2019" – July 2019

Mr. Ajay Piramal, Chairman, Piramal Group, was recognised as one of the most charitable Indians and was placed 5th on the "Hurun India Philanthropy List 2019" - October 2019

Financial Services

- Piramal Capital & Housing Finance Limited was awarded "Best Overall Investment Manager for Real Estate in India" at the 15th Annual Euromoney Real Estate Survey 2019 - September 2019
- Piramal Capital & Housing Finance Limited won "Best Private Equity Deal of the Year" at the 11th Estate Awards by Franchise India - August 2019
- Piramal Capital & Housing Finance Limited was awarded "Best In-House Legal Team of the Year" in the Banking and Financial Services sector at the Asian Legal Business India Law Awards 2020 - March 2020

Pharma

- Piramal Pharma Solutions won the "2020 Manufacturing Supply Chain Operational Industry Excellence Award" within the Pharmaceuticals Category at the 9th Edition of Manufacturing Supply Chain Awards - March 2020
- Piramal Pharma Solutions was ranked 1st by Biospectrum India in Bio Services - October 2019
- Piramal Pharma Solutions was honoured with the "Frost & Sullivan Global Customer Service Leadership Award" - June 2019

Corporate Social Responsibility

- Piramal Foundation received the "Mahatma Award for Social Good 2019" hosted by Liveweek LLC for its for primary healthcare initiative - October 2019
- Piramal Sarvajal won "Best Corporate Social Responsibility Project" from the International Desalination Association October 2019
- Piramal Swasthya was awarded "Inclusive Access Health Prize - 2019" by on USAID - September 2019

USAID
FROM THE AMERICAN PEOPLE

CERTIFICATE OF RECOGNITION

AWARDED TO

Piramal Swasthya Management and Research Institute

for being a winner of
USAID's Inclusive Health Access Prize

KELLY SALDAÑA
Director, USAID Director,
Office of Health Systems,
Bureau for Global Health

9/24/2019
DATE


LACP

Piramal

PIRAMAL ENTERPRISES LIMITED

Annual Report 2018-19

2018/19 VISION AWARDS

ANNUAL REPORT COMPETITION

Piramal Enterprises Ltd

AICL Communications Limited

is recognized for developing one of the

Top 100 Reports Worldwide

ranking at #8 among all reports reviewed for the past fiscal year.

LEAGUE OF AMERICAN COMMUNICATIONS PROFESSIONALS

COMPETITION LACP WINNER

Tyson Heyn
Principal

Christine Kennedy
Competition Director

35a

Corporate / Others

- Piramal Enterprises Limited was Ranked 2nd in India and 32nd globally by Forbes, in "The World's Best Employers 2019" list - October 2019

- Piramal Enterprises Limited was ranked among the "World's Best Regarded Companies - 2019" by Forbes and among the Top-10 Indian companies featuring in the list - September 2019

- Piramal Enterprises Limited was Ranked 1st in India for its FY2019 Annual Report and 8th globally for its FY2019 Annual Report. It was Ranked 1st globally (Platinum Award) in 'Conglomerates' category across both Print and Digital formats by League of American Communications Professionals (LACP). - February 2020

PERFORMANCE REVIEW

In accordance with the SEBI (Listing Obligations Disclosure Requirements 2018) (Amendment Regulations, 2018 the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios)

Particulars	Standalone		Consolidated	
	FY2020	FY2019	FY2020	FY2019
Debtors Turnover ratio (in days)	99.62	95.86	84.51	84.02
Inventory turnover ratio (in days)	152.14	159.01	205.97	193.97
Interest Coverage ratio^	1.49	1.33	1.53	1.65
Current ratio	0.30	0.21	0.68	0.39
Net Debt to Equity Ratio	0.47	0.90	1.23	2.03
Operating Profit Margin (%)*				
Pharmaceuticals	23.50	25.95	26.45	20.24
Financial Services	28.06	17.87	29.51	34.70
Normalised Net profit margin ratio* (%)	19.75	13.36	20.01	18.03
Return on Net worth* (%)	3.68	2.52	8.55	7.87

*Notes: FY 2020 normalised operating profit excludes Impact of Tax adjustment of prior years on account of adoption of new tax regime, additional expected credit loss on certain financial assets, on account of the anticipated effect of the global health pandemic and Profit / (loss) from discontinued operations and FY2019 normalised operating profit excludes non-recurring and non-cash accounting charge towards imaging assets and non-recurring exceptional item

^ Adjusted for additional expected credit loss on certain financial assets on account of COVID-19.

Following are reasons for movement in Key ratios:

- At Consolidated and Standalone level, movement in net debt to equity ratio and current ratio is on account of deleveraging in the Financial Services business
- Increase in Operating margins at Consolidated level for Pharma is driven by better sales realisation, Higher capacity utilization, synergies from acquisitions of high-margin products and niche manufacturing capabilities, Backward integration of raw materials, Integrated CDMO offerings resulting in higher stickiness and Leveraging global distribution network to introduce new product ranges in Complex Hospital Generics business
- Increase in Operating margin at Standalone level for Financial Services business is on account of dividend received from subsidiaries in FY2020. (Refer note 39 in Financial Statements)

10 YEAR FINANCIAL HIGHLIGHTS

(₹ Crores)

Profit and Loss Account	I-GAAP					Ind-AS				
	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Revenue from Operations	2,009	2,352	3,544	4,503	5,123	6,381	8,547	10,639	11,883	**13,068**
EBITDA	379	471	611	860	1,140	1,929	3,733	5,419	7,175	**6,758**
Interest	89	215	575	1,050	511	959	2,031	2,978	4,100	**5,321**
Profit Before Tax	16,415	121	(193)	(435)	3,035	954	1,480	2,244	2,675	**918**
Profit After Tax[2]	12,736	115	(227)	(501)	2,850	905	1,252	5,120	1,464	**21**
Normalised Profit [3,4]	185	112	(227)	(501)	421	905	1,252	1,551	2,142	**2,615**
Earnings per share[2] (₹ Only)	572.2	7	(13)	(29)	165.2	52	73	281.8	72.2	**1.14**

Notes:

(1) EBITDA, Interest and PBT for FY2019 and FY2020 have been restated and restated for continuing operation.

(2) Profit after Tax & Earning per Share includes exceptional gain for the respective period.

(3) Normalised Profit excludes Exceptional profit/loss for the period.

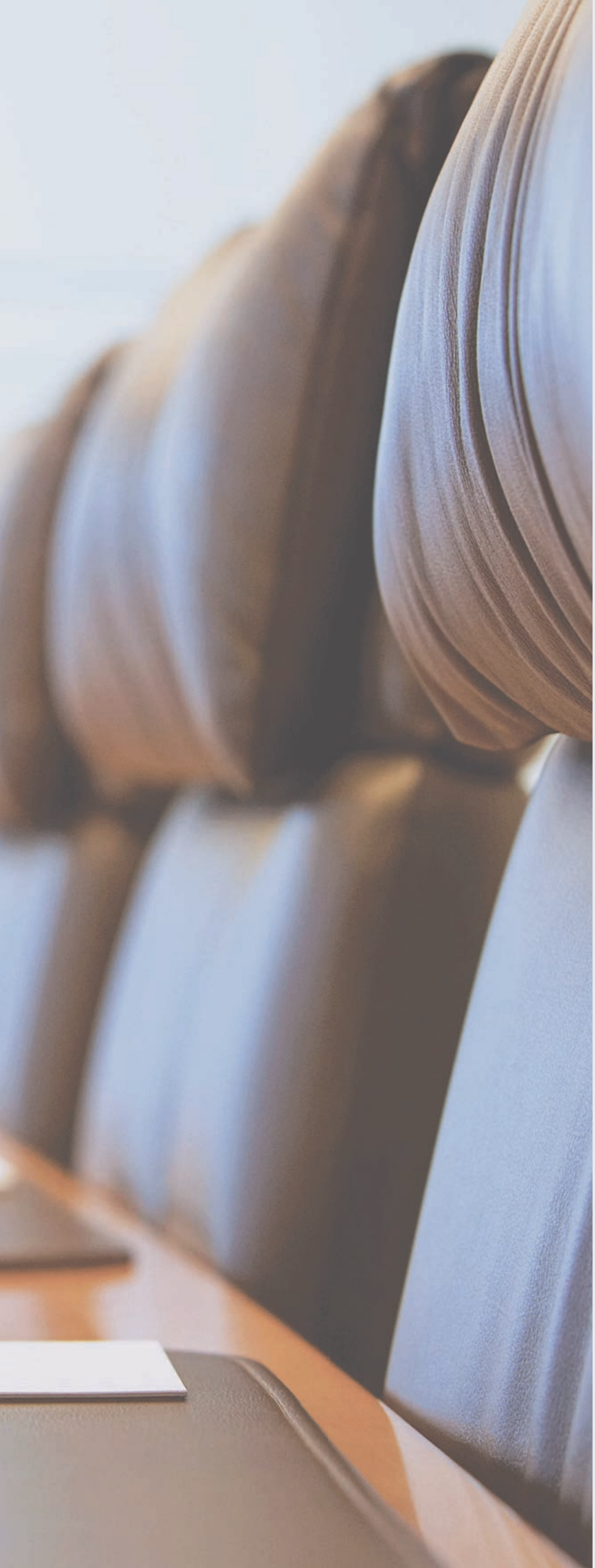
(4) FY2011, FY2019 and FY2020 Normalised profit adjusted for discontinued operations during that period.

(₹ Crores)

Balance Sheet	I-GAAP					Ind-AS				
	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Share Capital	34	35	35	35	35	35	35	36	37	**45**
Reserves and Surplus	11,803	11,208	10,689	9,287	11,701	12,914	14,848	26,526	27,187	**30,526**
Minority Interest	6	10	15	-	29	-	13	12	9	**-**
Debt	757	2,047	7,688	9,552	7,306	16,279	30,451	44,161	56,040	**42,055**
Net Deferred Tax	48	50	(46)	(41)	(27)	(288)	(594)	(4,215)	(4,049)	**(2,364)**
Total Liabilities	**12,647**	**13,349**	**18,381**	**18,832**	**19,044**	**28,940**	**44,752**	**66,520**	**79,224**	**70,262**
Net Fixed Assets	1,582	2,089	6,081	6,682	7,342	7,880	10,852	11,373	11,691	**6,933**
Investments	1,482	6,964	7,877	9,446	7,768	16,317	25,181	28,843	25,747	**19,443**
Other Net Assets	9,584	4,297	4,419	2,704	3,934	4,743	8,719	26,304	41,786	**43,886**
Total Assets	**12,647**	**13,349**	**18,381**	**18,832**	**19,044**	**28,940**	**44,752**	**66,520**	**79,224**	**70,262**

Note:

FY2019 balance sheet figures are restated for accounting impact of Piramal Phytocare Merger.



Board & Management Profiles

BOARD OF DIRECTORS

Ajay Piramal

Chairman, Piramal Group

Mr. Ajay Piramal is one of India's leading industrialists and philanthropists, and Chairman of the Piramal Group. Piramal Group is a global business conglomerate with diverse interests in pharmaceuticals, financial services, real estate and glass packaging, with offices in 30 countries and its products sold in more than 100 countries.

Mr. Piramal is regarded as a torchbearer for responsible entrepreneurship, with a strong focus on 'Doing Well and Doing Good', a philosophy that has created long-term value for the Group's stakeholders and the community as a whole.

A firm believer in the tenets of the Bhagvad Gita, Mr. Piramal is a passionate advocate of trusteeship and responsible business ethos. He is deeply invested in unblocking India's socio-economic potential through the Piramal Foundation, and is an ardent promoter of social entrepreneurship. Mr. Piramal actively steers the Group's involvement in various social impact initiatives through the Piramal Foundation, to develop innovative long term and scalable solutions to resolve issues that are critical roadblocks towards unlocking India's economic potential. The Foundation currently works across 25 states and has impacted over 100 million lives, mostly in partnership with state governments, through Piramal Swasthya, Piramal Sarvajal and Piramal School of Leadership. Piramal Foundation has partnered with NITI Aayog, India's foremost think-tank, in 25 Aspirational Districts across 7 states in India, to improve human development indicators across Healthcare & Nutrition and Education, amongst marginalised sections of society.

Mr. Piramal holds key positions on the Boards of several companies and prestigious institutions. He serves on the Harvard Business School's Board of Dean's Advisors, is co-Chair of the UK-India CEO Forum and Non-Executive Director of Tata Sons Ltd. Passionate about contributing to education in India, Mr. Piramal also serves as President and Chairman of Anant National University and Chairman of the Pratham Education Foundation.

He has been conferred with several national and international recognitions including: Outstanding Performance at the 9th Asia Pacific Entrepreneurship Awards (2018); International Advertising Association's (IAA) Business Leader of the Year Award (2018); Asia Pacific Entrepreneurship Awards (APEA) - 'Special Achievement Award' Category'(2018); CNBC India Business Leader of the Year (2018) and CNBC Asia Business Leader Award (2017) for his visionary leadership; Hurun India Philanthropy List (2017); SEN Sustainability Award – Philanthropy and Best of Best – instituted by World Presidents' Organisation (2015); Corporate Citizen of the Year award by AIMA Managing India Awards (2016); 'Outstanding Philanthropist' (2014 and 2013) by Forbes Philanthropy Awards; 'Business Leader of the Year' by the Indo-American Chamber of Commerce; and 'Entrepreneur of the Year' (2006) by the UK Trade and Investment Council.

Mr. Piramal holds an Honours degree in Science from Mumbai University and a Master's degree in Management Studies from the Jamnalal Bajaj Institute of Management Studies. He has completed an Advanced Management Programme from the Harvard Business School, and has been conferred with an Honorary Doctorate in Philosophy (D. Phil) by Amity University, India, and an Honorary Doctor of Science (Honoris Causa) Degree by IIT-Indore.

Dr. Swati A Piramal

Dr. (Mrs.) Swati Piramal is the Vice Chairperson of Piramal Enterprises Limited and a Whole-time Director. She is among India's leading scientists and industrialists, and is involved in public health and innovation. She earned her medical degree from Mumbai University and completed her Master's in Public Health from the Harvard School of Public Health. She has used her background in medicine, public health and business to change the trajectory of healthcare, education, and public policy in India. Dr. Piramal is a member of the Dean's Advisor to Harvard Business School & Public Health and was also member of Harvard Board of Overseers (2012-2018). In addition to her other commitments, Dr. Piramal is deeply committed to Corporate Social Responsibility activities. She is involved in projects across healthcare, education, livelihood creation and youth empowerment. She aims to resolve issues that are critical roadblocks towards unlocking India's economic potential by finding innovative solutions. She also looks at avenues for promoting health in rural India with mobile health services, women's empowerment projects and supporting community education that create young leaders. She also spearheaded the strategic alliance between Piramal Enterprises Ltd. (formerly Nicholas Piramal - NLIP) and the Centre for Biochemical Technology (CBT), New Delhi, for a 'knowledge-based' collaboration on the study of genomics known as 'Genomed'. CBT, a Council of Scientific & Industrial Research laboratory, is one of India's premier national research institutes for research in biotechnology and genomics.

As the first woman president of India's Apex Chamber of Commerce in 90 years, she helped influence important public policies and governance. She served as an adviser to the Indian Prime Minister in science, technology and economic policy (2006-2014). She also spearheaded the strategic alliance between Piramal Enterprises Ltd. (formerly Nicholas Piramal - NLIP) and the Centre for Biochemical Technology (CBT), New Delhi, for a 'knowledge-based' collaboration on the study of genomics known as 'Genomed'. CBT, a Council of Scientific & Industrial Research laboratory, is one of India's premier national research institutes for research in biotechnology and genomics.

She was a member of a committee set up by Shri Yashwant Sinha (Former Finance Minister of India) to transform India into a Knowledge Power.

Dr. Piramal is a leader who makes a positive difference to the community and the world. Her contributions in innovations, new medicines and public health services have touched thousands of lives.

Dr. Piramal is the Director of Piramal Art Foundation. Founded in 2014 by Dr. Swati Piramal & Mr. Ajay Piramal, Chairman, Piramal Group, Piramal Art Foundation was established as a philanthropic initiative to support Modern & Contemporary Indian Art.

Following are some of her achievements:

a. Nominated as one of the 25 Most Powerful Women in India, eight times in succession, from 2003 till 2011 by Business Today;
b. Awarded the BMA Management Woman Achiever of the Year Award during 2004-05;
c. Recipient of the Lakshmipat Singhania-IIM, Lucknow National Leadership Award;
d. Recipient of one of France's highest honours – 'Chevalier de l'Ordre National du Merite' (Knight of the Order of Merit), for medicine and trade in 2006;
e. In 2006, she also received an award in the field of Science and Technology from the Prime Minister of India, and was the recipient of the Chemtech Pharma Award for Biotech Industries;
f. Received the Rajiv Gandhi Award for Outstanding Woman Achiever, from the Rajiv Gandhi Foundation in 2007;
g. President of ASSOCHAM and was the first woman to be elected in 90 years of the history of ASSOCHAM during 2009-10;
h. In 2010, she was conferred with the Distinguished Industrialist Award for outstanding contributions to the Pharmaceutical Industry by VIT (Vellore Institute of Technology);
i. In 2011, she was nominated to the Hall of Fame as the Most Powerful Women in Business;
j. During 2011, she was also awarded by the Hon. President of India, for contribution to better Corporate Governance, and received the Global Empowerment Award - UK, from Her Royal Highness, the Duchess of Kent;
k. In 2012, she was honoured with the Padma Shri, by the President of India;
l. During 2012, she was also elected as the Member of the Harvard Board of Overseers. She also received the Alumni Merit Award from Harvard, which is the highest award bestowed on an Alumni;
m. In 2014, she received the Kelvinator Stree Shakti Award;
n. In 2015, she featured in the LinkedIn Power Profile 2015 list for most viewed CEOs on LinkedIn, India;
o. In 2016, she received IMC Ladies' Wing's prestigious "Woman of the Year" award for her significant and outstanding contribution to society in the Medical field;
p. Awarded the "First Ladies Award" by the President of India in 2018 in being the first woman leader of ASSOCHAM – the apex chamber of commerce in 90 years of its history;
q. Conferred with the Business Leader of the Year Award at Hello Hall of Fame Award 2019

Gautam Banerjee

Mr. Gautam Banerjee is Senior Managing Director of Blackstone Group and Chairman of Blackstone Singapore.

Mr. Banerjee's non-executive corporate roles outside of Blackstone include serving as an Independent Director of Singapore Airlines, Singapore Telecommunications Limited, GIC (Singapore's Sovereign Wealth Fund) and Piramal Enterprises. He also serves as member of the Defence Science & Technology Agency, and Chairman of raiSE, Centre for Social Enterprise in Singapore. His other roles in the not-for-profit sector include being a term Trustee of SINDA and a Member of the Governing Board of Yale NUS College. He has also been appointed as Pro-Chancellor of the National University of Singapore.

Previously, Mr. Banerjee served as Executive Chairman of PricewaterhouseCoopers (PwC), Singapore, for nine years until his retirement in December 2012. He spent over 30 years with the firm in various leadership roles in Singapore, India and East Asia. His previous non-executive appointments included serving as a Member of Economic Development Board and National Heritage Board.

He is a Fellow of Institute of Chartered Accountants in England and Wales, Institute of Singapore Chartered Accountants and Singapore Institute of Directors. He graduated with a Bachelor's of Science (Honours) degree from Warwick University in 1977 and was awarded an Honorary Doctor of Laws (LLD) by the same university in 2014.

He was a nominated Member of Parliament in Singapore from 2007 to 2009 and a Member of Singapore Economic Strategies Committee (2009/2010). He was awarded Public Service Medal by the Singapore Government in 2014.

Keki Dadiseth

Mr. Keki Dadiseth joined Hindustan Lever Ltd. in India in 1973 as Manager in the Audit Department. His tenure in the Company included a three-year secondment to Unilever PLC in London (1984-87) where he held senior financial and commercial positions. On his return to India in 1987, Mr. Dadiseth joined the Board of Hindustan Lever and, until he became Chairman in 1996, headed several businesses (Detergents and Personal Products) and functions (Personnel and Mergers & Acquisitions) for the Group in India.

He was appointed Director on the Board of Unilever PLC and Unilever NV in May 2000 and Member of the Executive Committee. On January 1, 2001, he took over as Director, Home and Personal Care, responsible for the HPC business of Unilever worldwide. He retired from Unilever in May 2005. He was also Non-Executive Director of Prudential PLC from 2005-2013, and

Chairman and Senior Advisor to Sony India Ltd. for four years, till early 2013. He retired as Member of the International Advisory Board of Goldman Sachs in October 2012 after serving for six years. Mr. Dadiseth served on the Boards of ICICI Prudential Life Insurance, ICICI Prudential Asset Management Trust till April 2016, Indian Hotels Co. Ltd. and PIEM Hotels Ltd. till April 2017 and Siemens Ltd. Till January 2020. He was a Trustee of Sir Ratan Tata Trust till April 2017 and was Chairman of the India Advisory Board of World Gold Council, India. He was also Member of the Advisory Boards of Accenture Services Pvt. Ltd., India Infoline and PricewaterhouseCoopers.

In India, Mr. Dadiseth is closely associated with various industry, educational, management and medical bodies. He is Member of Managing Committee, Breach Candy Hospital Trust. He is on the Boards of Britannia Industries, Piramal Enterprises, Godrej Properties Ltd. and JM Financial Ltd. He is a Director on the Board of Indian Business School. He is also Chairman/Member of Audit/Remuneration/Corporate Governance committees in most of these companies.

Mr. Dadiseth is Non-Executive Chairman of Omnicom India, and Chairman of the Convening Board of Marsh & McLennan Companies, India.

Dr. Raghunath Anant Mashelkar

Dr. R. A. Mashelkar, National Research Professor, served as the Director General of Council of Scientific and Industrial Research (CSIR), with 38 laboratories and about 20,000 employees (1995-2006).

He was also the President of Indian National Science Academy (2004- 2006), President of UK Institution of Chemical Engineers (2007) as also the President of Global Research Alliance.

Forty-two universities from around the world have honoured him with honorary doctorates, which include Universities of London, Salford, Pretoria, Wisconsin, Swinburne, Monash and Delhi.

Dr. Mashelkar is only the third Indian engineer to have been elected (1998) as Fellow of Royal Society (FRS), London in the 20th century. He was elected Foreign Associate of US National Academy of Science (2005) and also National Academy of Engineering (2003), Associate Foreign Member, American Academy of Arts & Sciences (2011), Fellow of Royal Academy of Engineering, UK (1996), Foreign Fellow of Australian Technological Science and Engineering Academy (2008), Corresponding Member of Australian Academy of Sciences (2017), Fellow of World Academy of Arts & Science, US (2000), Fellow of US National Academy of Inventors (2017), the first ever Indian from India to be elected and TWAS-Lenovo Science Prize (2018), which is considered as mini – Nobel Prize for developing world scientists.

Deeply connected with the innovation movement in India, Dr. Mashelkar served as the Chairman of India's National Innovation Foundation (2000-2018). Currently, he chairs Reliance Innovation Council, KPIT Technologies Innovation Council, Persistent Systems Innovation Council and Marico Foundation's Governing Council. He co-chairs the Maharashtra State Innovation Council.

Dr. Mashelkar has been a member of External Research Advisory Board of Microsoft (USA), Advisory Board of VTT (Finland), Corporate Innovation Board of Michelin (France), Advisory Board of National Research Foundation (Singapore), among others.

In August 1997, Business India named Dr. Mashelkar as being among the 50 path-breakers in the post- Independent India. In 1998, Dr. Mashelkar won the JRD Tata Corporate Leadership Award, the only scientist so far to win it. In June 1999, Business India did a cover story on Dr. Mashelkar as "CEO OF CSIR Inc.", a dream that he himself had articulated, when he took over as DG, CSIR in July 1995. On November 16, 2005, he received the Business Week (USA) award of 'Stars of Asia' at the hands of George Bush (Sr.), the former President of USA. He was the first Asian Scientist to receive it.

Dr. Mashelkar has been on the Board of Directors of several reputed companies such as Reliance Industries Ltd., Tata Motors Ltd., Hindustan Unilever Ltd., Thermax Ltd., Piramal Enterprises Ltd., KPIT Technologies Ltd., etc. He chairs the Boards of GeneMedix Life Sciences Pvt. Ltd., Vyome Biosciences Pvt. Ltd. and Invictus Oncology Pvt. Ltd.

Dr. Mashelkar's contributions have been multifarious.

When Dr. Mashelkar took over as the Director General of CSIR, he enunciated "CSIR 2001: Vision & Strategy". This was a bold attempt to draw out a corporate like R&D and business plan for a publicly funded R&D institution. This initiative has transformed CSIR into a user-focused, performance-driven and accountable organization. This process of CSIR transformation has been recently heralded as one of the 10 most significant achievements of Indian Science and Technology in the 20th century.

Dr. Mashelkar has been propagating a culture of innovation and balanced intellectual property rights regime for over two decades. It was through his sustained and visionary campaign that growing awareness of Intellectual Property Rights (IPR) has dawned on Indian academics, researches and corporates. He spearheaded the successful challenge to the US patent on the use of turmeric for wound healing and also the patent on Basmati rice. These landmark cases have set up new paradigms in the protection of India's traditional knowledge base, besides leading to the setting up of India's first Traditional Knowledge Digital Library. In turn, at an international level, this has led to the initiation of the change of the International Patent Classification System to give traditional knowledge its rightful place.

As Chairman of the Standing Committee on Information Technology of World Intellectual Property Organization (WIPO), as a member of the International Intellectual Property Rights Commission of UK Government and as Vice Chairman on Commission in Intellectual Property Rights, Innovation and Public Health (CIPIH) set up by World Health Organization (WHO), he brought new perspectives on the issue of IPR and the developing world concerns.

In the post-liberalized India, Dr. Mashelkar has played a critical role in shaping India's S&T policies. He was a member of the Scientific Advisory Council to the Prime Minister and also of the Scientific Advisory Committee to the Cabinet set up by successive governments. He has chaired high-powered committees set upto look into diverse issues of higher education, national auto fuel policy, overhauling the Indian drug regulatory system, dealing with the menace of spurious drugs, reforming Indian agriculture research system, etc. Currently, he is the Chairman of Government of India's two High Powered Technology Expert Committees on Swachh Bharat Abhiyan set up by Ministry of Rural Development as well Ministry of Urban Development.

Dr. Mashelkar has won over 50 awards and medals, which include S.S. Bhatnagar Prize (1982), Pandit Jawaharlal Nehru Technology Award (1991), G.D. Birla Scientific Research Award (1993), Material Scientist of Year Award (2000), IMC Juran Quality Medal (2002), HRD Excellence Award (2002), Lal Bahadur Shastri National Award for Excellence in Public Administration and Management Sciences (2002), World Federation of Engineering Organizations (WFEO) Medal of Engineering Excellence by WFEO, Paris (2003), Lifetime Achievement Award by Indian Science Congress (2004), the Science medal by the Academy of Science for the Developing World (2005), Ashutosh Mookherjee Memorial Award by Indian Science Congress (2005), etc.

The President of India honoured Dr. Mashelkar with Padmashri (1991), Padmabhushan (2000) and Padma Vibhushan (2014).

Prof. Goverdhan Mehta

Prof. Goverdhan Mehta is a leading researcher in Chemical Sciences and is presently a University Distinguished Professor and Dr. Kallam Anji Reddy Chair at University of Hyderabad. He has held positions such as Vice Chancellor of University of Hyderabad; Director of the Indian Institute of Science, Bangalore; Srinivas Ramanujam Research Professor of the Indian National Science Academy; CSIR-Bhatnagar Fellow, National Research Professor; and Lilly-Jubilant Chair Professor at University of Hyderabad. He has published over 500 research papers, delivered over 200 named and distinguished lectures worldwide and has received over 100 medals, awards and honorary Doctorate degrees.

Prof. Mehta is a Fellow of Royal Society (FRS), a Foreign Member of Russian Academy of Sciences and a Fellow of all the three Science Academies in India, and the Third World Academy of Sciences (TWAS). He was President of Indian National Science Academy and International Council for Science. He has been conferred 'Padma' award by the President of India, 'Chevalier de la Legion d'Honneur' by the President of France and 'Cross of the Order of Merit' by the President of Germany.

S. Ramadorai

Mr. S. Ramadorai was in public service from February 2011 to October 2016, having completed a 5 year term in the area of Skill Development. During his tenure as the Chairman of National Skill Development Agency (NSDA) and the National Skill Development Corporation (NSDC) his approach was to standardize the skilling effort, ensure quality and commonality of outcomes by leveraging technology and create an inclusive environment to co-operate, collaborate & co-exist. He strongly believed that empowering the youth with the right skills can define the future of the country.

Mr. Ramadorai is currently the Chairman of the Advisory Board at Tata STRIVE, which is the Tata Group's CSR skill development initiative that aims to address the pressing national need of skilling youth for employment, entrepreneurship and community enterprise. He is also the Chairman of Tata Technologies Limited and additionally serves as an Independent Director on the Boards of Piramal Enterprises Limited and DSP Investment Managers. In March 2016, he retired as the Chairman of the Bombay Stock Exchange (BSE Limited) after having served on their board for a period of 6 years.

Mr. Ramadorai took over as the CEO of Tata Consultancy Services (TCS) in 1996 when the company's revenues were at $ 155 million and since then led the company through some of its most exciting phases, including its going public in 2004. In October 2009, he retired as the CEO, leaving a $ 6 billion global IT services company to his successor. He was then appointed as the Vice Chairman and retired in October 2014, after an association of over 4 decades with the company.

Given his keen passion to work for the social sector and community initiatives, he also serves as the Chairman on the Council of Management at the National Institute of Advanced Studies (NIAS) and the Chairperson of the Governing Board at the Tata Institute of Social Sciences (TISS). He is also the President of the Society for Rehabilitation of Crippled Children (SRCC) – which has recently built a super specialty children’s hospital in Mumbai.

In recognition of his commitment and dedication to the IT industry he was awarded the Padma Bhushan (India's third highest civilian honour) in January 2006. In April 2009, he was awarded the CBE (Commander of the Order of the British Empire) by Her Majesty Queen Elizabeth II for his contribution to the Indo-British economic relations. In 2016, he was also awarded The Economic Times - Lifetime Achievement Award for his glorious contribution to Tata Consultancy Services.

His academic credentials include a Bachelor’s degree in Physics from Delhi University (India), a Bachelor of Engineering degree in Electronics and Telecommunications from the Indian Institute of Science, Bengaluru (India) and a Master’s degree in Computer Science from the University of California – UCLA (USA). In 1993, Ramadorai attended the Sloan School of Management’s highly acclaimed Senior Executive Development Program.

Ramadorai is a well-recognized global leader and technocrat who has participated in the Indian IT journey from a mere idea in 1960’s to a mature industry today. Ramadorai captured this exciting journey in a wonderfully personalized book titled 'The TCS Story...and beyond' which was published in 2011 and remained on top of the charts for several months.

Among his many interests, Ramadorai is also passionate about photography and Indian classical music.

Deepak M. Satwalekar

Mr. Deepak M. Satwalekar serves on the India Advisory Board of a large European bank. He is currently active on the Advisory Board of a few non-profit organisations, engaged in the field of primary education for the low-income and underprivileged members of society in rural and urban India. He is on the Board of a technology incubator and also advises a venture capital fund. He was the Managing Director and CEO of HDFC Standard Life Insurance Co. Ltd. till 2008. He has also been a consultant to the World Bank; the Asian Development Bank; the United States Agency for International Development (USAID); and the United Nations Human Settlements Programme (HABITAT).

Mr. Satwalekar is a recipient of the ‘Distinguished Alumnus Award’ from the Indian Institute of Technology (IIT), Bombay. He has chaired or been a member of several industry/Government/Reserve Bank of India expert groups. He is the Chairman, Board of Governors of the Indian Institute of Management, Indore.

Narayanan Vaghul

Mr. Narayanan Vaghul has served as a director on our Board since August 1997. He is the Chairman of our Audit & Risk Management Committee and Nomination & Remuneration Committee. He was the Chairman of the Board of ICICI from September 1985 to April 2009 and was on the boards of Piramal Finance Limited, Apollo Hospitals Enterprise Limited and Mahindra World City Developers Limited until May 2018, March 2019 and April, 2019 respectively. He is currently on the board of Wipro Limited and IKP Trusteeship Services Private Limited. He was a board member of Arcelor Mittal, Luxembourg from July 1997 to May 2017. He was on the board of Universal Trustees Private Limited until March 2019. He is the Chairman of the Audit, Risk and Compliance Committee, and a member of the Board Governance, Nomination and Compensation Committee of Wipro Limited.

Mr. Vaghul holds a Bachelor (Honors) degree in Commerce from Madras University. He was the recipient of the Padma Bhushan award by the Government of India in 2010. He also received the

Lifetime Achievement Awards from Economic Times, Ernst & Young Entrepreneur of the Year Award Program and Mumbai Management Association. He was given an award for the contribution to the Corporate Governance by the Institute of Company Secretaries of India in 2007.

Nandini Piramal

Ms. Nandini Piramal leads the Over-The-Counter (OTC) business of the company. She heads the Human Resources function at Piramal Group and the Quality & Risk functions at Piramal Enterprises.

Under Nandini’s leadership, the OTC business is one of the fastest growing Indian OTC companies and all its brands are either No.1 or No.2 in their respective categories. She is leading a five-year transformation agenda across the Piramal Group for top talent identification and development process across levels. She has been instrumental in setting up the Risk Function with Jaideep Sen (Chief Risk Officer).

Piramal Enterprises is also the only Indian company to be part of Willis Towers Watson Global High Performing Norm. In 2014, World Economic Forum recognised Nandini as a ‘Young Global Leader’.

Nandini is passionately involved with Piramal Foundation (the philanthropic arm of the Piramal Group), Piramal Foundation Education Leadership programs, Piramal Sarvajal and Piramal Swasthya. She graduated with BA (Hons) Politics, Philosophy and Economics from Oxford University, followed by an MBA from Stanford Graduate School of Business.

Anand Piramal

Anand Piramal, founded Piramal Realty, one of India's largest and fastest growing real estate companies in 2012. In 2018, Piramal Realty received the Hurun Fastest Growing Real Estate Company of the Year award.

Piramal Realty is a Mumbai centric developer with over 20 mn sq/ft under development in Worli, Mahalaxmi, Mahim, Byculla, Kurla, Thane and Mulund. In 2015, Warburg Pincus and Goldman Sachs committed to invest $434 million for a minority stake in the company.

Prior to his stint at Piramal Realty, Anand helped found a rural healthcare start-up called 'Piramal eSwasthya'. At eSwasthya, he led the acquisition of HMRI (Health Management Research Institute). Today the merged entity 'Piramal Swasthya' is India's largest private primary healthcare initiative, with over 4000 employees, 450 doctors serving 40,000 patients daily across 20 states through its health hotlines, mobile medical units and telemedicine centres. In 2015, it won the 'Times Social Impact' Award and in 2013 the Forbes Philanthropy Award. It is also taught as a case study at prestigious institutions such as Harvard Business school and IIM-A.

Anand was conferred with the Hurun Real Estate Unicorn of the Year 2017 and Young Business Leader award by Hello! Magazine.

Anand graduated in Economics from the University of Pennsylvania, and earned an MBA from Harvard Business School in 2011. Anand was also the youngest President of the Youth Wing of the 100-year-old Indian Merchant Chambers. Anand is on the board of Piramal Enterprises.

Vijay Shah

Mr. Vijay Shah is presently a Non-Executive Director at Piramal Enterprises Ltd. He is also a Member of Investment Committee of IndiaRF and the Pharma Operations Board at Piramal Enterprises Ltd. He is also Director/Vice Chairman at Piramal Glass Private Limited ('Piramal Glass').

Mr. Shah started his career in 1982 as Senior Consultant with Management Structure & Systems Pvt. Ltd., a management consultancy organization providing services for large firms such as Larsen & Toubro (L&T), Siemens, etc. He joined Piramal Group's Strategic Planning function in 1988 and later moved to Piramal Glass as Managing Director. Under his leadership, Piramal Glass's sales grew from Rs.26 crores in FY1992 to Rs.238 crores in FY2000 (CAGR of 32%). After his successful stint at Piramal Glass, he was entrusted the responsibility of Pharmaceutical formulations business at Piramal Healthcare in 1999. Under his leadership, the company moved from Rank 23 to Rank 4 in Indian Pharma industry, achieving sales of Rs.932 crores in FY2006 (CAGR of ~28% during his tenure). After this turnaround at Piramal Healthcare, he moved back to Piramal Glass as Managing Director in 2006.

Mr. Shah has done B.Com (1980) and is a rank holder of Institute of Chartered Accountants of India (1981). He has also done a Management Education Programme from IIM, Ahmedabad (1987), and Advanced Management Program from the Harvard Business School, Boston, USA (1997).

Rajesh Laddha

Mr. Rajesh Laddha is the Executive Director & Group CFO at Piramal Enterprises Ltd. Mr. Laddha as the Group Chief Financial Officer (CFO) oversees various functions at the Piramal Group level including corporate finance, treasury, strategic initiatives such as M&A, capital raising and taxation.

Prior to this, Mr. Laddha served as the Managing Director (MD) and Chief Executive Officer (CEO) of Shriram Capital Limited where he was responsible for business strategy comprising growth plans and strategic initiatives including M&A. In addition, he oversaw areas such as capital allocation, group synergies and enhancement of collaboration amongst all stakeholders, and the performance of various operating entities under Shriram Group.

Mr. Laddha carries with him over 3 decades of extensive experience in corporate finance, business strategy, mergers & acquisitions, corporate structuring, investments, corporate governance and taxation. He has served on the Board of Vodafone India Limited and is currently on the Board of Shriram Capital Limited and Allergan India Private Limited.

Mr. Laddha holds a Master of Business Administration (MBA) degree from University of Chicago, USA. He is also a qualified Chartered Accountant from India, a Certified Public Accountant from the USA and a Certified Management Accountant from the UK.

MANAGEMENT PROFILES

Peter DeYoung

CEO, Piramal Global Pharma, Piramal Enterprises Ltd.

Peter DeYoung is the CEO of Piramal Global Pharma, Piramal Enterprises Ltd., and a member of the Piramal Pharma Operating Board. Piramal Global Pharma is comprised of Piramal Pharma Solutions and Piramal Critical Care business units. In his current role, Mr. DeYoung is responsible for steering strategy and driving profitable growth of these businesses.

Prior to this, he has spearheaded several leadership mandates at the Piramal Group, including CEO, Piramal Critical Care and President, Life Sciences.

Previously, Mr. DeYoung worked in various investing and consulting roles in healthcare in the USA, Europe and India. He joined McKinsey & Company in New York after graduating from Princeton, where he worked on a number of projects for pharmaceutical and medical device companies. He was then seconded by McKinsey to the World Economic Forum in Geneva, Switzerland as part of the Global Health Initiative. Mr. DeYoung returned to McKinsey in New York and later in Mumbai, where he focused on the pharmaceutical and healthcare practice. Later, he joined the Blackstone Group's Private Equity Division in Mumbai where he was part of the deal team for several significant transactions, across a wide spectrum of industry sectors in India.

Mr. DeYoung holds a Master's Degree in Business Administration from Stanford University (Arjay Miller Scholar), California, USA and a Bachelor's of Science Degree in Engineering from Princeton University, New Jersey, USA (summa cum laude).

Khushru Jijina

Managing Director – Piramal Capital & Housing Finance Ltd., Piramal Enterprises

Khushru Jijina is Managing Director, Piramal Capital & Housing Finance Limited (PCHFL). A Chartered Accountant with an illustrious career spanning well over three decades in the field of real estate, corporate finance and treasury management, Mr. Jijina has been associated with the Piramal Group for two decades. Under his leadership, PCHFL has grown rapidly and provides both wholesale and retail funding opportunities across sectors.

In real estate, the platform provides housing finance and other financing solutions across the entire capital stack ranging from early stage private equity, structured debt, senior secured debt, construction finance and flexi lease rental discounting. The wholesale business in the non-real estate sector includes separate verticals - Corporate Finance (CFG) and Emerging Corporate Lending (ECL). CFG provides customized funding solutions to companies across sectors such as infrastructure, renewable energy, roads, industrials, auto components etc. while ECL focuses on lending towards Small and Medium Enterprises (SMEs). PCHFL through its group companies provides customized strategies for institutional and retail investors such as Mumbai Redevelopment Fund focused on slum rehabilitation and Apartment Fund focused on bulk buying individual units (through Piramal Fund Management) and strategic partnerships with leading global pension funds such as CPPIB, APG and Ivanhoe Cambridge.

Mr. Jijina has been recognized with several leadership accolades namely Asia One: Global India 2017, Business Leader of the Year: Global Real Estate Congress 2017, Visionary in Real Estate Financing: NDTV Property Awards 2017, Entrepreneur of the Year in the financial services industry by Asia Pacific Entrepreneurship Awards (APEA) in 2017, CXO of the year: Realty Plus 2018, CEO of the Year: 8th EPC World Awards, the Extraordinaire Game Changer Awards 2019: Brand Vision, Professional Entrepreneur of the year by Entrepreneur India 2019, Scroll of Honour – Realty Plus.

Prior to this, Mr. Jijina was the Managing Director of Piramal Realty where he was responsible for a portfolio of real estate development projects and oversaw all aspects of their execution. He was also the Executive Director of Piramal Sunteck Realty. He joined the Piramal Group in 2001 as Vice President, Treasury, and was instrumental in securing debt at the lowest cost for the group, setting new benchmarks in the debt market. Mr. Jijina started his career with Rallis, a TATA Group company, where over a span of more than a decade, he held several pivotal positions in corporate finance and treasury.

Harinder S. Sikka

Group Director – Strategic Business, Piramal Group

Mr. Harinder Sikka is the Group Director – Strategic Business at the Piramal Group. He is a former Lt. Commander from the Indian Navy and has been with the Group for nearly three decades.

He has been awarded by the Global Anti-Counterfeiting Group, Paris as also recipient of 'The Indira Super Achiever Award', besides other prestigious recognitions. He is trained on Intellectual Property Rights from AOTS, Tokyo, Japan.

He is a prolific writer and an acclaimed film-maker. He went to Kargil battle theatre in 1999 as a freelance embedded journalist and has written over hundred articles in leading newspapers.

He produced Multiple National Awards winning film Nanak Shah Fakir, directed short films and authored two best-selling books Calling Sehmat and Vichhoda. Blockbuster film Raazi, led by Alia Bhat was based on his best seller book Calling Sehmat that was published in six indian languages.

Nitish Bajaj

CEO, Consumer Healthcare Division

Mr. Nitish Bajaj is the CEO of Consumer Healthcare Division, Piramal Enterprises Limited. He brings with him extensive experience and knowledge in business and marketing strategy, process restructuring, innovation, digitization, media planning, entry strategy and merger & acquisition in the Consumer Healthcare and Automotive space. He has been instrumental in launching and building the architecture of global power brands through robust consumer in-sights and by creating innovation pipelines.

Prior to joining Piramal, Mr. Bajaj was Senior Vice President, Marketing at CEAT Tyres and has worked with organizations such as Reckitt Benckiser (India) Limited, Ranbaxy Global Consumer Healthcare and Heinz India Private Limited.

Mr. Bajaj holds a Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad; and a Degree in Bachelor of Technology in Metallurgical Engineering from Indian Institute of Technology (BHU).

Jairam Sridharan

Chief Executive Officer (CEO), Piramal Consumer Finance

Jairam Sridharan is The CEO of Piramal Consumer Finance, including the Housing Finance vertical of Piramal Group.

Over the last 20 years of his career, Jairam has served in a range of domestic and international retail finance roles.

Prior to his current role Piramal Group, Jairam has handled a variety of roles at Axis Bank. He was previously President, Retail Lending & Payments at Axis Bank. In this role, he was responsible for driving growth in the retail lending and payments businesses comprising retail lending products (home, car, personal & other loans), cards business (credit, debit & prepaid) and the agriculture & rural lending business. In his 5 years in this role, Axis Bank saw industry leading, 6X growth and emerged as one of the top 5 retail lending institutions in the country. At the time of his departure at Axis Bank, Jairam was heading the Finance function as the CFO of Axis Bank.

Before joining Axis Bank, Jairam served Capital One Financial, a consumer bank based in Richmond, VA (USA) as Head –'New to Credit' Card Acquisitions in the US Cards Business. At the start of his career with ICICI Bank, he played a key role in their initial foray into the retail lending businesses, serving as Head – Business Intelligence Unit.

Jairam holds a Bachelor of Technology degree in Chemical Engineering from IIT Delhi and Post Graduate Diploma in Management from IIM Kolkata where he was awarded a Roll of Honour for academic excellence.

In 2015, Mr. Sridharan was chosen by The Econonomic Times as a part of their "40 Under 40" list of India's hottest business leaders. In 2019, Institutional Investor magazine named Jairam "Best CFO" in their All-Asia Executive team for Banks, based on Sell-Side analyst votes. Jairam is an avid reader and likes to spend his free time travelling with his family, and looking for a track to run.

Vivek Valsaraj

CFO, Piramal Enterprises Ltd.

Vivek Valsaraj is the President and Chief Financial Officer for Piramal Enterprises & has over 20 years of overall experience in the field of finance. He has been associated with the Piramal Group for over 19 years and currently oversees the entire Finance & Shared Services function for Piramal Enterprises. In his earlier stints within the group he has been associated with roles in Corporate, the erstwhile Domestic Formulations business and has been the CFO for the Pharma business.

He has extensive experience in the areas of Corporate Finance, Business strategy, mergers and acquisitions, corporate structuring, corporate governance and taxation. Over the last several years he has been closely associated with the Pharma business and has actively participated in the affairs of these businesses including key acquisitions and divestments. He has also been responsible for executing systems and processes and internal controls to bring in financial discipline.

He is a qualified CMA and has been with the Piramal Group for over 19 years in various roles & has had prior stints with companies like Wockhardt Ltd. and Bharat Bijlee Ltd.

Shantanu Nalavadi

Managing Director, India Resurgence Asset Management Business Pvt. Ltd.

Mr. Shantanu Nalavadi carries with him more than two and half decades of experience in banking and financial services. He currently is the Managing Director of India Resurgence Fund ('IndiaRF', A Piramal Enterprises Limited and Bain Capital Credit Partnership) a distress fund which focusses on investment in distress assets and underlying debt from the large Indian NPL market, in growth sectors such as industrials, infrastructure, manufacturing etc., taking direct control / oversight through Indian bankruptcy law or outside of the law, and working through a financial and operational turnaround plan.

Prior to joining IndiaRF, he was the co-head of the structured investment group with Piramal Enterprises Ltd ("Piramal SIG") and before that he was a Partner with New Silk Route Advisors Pvt. Ltd., a Private Equity Fund with over USD 850 million in AUM ("NSR PE").

At Piramal SIG he was focussed on investing across distressed and special situations in India in myriad of sectors including infrastructure, renewable, road, cement etc. through a diverse set of high yield structured credit products backing a robust and credible business / turn-around plan, which enabled securing returns to all concerned stakeholders.

At NSR PE he was focussed on investing equity growth capital, creating value and monetizing investments across several sectors, including financial services, consumer, infrastructure, media & manufacturing. His portfolio included controlled and turnaround deals involving active operational and turnaround management. Mr. Nalavadi's prior work experience includes long working tenors with global MNCs, such as ANZ Grindlays Bank, Star TV and Walt Disney with P/L and business development responsibilities. He is a Chartered Accountant by qualification and did his article-ship with Arthur Andersen.

Statutory Reports

REPORT ON CORPORATE GOVERNANCE

A report for the financial year ended March 31, 2020 on compliance by the Company with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), is furnished below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

The Company's essential character is shaped by the values of transparency, customer satisfaction, integrity, professionalism and accountability. The Company continuously endeavours to improve on these aspects. The Board views Corporate Governance in its widest sense. The main objective is to create and adhere to a corporate culture of integrity and consciousness. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target. The Company's philosophy on Corporate Governance is guided by the Company's philosophy of Knowledge, Action, Care and Impact.

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

2. BOARD OF DIRECTORS

A. Composition and size of the Board

The Board is entrusted with ultimate responsibility of the management, directions and performance of the Company. The Company's policy is to maintain an optimum combination of Executive and Non-Executive/Independent Directors. As on March 31, 2020, the composition of the Company's Board, comprises of 13 Directors, as given in the table below and is in conformity with Regulation 17(1) of the Listing Regulations and other applicable regulatory requirements. About 62% of the Company's Board comprises of Independent Directors (IDs). There are no Nominee Directors representing any institution on the Board of the Company.

Name of Director	Other Directorships as on March 31, 2020[1]		Membership of other Board Committees as on March 31, 2020[2]		Directorships in Listed Companies and Category of Directorship as on March 31 , 2020[3]
	as Member	as Chairman	as Member	as Chairman	
Executive Directors – Promoter Group					
Mr. Ajay G. Piramal – Chairman	5	2	1	-	-
Dr. (Mrs.) Swati A. Piramal – Vice Chairperson	7	-	-	-	Nestle India Limited (Independent Director)
Ms. Nandini Piramal	3	-	1	-	The Swastik Safe Deposit and Investments Limited (Non- Executive Director)
Non – Executive, Non Independent Director – Promoter Group					
Mr. Anand Piramal	7	-	-	-	-
Executive Director – Non Promoter Group[4]					
Mr. Vijay Shah*	2	-	-	-	-
Non-Executive, Independent Directors					
Mr. Gautam Banerjee	1	-	-	-	-
Mr. Keki Dadiseth	3	1	2	1	Godrej Properties Limited (Independent Director) JM Financial Limited (Independent Director) Britannia Industries Limited (Independent Director)
Dr. R.A. Mashelkar	6	-	1	-	Reliance Industries Limited (Independent Director) Godrej Agrovet Limited (Independent Director)
Prof. Goverdhan Mehta	-	-	-	-	-
Mr. S. Ramadorai	1	1	-	-	-
Mr. Deepak Satwalekar	3	1	-	-	Asian Paints Limited (Independent Director)
Mr. N. Vaghul	3	-	-	1	
Mrs. Arundhati Bhattacharya$	4	1	3	1	Reliance Industries Limited (Independent Director) Crisil Limited (Independent Director) Wipro Limited (Independent Director)

*Mr. Vijay Shah resigned as a Whole-Time Director of the Company with effect from May 11, 2020, however he continues to serve as a Non-Executive, Non-Independent Director of the Company.

$ Mrs. Arundhati Bhattacharya resigned as an Independent Director of the Company with effect from April 16, 2020.

Notes:

1 This excludes directorships in foreign companies and companies licensed under Section 8 of the Companies Act, 2013 ('the Act')/Section 25 of the Companies Act, 1956.

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

3 Excludes directorship in the Company.

4. Mr. Rajesh Laddha has been appointed as an Additional Director (Executive) of the Company with effect from May 11, 2020.

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

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

While all the Members of the Board possess the identified skills, their core competencies are given below:

Name of Directors	General Corporate Management including Human Resources	Entrepreneurship including Strategy and Public Policy	Business Leadership	Pharmaceuticals and Public Health	Finance, Economic, Banking, Financial Services, Risk and Governance	Technology, Science and Innovation
Mr. Ajay G. Piramal	✓	✓	✓	✓	✓	✓
Dr. (Mrs.) Swati A. Piramal	✓	✓	✓	✓	✓	✓
Ms. Nandini Piramal	✓	✓	✓	✓	✓	✓
Mr. Anand Piramal	✓	✓	✓		✓	
Mr. Vijay Shah	✓	✓	✓	✓	✓	
Mr. Gautam Banerjee	✓	✓	✓		✓	
Mr. Keki Dadiseth	✓	✓	✓	✓	✓	
Dr. R. A. Mashelkar	✓	✓	✓	✓	✓	✓
Prof. Goverdhan Mehta	✓	✓	✓	✓		✓
Mr. S. Ramadorai	✓	✓	✓		✓	✓
Mr. Deepak Satwalekar	✓	✓	✓		✓	✓
Mr. N. Vaghul	✓	✓	✓		✓	
Mrs. Arundhati Bhattacharya$	✓	✓	✓		✓	✓

$ Mrs. Arundhati Bhattacharya resigned as an Independent Director of the Company with effect from April 16, 2020.

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

II. **Role of Independent Directors**

Independent Directors play a key role in the decision-making process of the Board and in shaping various strategic initiatives of the Company. The Independent Directors are committed to act in what they believe is in the best interests of the Company and its stakeholders. The wide knowledge in their respective fields of expertise and best-in-class boardroom practices helps foster varied, unbiased, independent and experienced perspective.

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

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

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

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

III. **Meeting of Independent Directors**

The Company's Independent Directors met on February 3, 2020 in absence of Non-Independent Directors and Members of Management. At this meeting the Independent Directors reviewed the following:

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

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

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

IV. **Familiarization Programme for Independent Directors**

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

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

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

V. Resignation of Independent Directors

Mr. Siddharth Mehta resigned as an Independent Director of the Company with effect from February 4, 2020, owing to increase in his other professional commitments.

Mrs. Arundhati Bhattacharya resigned as an Independent Director of the Company with effect from April 16, 2020 on account of her accepting a full time executive role in another company.

Both, Mr. Siddharth Mehta and Mrs. Arundhati Bhattacharya have confirmed that there were no other material reasons for their resignation.

VI. Inter-se relationships among Directors

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

VII. Board Evaluation

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

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

VIII. Certification from Company Secretary in Practice

A certificate has been received from M/s. N. L. Bhatia & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs or any such statutory authority. The Certificate is attached to the Board's Report forming part of the Annual Report.

B. Board Meetings and Procedures

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

The Board has unrestricted access to all Company related information. Detailed presentations are made to the Board regularly which covers operations, business performance, finance, sales, marketing, global and domestic business environment and related details. All necessary information including but not limited to those mentioned in Part A of Schedule II to the Listing Regulations, are placed before the Board. The Members of the Board are at liberty to bring up any matter for discussions at the Board Meetings and the functioning of the Board is democratic. Members of the Senior Management team are invited to attend the Board Meetings, who provide additional inputs to the agenda items discussed by the Board. The Company has a well-established process in place for reporting compliance status of various laws applicable to the Company.

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

There was no instance during the financial year 2019-20, where the Board of Directors had not accepted the recommendation of any Committee of the Board which was mandatorily required.

I. Meetings Held

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

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

Dates of the Board Meetings	No. of Directors Present at the Meeting
April 1, 2019	14
April 26, 2019	13
July 30, 2019	12
October 21, 2019	12
October 25, 2019	10
January 17, 2020	12
February 4, 2020	14

II. **Details of Directors attendance at Board meetings held during the year and at the last Annual General Meeting (AGM) held on July 30, 2019 are given in the following table:**

Name of Directors	Board Meetings		Attended last AGM
	Held during tenure	Attended	
Mr. Ajay G. Piramal	7	7	Yes
Dr. (Mrs.) Swati A. Piramal	7	7	Yes
Ms. Nandini Piramal	7	6	Yes
Mr. Anand Piramal	7	6	No
Mr. Vijay Shah	7	7	Yes
Mr. Gautam Banerjee	7	5	No
Mr. Keki Dadiseth	7	6	Yes
Dr. R.A. Mashelkar	7	7	Yes
Prof. Goverdhan Mehta	7	6	Yes
Mr. Siddharth Mehta*	7	6	Yes
Mr. S. Ramadorai	7	6	Yes
Mr. Deepak Satwalekar	7	7	Yes
Mr. N. Vaghul	7	7	Yes
Mrs. Arundhati Bhattacharya*	7	4	Yes

* Mr. Siddharth Mehta and Mrs. Arundhati Bhattacharya resigned as Independent Directors of the Company with effect from February 4, 2020 and April 16, 2020, respectively.

C. Shareholding of Non-Executive Directors

The individual shareholding of Non-Executive Directors as on March 31, 2020 is given below:

Name of Directors	No. of shares held
Mr. Keki Dadiseth	6,210
Dr. R. A. Mashelkar	9,403
Prof. Goverdhan Mehta	5,662
Mr. S. Ramadorai	6,002
Mr. Deepak Satwalekar	11,816
Mr. N. Vaghul	11,816
Mr. Anand Piramal	1,97,097

None of the Non-Executive Directors were holding any Compulsorily Convertible Debentures of the Company as on March 31, 2020.

3. STATUTORY BOARD COMMITTEES

The Board Committees are set up by the Board and are governed by its terms of reference which exhibit the scope, composition, tenure, functioning and reporting parameters. The Board Committees play a crucial role in the governance structure of the Company and they deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board and Chairpersons of the respective Committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are submitted to the Board for approval. The minutes of the meetings of all Committees of the Board are placed before the Board for noting.

The Company has four Statutory Committees:

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

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

Committees of the Company	Audit & Risk Management Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee
Number of Meetings held	7	2	4	2
	Directors' Attendance			
Mr. Ajay G. Piramal	-	2	-	-
Dr. (Mrs.) Swati A. Piramal	-	-	-	-
Ms. Nandini Piramal	-	-	3	1
Mr. Anand Piramal	-	-	-	-
Mr. S. Ramadorai	-	1	-	-
Mr. Keki Dadiseth	7	2	-	-
Mr. N. Vaghul	7	2	-	-
Mr. Deepak Satwalekar	-	-	4	-
Prof. Goverdhan Mehta	-	-	-	2
Dr. R.A. Mashelkar	7	-	-	-
Mr. Vijay Shah	-	-	4	2

Committees of the Company	Audit & Risk Management Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee
Mr. Gautam Banerjee	-	-	-	-
Mr. Siddharth Mehta	-	-	-	-
Mrs. Arundhati Bhattacharya	-	-	-	-

Note:

During the year under review, Dr. (Mrs.) Swati A. Piramal, Mr. Anand Piramal, Mr. Gautam Banerjee, Mr. Siddharth Mehta and Mrs. Arundhati Bhattacharya were not members of any Statutory Committee.

A. Audit & Risk Management Committee

I. Constitution of the Committee

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

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

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

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

II. Terms of Reference

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

III. Meetings Held

The Audit & Risk Management Committee met seven times during the financial year 2019-20, on the following dates:

April 1, 2019	April 25, 2019	July 30, 2019
September 17, 2019	October 21, 2019	January 17, 2020
February 04, 2020		

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

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

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

B. Nomination & Remuneration Committee

I. Constitution of the Committee

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

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

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

II. Terms of Reference

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

III. Meetings Held

The Committee met two times during the financial year 2019-20 on the following dates:

April 26, 2019	July 30, 2019

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

IV. Performance Evaluation Criteria for Independent Directors

The Performance Evaluation Criteria for Independent Directors is comprised of certain parameters like professional qualifications, experience, knowledge and competency, active participation at the Board/Committee meetings, ability to function as a team, initiative, availability and attendance at meetings, commitment and contribution to the Board and the Company, integrity, independence from the Company and other Directors and whether there is any conflict of interest, voicing of opinions freely, etc. These are in compliance with applicable laws, regulations and guidelines.

C. Stakeholders Relationship Committee

I. Constitution of the Committee

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

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

* Mr. Vijay Shah resigned as a Whole-Time Director of the Company with effect from May 11, 2020, however he continues to serve as a Non-Executive Non-Independent Director of the Company.

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

II. Terms of Reference

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

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

III. Meetings Held

The Committee met four times during the financial year 2019-20, on the following dates:

April 26, 2019	July 30, 2019
October 21, 2019	February 4, 2020

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

IV. Stakeholders Grievance Redressal

There was 1 shareholder complaint pending at the beginning of the year. 29 complaints were received and redressed to the satisfaction of shareholders during the year under review. No complaints were outstanding as on March 31, 2020. The Company did not receive any complaints relating to Compulsorily Convertible Debentures during the year.

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

The Company maintains continuous interaction with the RTA and takes proactive steps and actions for resolving shareholder complaints/queries. Likewise, the Company also has regular interaction with the Debenture Trustees to ascertain the grievances, if any, of the Debenture holders. There was no grievance received from the Debenture Trustee or from any of the Debenture holders during the financial year 2019-20.

V. Compliance Officer

Mr. Bipin Singh, Company Secretary, is the Compliance Officer. The Company has designated the email ID complianceofficer.pel@piramal.com to enable stakeholders to email their queries/grievances.

D. Corporate Social Responsibility Committee

I. Constitution of the Committee

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

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

* Mr. Vijay Shah resigned as a Whole-Time Director of the Company with effect from May 11, 2020, however he continues to serve as a Non-Executive Non-Independent Director of the Company.

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

II. Terms of Reference

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

III. Meetings Held

The Committee met two times during the financial year 2019-20 on the following dates:

April 26, 2019	October 21, 2019

4. REMUNERATION OF DIRECTORS

A. Remuneration to Executive Directors:

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

Details of remuneration of the Executive Directors approved by the Board for the year ended March 31, 2020 are given below:

(₹)

Name of Directors	Designation	Salary & Perquisites
Mr. Ajay G. Piramal	Chairman	9,31,48,704
Dr. (Mrs.) Swati A. Piramal	Vice-Chairperson	4,48,27,814
Ms. Nandini Piramal	Executive Director	3,61,78,681
Mr. Vijay Shah	Executive Director	5,42,24,478

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

B. Sitting fees paid to Independent Directors

Details of sitting fees paid to the Independent Directors for the financial year 2019-20 are given below. These are within the limits prescribed under the Act:

(₹)

Name of Independent Director	Sitting Fees
Mr. Gautam Banerjee	7,00,000
Mr. Keki Dadiseth	17,50,000
Mr. S. Ramadorai	8,50,000
Mr. Deepak Satwalekar	14,00,000
Dr. R.A. Mashelkar	16,00,000
Prof. Goverdhan Mehta	9,00,000
Mr. Siddharth Mehta*	9,50,000
Mr. N. Vaghul	19,50,000
Mrs. Arundhati Bhattacharya*	8,00,000

*Mr. Siddharth Mehta and Mrs. Arundhati Bhattacharya resigned as Independent Directors of the Company with effect from February 4, 2020 and April 16, 2020, respectively.

Notes for Directors' Remuneration:

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

b. The terms of appointment of Executive Directors as approved by shareholders, are contained in their respective Agreements entered into with the Company. The tenure of office of the Whole-Time Directors is between three to five years from their respective date of appointment. The Agreements also contain clauses relating to termination of appointment in different circumstances, including for breach of terms, the notice period for which is three months. While there is no specific provision for payment of severance fees for any of the Executive Directors, the Board is empowered to consider the same at its discretion, taking into account attendant facts and circumstances.

c. No amount by way of loan or advance has been given by the Company to any of its Directors.

d. During the year ended March 31, 2020, 15,041 Stock Options were granted to Mr. Vijay Shah, Executive Director at an exercise price of ₹ 1,532 per Option. In addition to the exercise price, applicable tax would also be payable at the time of exercising the Stock Options. Out of the Stock Options so granted, the NRC/Board of Directors would determine the actual number of Stock Options that would vest, after considering performance and other factors. It may be noted in this regard that since the Company's ESOP Scheme is implemented through the ESOP Trust and the shares given by the ESOP Trust against exercise of Stock Options are those that have been acquired by the ESOP Trust from the secondary market and no new shares are issued by the Company, there will not be any increase in the share capital of the Company, nor will there be any impact on the Earnings Per Share or other ratios relating to share capital, as a result of exercise of the Stock Options.

e. There was no pecuniary relationship or transactions with Non–Executive Directors vis-à-vis the Company other than sitting fees and commission, if any, that is paid to the Non–Executive Independent Directors.

f. Considering the heightened uncertainty caused by COVID-19 pandemic and the need to conserve cash for future, Executive Directors decided to forego their performance linked incentive for the financial year ended March 31, 2020 and Non-Executive Independent Directors decided to forego their commission for the financial year ended March 31, 2020.

g. During the financial year ended March 31, 2020, Non-Executive Independent Directors were paid sitting fees of ₹ 1,00,000 for attending each meeting of the Board and Audit & Risk Management Committee and ₹ 50,000 for attending each meeting of other Committees.

5. GENERAL BODY MEETINGS

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

AGM	Date	Time	Venue	Details of Special Resolutions passed
70th AGM	August 1, 2017	3.00 p.m.	Y.B. Chavan Centre, General Jagannath Bhosale Marg, Opposite Mantralaya, Nariman Point, Mumbai – 400 021.	(i) Re-appointment of Mr. Ajay G. Piramal as Whole-Time Director designated as Chairman. (ii) Re-appointment of Ms. Nandini Piramal as Whole-Time Director. (iii) Issue of Non-Convertible Debentures on Private Placement basis.
71st AGM	July 30, 2018	3.00 p.m.	Rangaswar Auditorium, 4th Floor, Yashwantrao Chavan Pratisthan, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021.	(i) Re-appointment of Mr. S. Ramadorai as an Independent Director. (ii) Re-appointment of Mr. Narayanan Vaghul as an Independent Director. (iii) Re-appointment of Dr. R. A Mashelkar as an Independent Director. (iv) Re-appointment of Prof. Goverdhan Mehta as an Independent Director. (v) Re-appointment of Mr. Keki Dadiseth as an Independent Director. (vi) Re-appointment of Mr. Deepak Satwalekar as an Independent Director. (vii) Re-appointment of Mr. Gautam Banerjee as an Independent Director. (viii) Re-appointment of Mr. Siddharth Mehta as an Independent Director. (ix) Re-appointment of Dr. (Mrs.) Swati A. Piramal as Whole-Time Director designated as Vice-Chairperson of the Company. (x) Re-appointment of Mr. Vijay Shah as Whole-Time Director. (xi) Issue of Non-Convertible Debentures on Private Placement basis.
72nd AGM	July 30, 2019	3.00 p.m.	Y.B. Chavan Centre, General Jagannathrao Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021.	Issue of Non-Convertible Debentures on Private Placement basis.

B. Details of the Extra Ordinary General Meetings held during the year

Date	Time	Venue	Details of Special Resolution(s) passed
November 25, 2019	11.00 a.m.	Walchand Hirachand Hall, Indian Merchants' Chambers Building, 4th Floor, IMC Marg, Churchgate, Mumbai – 400 020	Issuance of compulsorily convertible debentures, convertible into equity shares of face value of ₹ 2 each, for an aggregate amount of ₹ 1,750 crores by way of preferential issue.
February 13, 2020	10.00 a.m.		Divestment of Healthcare Insights and Analytics Business.

C. Postal Ballot

No postal ballot was conducted during the financial year ended March 31, 2020.

At present there is no proposal to pass any resolution through postal ballot.

6. DISCLOSURES

A. Related Party Transactions

a) All transactions entered into with Related Parties in terms of provisions under the Act and Regulation 23 of the Listing Regulations during the financial year 2019-20 were undertaken in compliance with the aforesaid regulatory provisions;

b) There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company;

c) Suitable disclosures as required by the Indian Accounting Standards (IND AS 24) have been made in Note No. 39 of the standalone financial statements, which forms part of this Annual Report;

d) The Board has approved a policy for related party transactions which has been uploaded on the website of the Company and can be accessed at https://www.piramal.com/investor/overview/;

e) The Register of Contracts/statement of related party transactions, is placed before the Board/Audit & Risk Management Committee regularly.

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

SEBI had issued an Order dated October 3, 2016 with respect to the Company, Mr. Ajay G. Piramal, Dr. (Mrs.) Swati A. Piramal, Ms. Nandini Piramal and Mr. N. Santhanam (former Director) imposing an aggregate penalty of ₹ 6,00,000 (Rupees Six Lakhs only) in respect of certain technical non-compliances with the Model Code of Conduct prescribed under the SEBI (Prohibition of Insider Trading) Regulations, 1992. An appeal was filed by the Company, Mr. Ajay G. Piramal, Dr. (Mrs.) Swati A. Piramal, Ms. Nandini Piramal with the Securities Appellate Tribunal against the said Order. The Order was quashed by the Securities Appellate Tribunal vide its verdict dated May 15, 2019.

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

C. Listing Fees

Listing fees for financial year 2020-21 shall be paid within the due dates to the Stock Exchanges on which the shares of the Company are listed.

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

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

E. Compliance with mandatory/non mandatory requirements

a. The Company has complied with all the applicable mandatory requirements of the Listing Regulations.

b. During the year under review, there is no audit qualification in your Company's financial statements. The Company continues to adopt best practices to ensure regime of financial statements with unmodified audit opinion.

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

During the year under review, the Company had raised ₹ 17,49,99,94,000 through preferential allotment of 1,15,894 Compulsorily Convertible Debentures ('CCDs') of the face value of ₹ 1,51,000 each. The funds were utilised by the Company for its general corporate purposes, without any deviation from the Objects stated in the Private Placement Offer Letter dated December 18, 2019.

G. Details of total fees paid to Statutory Auditors

M/s. Deloitte Haskins & Sells LLP, (Firm Registration No. 117366W/W-100018) have been appointed as the Statutory Auditors of the Company. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part, are as follows:

(₹ in Crores)

Particulars	Amount
Services as statutory auditors (including quarterly audits)	1.00
Services for tax matters	0.15
Other matters	2.60
Re-imbursement of out-of-pocket expenses	0.13
Total	**3.88**

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

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2020 are given in the Board's Report as well as in the Business Responsibility Report.

7. MEANS OF COMMUNICATION

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

A. Quarterly Results:

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

B. Presentations:

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

C. Website:

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

D. Annual Report:

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

E. Designated Exclusive Email ID:

The Company has designated the Email ID complianceofficer.pel@piramal.com exclusively for investor servicing.

F. SEBI Complaints Redress System (SCORES):

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

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

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

8. GENERAL INFORMATION FOR SHAREHOLDERS

A. Company Registration Details

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

B. Annual General Meeting

Day, Date and Time: Thursday, July 30, 2020 at 3.00 p.m. through Video Conferencing/Other Audio Visual Means.

C. Financial Calendar

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

D. Book Closure Period and Dividend Payment Date

The book closure for dividend will be from Saturday, July 18, 2020 to Thursday, July 30, 2020 (both days inclusive) and dividend, if approved by the shareholders at the AGM, would be paid after July 30, 2020.

E. Listing on Stock Exchanges

a. Equity Shares

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

ISIN / Code

ISIN	: INE140A01024
Reuter's code	: PIRA.BO
	: PIRA.NS
Bloomberg code	: PIEL:IN

b. Debt Securities

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

c. Convertible Securities

During the year under review, the Company has allotted 1,15,894 CCDs of the face value of ₹ 1,51,000 each for cash at a price of ₹ 1,51,000 per CCD. Each CCD is convertible into 100 equity shares of face value of ₹ 2 each on June 12, 2021 or at any time prior to that at the option of the CCD holder.

The CCDs are listed on BSE (Scrip Code: 912460) and NSE (Symbol: PEL).

F. Debenture Trustees

IDBI Trusteeship Services Limited
Asian Building, Ground Floor, 17, R Kamani Marg,
Ballard Estate, Mumbai 400 001.
Tel: +91 22 4080 7007
Fax: +91 22 6631 1776

Catalyst Trusteeship Limited (Erstwhile GDA Trusteeship Limited)
Office No. 604, 6th floor, Windsor,
C.S.T. Road, Kalina,
Santacruz (East), Mumbai 400 098
Fax : +91-22 – 49220505
Tel: +91-22-49220555

G. Stock Market Data

High, Low and Trading Volume of the Company's equity shares during each month of the last financial year 2019-20 at BSE and NSE are given below:

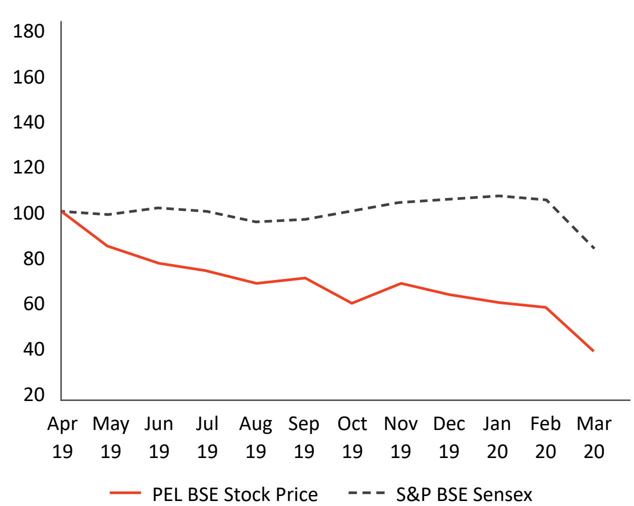
Month	BSE			NSE		
	High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
Apr, 2019	2,795.95	2,302.70	6,78,108	2,787.70	2,300.00	85,98,575
May, 2019	2,419.15	2,030.00	11,06,939	2,383.25	2,022.10	1,63,71,206
Jun, 2019	2,280.25	1,706.10	14,29,420	2,241.75	1,705.50	2,52,24,419
Jul, 2019	2,099.90	1,723.90	16,40,318	2,101.00	1,723.00	3,09,57,741
Aug, 2019	2,049.95	1,651.80	11,69,260	2,050.00	1,652.35	2,28,58,843
Sep, 2019	2,021.00	1,589.10	12,19,603	2,015.95	1,589.00	2,31,51,755
Oct, 2019	1,759.00	1,302.00	27,96,231	1,759.80	1,316.00	5,38,67,611
Nov, 2019	1,874.00	1,688.60	11,57,035	1,874.20	1,686.00	2,63,19,703
Dec, 2019	1,837.50	1,516.00	7,51,494	1,828.00	1,515.40	2,09,55,287
Jan, 2020	1,727.60	1,415.50	13,15,070	1,727.95	1,415.40	3,63,48,559
Feb, 2020	1,644.80	1,280.00	17,80,627	1,644.85	1,278.65	5,01,25,184
Mar, 2020	1,479.90	608.00	25,30,362	1,475.00	606.85	6,38,56,482

Source: BSE and NSE Websites

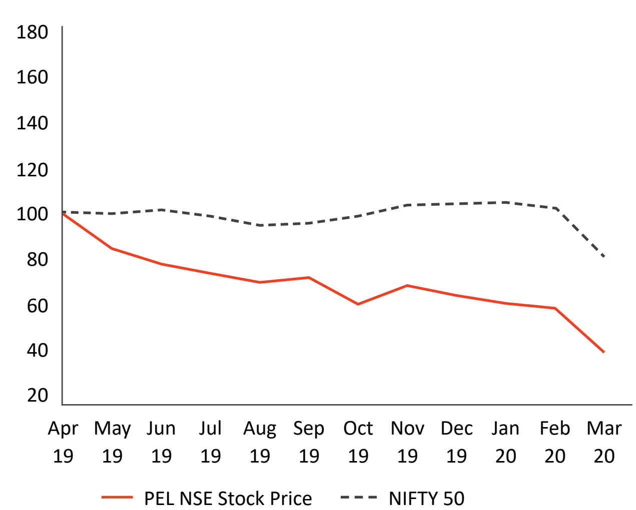
H. Stock Performance vs S&P BSE Sensex and NIFTY 50

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

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



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



• **Liquidity**

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

I. Share Transfer Agents

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

Link Intime India Pvt. Ltd.
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083.
Tel: +91 22 4918 6000/4918 6270
Fax: +91 22 4918 6060
E-mail ID: piramal.irc@linkintime.co.in

J. Share Transfer System (in physical segment)

For administrative convenience and to facilitate speedy approvals, authority has been delegated to the RTA and senior executives to approve share transfers/transmissions upto specified limits. Share transfers/transmissions approved by the RTA and/or the authorised executives are placed at the Board Meeting from time to time.

In case of shares held in electronic form, the transfers are processed by National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL') through respective Depository Participants.

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

In accordance with Regulation 40(1) of the Listing Regulations, effective from April 1, 2019, transfer of securities in physical form, except in case of transmission or transposition of securities shall not be processed unless the securities are held in dematerialized form with a depository. Accordingly, shareholders holding shares in physical form are advised to promptly dematerialise the shares held by them.

K. Distribution of Shareholding by size as on March 31, 2020

No. of Shares held	No. of shareholders	% to total no. of shareholders	No. of shares	% to total no. of shares
1 to 100	1,05,422	74.75	25,48,014	1.13
101 to 200	11,907	8.44	17,18,662	0.76
201 to 500	14,309	10.15	44,82,520	1.99
501 to 1000	5,446	3.86	39,05,598	1.73
1001 to 5000	3,215	2.28	57,83,378	2.56
5001 to 10000	277	0.20	19,28,594	0.86
10001 to 20000	157	0.11	22,16,255	0.98
20001 to 30000	57	0.04	14,17,202	0.63
30001 to 40000	37	0.03	13,05,360	0.58
40001 to 50000	34	0.02	15,41,760	0.68
50001 to 100000	53	0.04	35,77,016	1.59
Above 100000	115	0.08	19,51,13,997	86.51
Total	**1,41,029**	**100.00**	**22,55,38,356**	**100.00**

L. Dematerialisation of shares

As on March 31, 2020, 22,29,45,840 equity shares (98.85% of the total number of shares) are in dematerialized form as compared to 17,71,35,048 equity shares (96.04% of the total number of shares) as on March 31, 2019.

The Company's shares are compulsorily traded in dematerialized form and are admitted in both the Depositories in India - NSDL and CDSL.

M. Statement showing shareholding pattern as on March 31, 2020

Category of Shareholder	No. of shareholders	Total no. of shares	% to total no. of shares
Shareholding of Promoter and Promoter Group	20	10,38,85,156	46.06
Non Promoter- Non Public			
Employee Benefit Trusts	2	17,20,414	0.76
Public shareholding			
Institutions			
Mutual Funds/UTI	44	7,82,236	0.35
Financial Institutions/Banks	22	7,56,223	0.34
Central Government/State Government(s)	1	213	0.00
Insurance Companies	5	1,90,02,261	8.43

Category of Shareholder	No. of shareholders	Total no. of shares	% to total no. of shares
Alternate Investment Funds	1	12,52,173	0.55
Foreign Portfolio Investors (Corporate)/FIIs	458	6,64,14,778	29.45
Foreign Banks	1	333	0.00
Non-Institutions			
Bodies Corporate	1,173	23,87,086	1.07
Individuals			
Indian Public Shareholder	1,33,125	2,13,76,437	9.48
Others			
NBFCs registered with RBI	7	10,870	0.00
(i) Non Resident Indians – Repatriable	1,757	11,79,315	0.52
(ii) Non Resident Indians - Non Repatriable	1,175	5,78,601	0.26
(iii) Foreign Portfolio Investor (Individual)	1	202	0.00
(iv) Overseas Bodies Corporate	2	43,28,887	1.92
(v) Clearing Member	405	6,16,112	0.27
(vi) Trusts	33	1,04,002	0.04
(vii) Foreign Nationals	4	509	0.00
(viii) Hindu Undivided Family	2,790	4,34,491	0.19
(ix) Unclaimed Suspense Account	1	3,363	0.00
(x) IEPF	1	7,04,153	0.31
(xii) Body Corp-Ltd Liability Partnership	1	541	0.00
Total Public Shareholding	**1,41,007**	**11,99,32,786**	**53.18**
TOTAL	**1,41,029**	**22,55,38,356**	**100.00**

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

As on March 31, 2020, 1,15,894 CCDs are outstanding which are convertible into 1,15,89,400 equity shares of ₹ 2 each of the Company on or before June 12, 2021. Further pursuant to Regulation 74 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the CCD holders, at the time of conversion, will have the option to subscribe to 15,35,944 equity shares of ₹ 2 each of the Company which have been reserved in favour of them pursuant to the Rights Issue of the Company made vide Letter of Offer dated December 24, 2019.

O. Commodity Price Risk or Foreign Exchange Risk and hedging activities

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

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

The Company is also exposed to interest rate risks, on foreign currency loans, which are based on floating rate pegged to LIBOR and accordingly the Forex Risk Management Committee of the Company mandates the centralised treasury function to hedge the same basis its view on interest rate movement.

The Company has adequate risk assessment and minimization system in place for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

P. Credit Ratings for Debt Instruments

The Credit Ratings reaffirmed/assigned to the debt instruments of the Company during the financial year 2019-20 are given below:

Instrument	Credit Rating		
	ICRA	CARE	CRISIL
Non-Convertible Debentures/Long term Bank facilities	ICRA AA (Negative)	CARE AA (Stable)	-
Market Linked Non-Convertible Debentures	PP-MLD ICRA AA (Negative)	-	-
Short Term Non-Convertible Debentures	-	CARE A1+	CRISIL A1+
Short Term Bank Facilities	ICRA A1+	CARE A1+	-
Commercial Paper	ICRA A1+	CARE A1+	CRISIL A1+
Fund based Short term (Inter corporate deposit)	-	CARE A1+	-

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

Q. Plant Locations of PEL and its Subsidiaries

India:

- Plot No. K-1, Additional M.I.D.C, Mahad, District Raigad, 402 302, Maharashtra.
- Plot No. 67-70, Sector II, Pithampur, District Dhar, 454 775, Madhya Pradesh.
- Digwal Village, Kohir Mandal, Sangareddy District, Zaheerabad, 502 321, Telangana.
- Ennore Express Highway, Ernavur Village, Ennore, Chennai 600 057, Tamil Nadu.
- Plot Nos. 18 and 19 - PHARMEZ, Village Matoda, Sarkhejbawala, NH 8A, Taluka Sanand, Ahmedabad - 382 213, Gujarat.

Overseas:

Piramal Healthcare UK Limited

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

Piramal Healthcare (Canada) Limited

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

Piramal Critical Care Inc.

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

Piramal Pharma Solutions Inc.

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

Ash Stevens LLC

18655 Krause Street, Riverview, MI 48193, USA.

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

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

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2019	2,660	14,588
Less: Shareholders who approached the Company for transfer of shares from suspense account and to whom shares were transferred during the year	(10)	(158)
Less: Shareholders whose shares were transferred from the suspense account to IEPF Account	(2,089)	(11,260)
Add: Shareholders who were allotted shares on account of Amalgamation of Piramal Phytocare Limited with the Company and which were credited to the suspense account	124	193
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2020	685	3,363

The voting rights on such unclaimed/outstanding shares in the suspense account as on March 31, 2020 have been frozen and will remain frozen till the rightful owner claims the shares.

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

Pursuant to the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (hereinafter referred to as 'IEPF Rules'), the amount of dividend remaining unpaid/unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund ('the IEPF'). Pursuant to this requirement, the dividend amounts remaining unclaimed in respect of dividends declared upto the financial year ended March 31, 2012 have been transferred to the IEPF.

Further, in terms of Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more from the date of transfer to the unpaid dividend account are required to be transferred to the demat account of the Investor Education and Protection Fund Authority ('IEPFA'). Accordingly, all the shares in respect of which dividends were declared upto the financial year ended March 31, 2012 and remained unclaimed for a continuous period of seven years have been transferred to the demat account of IEPFA.

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

During the financial year 2019-20, the Company had transferred ₹ 2,13,77,003 of unpaid/unclaimed dividends and 1,26,506 shares to demat account of IEPFA.

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

The following table provides the due dates for the transfer of outstanding unpaid/ unclaimed dividend by the Company as on March 31, 2020:

Financial Year	Date of declaration of Dividend	Due date for transfer
2012-13	July 25, 2013	August 25, 2020
2013-14	July 25, 2014	August 25, 2021
2014-15	August 6, 2015	September 6, 2022
2015-16 (Interim)	March 9, 2016	April 9, 2023
2016-17	August 1, 2017	September 1, 2024
2017-18	July 30, 2018	August 30, 2025
2018-19	July 30, 2019	August 30, 2026

T. Address for Correspondence with the Company

Registered Office:

Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla West, Mumbai – 400 070.
Tel. No.: (91 22) 3802 3083
Fax No.: (91 22) 3802 3084

9. SUBSIDIARY COMPANIES

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

Policy for Material Subsidiaries

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

10. CODE OF CONDUCT

The Board has laid down a Code of Conduct and Ethics for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for financial year 2019-20. Requisite declaration signed by Mr. Vijay Shah to this effect is given below.

"I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation that they have complied with the Codes of Conduct and Ethics for Directors and Senior Management of the Company in respect of the financial year 2019-20".

Vijay Shah
Executive Director
Mumbai, April 28, 2020

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

11. CODE FOR PREVENTION OF INSIDER TRADING

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

12. CERTIFICATE ON CORPORATE GOVERNANCE

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

BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 73rd Annual Report on the business and operations of Piramal Enterprises Limited ('the Company' or 'PEL') and the Audited Financial Statements for the financial year ended March 31, 2020.

(₹ in Crores)

Particulars	Consolidated		Standalone	
	FY2020	**FY2019***	**FY2020**	**FY2019***
Net Sales	**13,068.29**	11,882.59	**4,219.19**	3,670.85
Non-operating other income	**491.11**	309.61	**699.06**	446.31
Total income	**13,559.40**	12,192.20	**4,918.25**	4,117.16
Other Expenses	**6,800.92**	5,016.72	**2,492.89**	1,998.32
OPBIDTA	**6,758.48**	7,175.48	**2,425.36**	2,118.84
Interest Expenses	**5,320.62**	4,100.26	**1,710.06**	1,497.27
Depreciation	**520.30**	400.52	**175.46**	131.22
Profit before tax & exceptional items	**917.56**	**2,674.70**	**539.84**	**490.35**
Exceptional items expenses	**-**	452.25	**-**	1,287.96
Income tax	**1,960.43**	852.22	**394.99**	70.40
Net Profit/(Loss) after tax and before Share of Net profit of Associates and Joint ventures	**(1,042.87)**	1,370.23	**144.85**	(868.01)
Share of Net profit of Associates and Joint ventures#	**489.56**	319.38	**-**	-
Net Profit/(Loss) after tax and after Share of Net profit of Associates and Joint ventures	**(553.31)**	1,689.61	**144.85**	(868.01)
Net Profit/(Loss) Margin %	**(4.23%)**	14.22%	**3.43%**	(23.65%)
Normalised Net Profit[1]	**1,204.28**	2,141.87	**530.47**	419.95
Normalised Net Profit Margin %	**9.22%**	18.03%	**12.57%**	11.44%
Basic EPS	**(26.25)**	83.15	**6.87**	(42.72)
Diluted EPS (₹/share)[2]	**(26.25)**	82.81	**6.84**	(42.72)
Normalised Basic EPS (₹/share)[1]	**57.14**	105.40	**25.17**	20.67
Normalised Diluted EPS (₹/share)[1]	**56.90**	104.98	**25.06**	20.58

*Previous year's figures are restated for accounting effect of merger of Piramal Phytocare Limited and discontinued operations

#Income under Share of Associates primarily includes Company's share of profits for Company's associates, as per the applicable accounting standards

Notes:

1. FY 2020 normalised net profit excludes tax adjustment due to adoption of new tax regime. FY 2019 normalised net profit excludes non-recurring and non-cash accounting charge towards sale of the Imaging business & non-recurring exceptional item.
2. Diluted EPS for March 31, 2020 and March 31, 2019 have been restated for effect of Rights Issue undertaken during the year under review.

DIVIDEND

The Board has recommended a dividend of ₹ 14 (Rupees Fourteen only) i.e. @ 700% per equity share of the face value of ₹ 2 each for the financial year ended March 31, 2020.

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

The dividend declared by the Company for the financial year ended March 31, 2020 is in compliance with the Dividend Distribution Policy of the Company.

SHARE CAPITAL

During the year under review, the Company had:

1. allotted 2,13,458 equity shares of the face value of ₹ 2 each at an issue price of ₹ 2,380 per share (including premium of ₹ 2,378 per share) out of the Rights equity shares reserved for Compulsorily Convertible Debenture ('CCDs') holders as per Regulation 53 of the erstwhile SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Rights equity shares kept in abeyance under the Rights Issue made by the Company vide Letter of Offer dated February 1, 2018;
2. issued and allotted 1,41,86,200 equity shares of the face value of ₹ 2 each pursuant to conversion of 3,54,655 CCDs. The equity shares were issued pursuant to the terms of the Qualified Institutional Placement made by the Company vide Placement Document dated October 17, 2017. The CCDs were convertible into equity shares in the ratio of 40 equity shares of the face value of ₹ 2 each per CCD;
3. issued and allotted 3,05,865 equity shares of the face value of ₹ 2 each pursuant to the Scheme of Amalgamation of Piramal Phytocare Limited ('Piramal Phytocare') with Piramal Enterprises Limited and their respective shareholders ('Scheme'). The authorized share capital of the Company increased from ₹ 125 crores to ₹ 155 crores by creation of additional 15,00,00,000 equity shares of ₹ 2 each on account of clubbing of authorized share capital of Piramal Phytocare with that of the Company;
4. offered 2,79,29,649 equity shares of the face value of ₹ 2 each under Rights Issue vide Letter of Offer dated December 24, 2019,

at a price of ₹ 1,300 per share (including premium of ₹ 1,298 per share). Out of the aforesaid issue, 2,63,85,861 equity shares were issued and allotted on January 29, 2020 and 15,35,944 equity shares have been reserved for CCD Holders [as per Regulation 74 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018] & 7,844 equity shares have been kept in abeyance on account of ongoing legal matters in respect of the shareholders.

Accordingly, as on March 31, 2020, the issued share capital of the Company stood at ₹ 45,22,76,602 made up of 22,61,38,301 equity shares of ₹ 2 each and the paid-up share capital of the Company stood at ₹ 45,10,76,712 made up of 22,55,38,356 equity shares of ₹ 2 each.

During the year, the Company had also issued and allotted 1,15,894 CCDs of face value of ₹ 1,51,000 each for cash at par. These CCDs are convertible into 100 equity shares of the face value of ₹ 2 each, per CCD. Further details are contained under the section 'Significant events during the financial year 2020'.

DEALING WITH THE COVID-19 PANDEMIC

In line with the Company's core value of Care, Company remains committed to the health and wellbeing of all stakeholders. The Company has put in place a Business Continuity Plan to ensure that while prioritizing health and safety of employees, we also remain responsible to our stakeholders, including our various customers who depend on us for products and services even in these testing times.

Most employees have been operating remotely from their homes, (except for employees who are critical for plant operations and other essential functions to enable business continuity), even as on the date of this Report, while ensuring minimal impact on business as usual. The Company's IT infrastructure and processes have been ramped up in order to ensure seamless connectivity across the organization and also to leverage the use of Company specific mobile applications during this period.

The pharmaceutical business is categorised as an essential service and consequently, manufacturing sites have been operational during the course of lockdowns announced by Governments in various countries and continue to be operational. Under the Business Continuity Plan, a set of social distancing guidelines have been implemented for all manufacturing sites.

Also, the Company took several measures such as disinfecting the sites with sanitizers, fumigation, cleaning common touch points, contact-less attendance systems and revised shifts to maintain social distancing norms at its plants. Furthermore, various steps were taken by the Company to render support to employees. The Company has created an Employee Helpline for PEL employees/families to address any queries related to COVID- 19.

Further details of the impact of COVID-19 on each of the Company's businesses have been covered under the Management Discussion and Analysis section of the Annual Report.

UTILISATION OF ISSUE PROCEEDS

There has been no deviation in the utilisation of issue proceeds of Private Placement of CCDs, from the Objects stated in the Private Placement Offer Letter dated December 18, 2019.

Further, there has been no deviation in the utilisation of Rights Issue proceeds from the Objects stated in the Letter of Offer dated December 24, 2019.

CHANGES IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

FINANCIAL DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 (the 'Act'), a statement containing salient features of the financial statements of subsidiaries, associates and joint venture companies in Form AOC-1 is attached to the financial statements.

The separate financial statements of the subsidiaries are available on the website of the Company and can be accessed at http://www.piramal.com/investor/overview.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR 2020

Divestment of Investment in Shriram Transport Finance Company Limited

In June 2019, the Company had divested its entire equity stake of 9.96% (comprising 2,26,00,000 equity shares) in Shriram Transport Finance Company Limited.

Fund raising of ₹ 1,750 Crores through preferential issue of Compulsorily Convertible Debentures ('CCDs') to Caisse de dépôt et placement du Québec ('CDPQ')

The Company raised ₹ 1,750 Crores through preferential issue of 1,15,894 CCDs of the face value of ₹ 1,51,000 each to CDPQ with a coupon of 9.28% p.a. Each CCD is convertible into 100 equity shares of the face value ₹ 2 each, with a maturity period of 18 months, with an option to the CCD holders to convert all or part of the CCDs held by them into equity shares at any time before the maturity date.

Scheme of Amalgamation between Piramal Phytocare Limited and Piramal Enterprises Limited

The Hon'ble National Company Law Tribunal, Mumbai Bench, vide it's order dated November 4, 2019 had approved the Scheme of Amalgamation of Piramal Phytocare Limited ('Piramal Phytocare') with Piramal Enterprises Limited and their respective shareholders ('the Scheme'). The appointed date of the Scheme was April 1, 2018 and the Scheme became effective from December 2, 2019.

The allotment made to erstwhile shareholders of Piramal Phytocare in the exchange ratio of 1 (One) fully paid-up equity share of ₹ 2 each of the Company for every 70 (Seventy) fully paid up equity shares of ₹ 10 each held by the shareholders of Piramal Phytocare on the record date i.e. December 12, 2019 has been described above.

The amalgamation has been accounted for under the "pooling of interest" method referred to in Appendix C of Ind AS 103 - Business Combinations of Entities under Common Control, as prescribed by the Scheme. Accordingly, all the assets, liabilities and other reserves of Piramal Phytocare (Transferor under the Scheme) as on

April 1, 2018 have been aggregated with those of the Company at their respective book values.

Fund raising upto ~₹ 3,630 Crores through Rights issue

The Company raised ~₹ 3,630 Crores through issuance of equity shares on a rights basis. Details of shares allotted pursuant to said rights issue have been described above.

Divestment of Healthcare Insights and Analytics business of the Company

In January 2020, the Board of Directors of the Company had approved the divestment of entire stake in the Healthcare Insights and Analytics business to Clarivate Analytics PLC and its affiliates ('Transaction').

The Transaction was for an aggregate consideration of USD 950 million of which USD 900 million was received on February 28, 2020 ('Closing') and the remaining USD 50 million would be received at the end of 12 months from the Closing as per the agreed terms.

SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

Fund raising with respect to the Company's pharmaceutical business

In June, 2020, the Board approved integration of PEL's pharma businesses into its wholly-owned subsidiary Piramal Pharma Limited ('Piramal Pharma'). Piramal Pharma will include: (a) Piramal Pharma Solutions, an end-to-end contract development and manufacturing (CDMO) business; (b) Piramal Critical Care, a complex hospital generics business selling specialized products across over 100 countries; (c) Consumer Products Division, a consumer healthcare business selling over-the-counter products in India; and (d) PEL's investment in the joint venture with Allergan India, a leader in ophthalmology in the domestic market and Convergence Chemicals Private Limited. This is subject to the approval of the Members, which is sought at the ensuing Annual General Meeting.

Further, the Company has entered into definitive agreements with CA Clover Intermediate II Investments, an affiliated entity of CAP V Mauritius Limited, an investment fund managed and advised by affiliated entities of The Carlyle Group Inc. ('Carlyle') whereby Carlyle has agreed to invest fresh equity capital towards 20% stake in Piramal Pharma.

This transaction values the pharmaceutical business at an enterprise value (EV) of USD 2,775 million with an upside component of up to USD 360 million depending on FY21 performance. Based on the EV (excluding the upside component), exchange rate and net debt of the pharmaceutical business as on March 31, 2020, the estimated equity capital investment by Carlyle for 20% stake in Piramal Pharma would amount to USD 490 million approximately. The final amount of equity investment will depend on the net debt, exchange rate and performance against the pre-agreed conditions, at the time of closing of the deal.

OPERATIONS REVIEW

Standalone

Total income from operations on a standalone basis for the year grew by 14.94% to ₹ 4,219.19 Crores as compared to ₹ 3,670.85 Crores in FY 2019. Earnings before interest, taxes, depreciation and amortization (EBITDA) for FY 2020 on a standalone basis grew by 14.47% to ₹ 2,425.36 Crores as compared to ₹ 2,118.84 Crores in FY 2019. Net Profit for the year was ₹ 144.85 Crores as compared to Net Loss of ₹ 868.01 Crores in FY 2019. Earnings per share was ₹ 6.87 for the year as compared to ₹ (42.72) per share during the previous year.

Consolidated

The Company's consolidated revenue grew by 10% to ₹ 13,068 Crores in FY 2020 as compared to ₹ 11,883 Crores in FY 2019. The rise in revenue is primarily driven by growth in Financial Services segment. Revenue generated in foreign currencies are 25% of the Company's FY 2020 revenue.

A detailed discussion on operations for the year ended March 31, 2020 is provided in the Management Discussion and Analysis Report, which is presented in a separate section forming part of this Annual Report.

SUBSIDIARY COMPANIES

Piramal Healthcare Inc. [Consolidated]

Piramal Healthcare Inc. [Consolidated] includes financials of its wholly owned subsidiaries Piramal Critical Care Inc. and Piramal Pharma Inc. Net sales of Piramal Healthcare Inc. [Consolidated] for FY 2020 were at ₹ 1,325.38 crores. Profit before interest, depreciation and tax for the year was at ₹ 449.21 crores. Piramal Healthcare Inc. [Consolidated] reported a net profit of ₹ 297.70 crores for the year.

PEL Pharma Inc. [Consolidated]

PEL Pharma Inc. [Consolidated] includes financials of its wholly owned subsidiaries Piramal Pharma Solutions Inc. and Ash Stevens LLC. Net sales of PEL Pharma Inc. [Consolidated] for FY 2020 were at ₹ 424.37 crores. Profit before interest, depreciation and tax for the year was at ₹ 27.57 crores. PEL Pharma Inc. [Consolidated] reported a net loss of ₹ 59.92 crores for the year.

Piramal Dutch IM Holdco B.V. [Consolidated]

Piramal Dutch IM Holdco B.V. [Consolidated] includes financials of its wholly owned subsidiaries PEL-DRG Dutch Holdco B.V. and erstwhile step-down subsidiaries of the Decision Resources Group. Net sales of this group for FY 2020 were at ₹ 9.19 Crores. Loss before interest, depreciation and tax for the year was at ₹ 21.64 Crores. Piramal Dutch IM Holdco B.V. [Consolidated] reported a net loss of ₹ 21.64 Crores for the year.

Piramal Healthcare UK Limited

Net sales of Piramal Healthcare UK Limited for FY 2020 were at ₹ 906.02 Crores. Profit before interest, depreciation and tax for the year was at ₹ 255.68 Crores. Piramal Healthcare UK Limited reported a net profit of ₹ 196.79 Crores for the year.

Piramal Healthcare (Canada) Limited

Net sales of Piramal Healthcare (Canada) Limited for FY 2020 were at ₹ 273.21 Crores. Profit before interest, depreciation and tax for the year was at ₹ 103.05 Crores. Piramal Healthcare (Canada) Limited reported a net profit of ₹ 95.79 Crores for the year.

Piramal Critical Care Limited

Net sales of Piramal Critical Care Limited for FY 2020 were at ₹ 516.77 Crores. Loss before interest, depreciation and tax for the year was at ₹ 142.68 Crores. Piramal Critical Care Limited reported a net loss of ₹ 58.25 Crores for the year.

Piramal Critical Care Italia S.P.A.

Net sales of Piramal Critical Care Italia S.P.A. for FY 2020 were at ₹ 41.12 Crores. Loss before interest, depreciation and tax for the year was at ₹ 1.64 Crores. Piramal Critical Care Italia S.P.A. reported a net loss of ₹ 3.94 Crores for the year.

Piramal Critical Care South Africa (Pty.) Ltd.

Net sales of Piramal Critical Care South Africa (Pty.) Ltd. for FY 2020 were at ₹ 37.91 Crores. Profit before interest, depreciation and tax for the year was at ₹ 2.15 Crores. Piramal Critical Care South Africa (Pty.) Ltd. reported a net profit of ₹ 1.89 Crores for the year.

Piramal Critical Care Pty. Ltd.

Net sales of Piramal Critical Care Pty. Ltd. for FY 2020 were at ₹ 1.05 Crores. Piramal Critical Care Pty. Ltd. reported a net loss of ₹ 0.36 Crores for the year.

Piramal Critical Care Deutschland GmbH

Net sales of Piramal Critical Care Deutschland GmbH for FY 2020 were at ₹ 37.76 Crores. Loss before interest, depreciation and tax for the year was at ₹ 9.98 Crores. Piramal Critical Care Deutschland GmbH reported a net loss of ₹ 11.20 Crores for the year.

Piramal Critical Care B.V.

Net sales of Piramal Critical Care B.V. for FY 2020 were at ₹ 91.17 Crores. Profit before interest, depreciation and tax for the year was at ₹ 5.88 Crores. Piramal Critical Care B.V. reported a net profit of ₹ 5.74 Crores for the year.

Piramal Capital & Housing Finance Limited

Income from operations for FY 2020 was at ₹ 5,468.42 Crores. Profit before depreciation and tax for the year was at ₹ 634.57 Crores. Piramal Capital & Housing Finance Limited reported a net profit of ₹ 601.87 Crores for the year.

Piramal Fund Management Private Limited [Consolidated]

Piramal Fund Management Private Limited (Consolidated) includes financials of Indiareit Investment Management Co., Piramal Asset Management Private Limited and Asset Resurgence Mauritius Manager. Income from operations for FY 2020 was at ₹ 75.59 Crores. Loss before depreciation and tax for the year was at ₹ 42.24 Crores. Piramal Fund Management Private Limited (Consolidated) reported a net loss of ₹ 44.61 Crores for the year.

Piramal Securities Limited

Income from operations for FY 2020 was at ₹ 0.61 Crores. Loss before depreciation and tax for the year was at ₹ 12.54 Crores. Piramal Securities Limited reported a net loss of ₹ 12.58 Crores for the year.

PHL Fininvest Private Limited

Income from operations for FY 2020 was at ₹ 1,894.34 Crores. Profit before depreciation and tax for the year was at ₹ 154.59 Crores. PHL Fininvest Private Limited reported a net profit of ₹ 153.76 Crores for the year.

Searchlight Health Private Limited

Net sales of Searchlight Health Private Limited for FY 2020 were at ₹ 3.63 Crores. Loss before interest, depreciation and tax for the year was at ₹ 5.90 Crores.

Piramal Pharma Limited

Piramal Pharma Limited reported no profit/loss for FY 2020.

JOINT VENTURES AND ASSOCIATE COMPANIES

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

Convergence Chemicals Private Limited is a 51:49 joint venture between the Company and Navin Fluorine International Limited set up to develop, manufacture and sell specialty fluorochemicals. Share of profit (including consolidation adjustments) considered in consolidation for FY 2020 amounts to ₹ 7.14 crores.

The Company has an effective 20% equity stake in Shriram Capital Limited. Share of profit of Shriram Capital Limited considered in consolidation for FY 2020 amounts to ₹ 391.33 crores.

The Company owns 49% equity stake in Allergan India Private Limited. Share of profit of Allergan India Private Limited considered in consolidation for FY 2020 amounts to ₹ 51.80 crores.

There has been no share of profit/loss recognized for Bluebird Aero Systems Limited.

India Resurgence ARC Private Limited is a 50:50 joint venture between the Company and Bain Capital Credit India Investments (a company existing under the laws of the Republic of Mauritius). The share of loss of India Resurgence ARC Private Limited considered in consolidation for FY 2020 amounts to ₹ 2.35 crores.

India Resurgence Asset Management Business Private Limited is a 50:50 joint venture between the Company and Bain Capital Credit India Investments (a company existing under the laws of the Republic of Mauritius). There has been no share of profit/loss recognised for India Resurgence Asset Management Business Private Limited during the FY 2020.

Asset Resurgence Mauritius Manager is a joint venture between Bain Capital Credit Member LLC and Piramal Fund Management Private Limited. Asset Resurgence Mauritius Manager was incorporated in the Republic of Mauritius as a private company under the Mauritius Companies Act, 2001 on October 10, 2017 and holds a Category I Global Business License and a CIS Manager License issued by the Financial Services Commission. The principal activity of Asset Resurgence Mauritius Manager is to provide investment management services. Company's share of profit of ₹ 4.49 crores in Asset Resurgence Mauritius Manager has been considered in consolidation for FY 2020.

DEPOSITS FROM PUBLIC

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

STATUTORY AUDITORS AND AUDITORS' REPORT

The Auditors' Report does not contain any qualification, reservation or adverse remark on the financial statements for the year ended March 31, 2020. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

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

Deloitte has furnished a certificate of their eligibility and consent under Sections 139(1) and 141 of the Act and the Rules framed thereunder for their continuance as Statutory Auditors of the Company for the financial year 2020-21.

CORPORATE SOCIAL RESPONSIBILITY

Constitution of the Committee

During the year under review, the Corporate Social Responsibility Committee ('CSR') comprised of three members, as per details in the following table:

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

* Mr. Vijay Shah resigned as a Whole-Time Director of the Company with effect from May 11, 2020, however he continues to serve as a Non-Executive, Non-Independent Director of the Company. Mr. Shah ceased to be a member of the CSR Committee with effect from May 12, 2020 and Mr. Rajesh Laddha was appointed as a member in his place.

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

The annual report on CSR including a brief outline of the CSR Policy and the activities undertaken during FY 2020 is enclosed as Annexure C to this Report. The CSR Policy is available on the website of the Company at http://www.piramal.com/investor/overview.

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

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

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return for FY 2020 is given in Annexure E in the prescribed Form No. MGT-9, which is a part of this Report. The same is also available on http://www.piramal.com/investor/overview.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Siddharth Mehta resigned as an Independent Director of the Company with effect from February 4, 2020, owing to increase in his other professional commitments.

Mrs. Arundhati Bhattacharya resigned as an Independent Director of the Company with effect from April 16, 2020, on account of her accepting a full time executive role in another Company.

The Board places on record its appreciation and gratitude for the invaluable contributions made by Mr. Mehta and Mrs. Bhattacharya during their tenure as Independent Directors of the Company.

The Board, on recommendation of the Nomination & Remuneration Committee ('NRC') has appointed Mr. Rajesh Laddha (DIN: 02228042) as an Additional Director with effect from May 11, 2020. Accordingly, Mr. Laddha holds office as Additional Director up to the date of the ensuing AGM and is eligible to be appointed as a Director of the Company, liable to retire by rotation. Further, on the recommendation of the NRC, the Board has also appointed Mr. Laddha as Whole-Time Director of the Company, to hold office for a term of three years, subject to approval of the Members at the ensuing AGM.

Mr. Vijay Shah (DIN: 00021276) resigned as Whole-Time Director of the Company with effect from May 11, 2020. Accordingly, Mr. Shah ceased to be a Key Managerial Personnel of the Company with effect from said date. However, Mr. Shah continues to serve as Non-Executive Non-Independent Director of the Company, liable to retire by rotation. In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Shah retires by rotation at the ensuing AGM and being eligible offers himself for re- appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing AGM.

Mr. Leonard D'Souza resigned as the Company Secretary and Compliance Officer of the Company with effect from July 30, 2019.

In terms of Section 203 of the Act and applicable provision of Listing Regulations, the Board of Directors appointed Mr. Bipin Singh as the Company Secretary and Compliance Officer of the Company with effect from July 30, 2019.

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

BOARD EVALUATION

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

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

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

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

VIGIL MECHANISM/WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

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

AUDIT & RISK MANAGEMENT COMMITTEE

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

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

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

NOMINATION AND REMUNERATION POLICIES

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

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

The Nomination Policy and the Remuneration Policy are enclosed as Annexure F to this Report and are also available on website of the Company at https://www.piramal.com/investor/overview.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

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

RELATED PARTY TRANSACTIONS

During the year, all contracts/arrangements/transactions entered into by the Company with related parties were in ordinary course of business and on an arms length basis. There were no material related party transactions by the Company during the year. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable.

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

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

MANAGERIAL REMUNERATION

A) Remuneration to Directors and Key Managerial Personnel ('KMP')

i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during FY 2020 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2020 are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for FY 2020 (₹ in Lakhs)	% increase/ decrease in Remuneration in FY 2020	Ratio of remuneration of each Whole – Time Director to median remuneration of employees
1.	Ajay G. Piramal Chairman	**1,196.00**	**(1.56%)**	285.13
2.	Swati A. Piramal Vice – Chairperson	**555.67**	**1.96%**	132.47
3.	Nandini Piramal Executive Director	**451.94**	**10.39%**	107.74

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for FY 2020 (₹ in Lakhs)	% increase/ decrease in Remuneration in FY 2020	Ratio of remuneration of each Whole – Time Director to median remuneration of employees
4.	Vijay Shah Executive Director	659.64	1.62%	157.26
5.	Anand Piramal Non – Executive Director	N.A.	N.A.	N.A.
6.	Gautam Banerjee Independent Director	7.00	N.A.	N.A.
7.	Keki Dadiseth Independent Director	17.50	N.A.	N.A.
8.	S. Ramadorai Independent Director	8.50	N.A.	N.A.
9.	Deepak Satwalekar Independent Director	14.00	N.A.	N.A.
10.	R. A. Mashelkar Independent Director	16.00	N.A.	N.A.
11.	Goverdhan Mehta Independent Director	9.00	N.A.	N.A.
12.	Siddharth Mehta* Independent Director	9.50	N.A.	N.A.
13.	N. Vaghul Independent Director	19.50	N.A.	N.A.
14.	Arundhati Bhattacharya Independent Director	8.00	N.A.	N.A.
15.	Vivek Valsaraj Chief Financial Officer	203.54	13.35%	N.A.
16.	Leonard D'Souza# Company Secretary	127.52	N.A.	N.A.
17.	Bipin Singh$ Company Secretary	49.11	N.A.	N.A.

Notes:

1. Considering the heightened uncertainty caused by COVID-19 pandemic and the need to conserve cash for the future, Non-Executive Independent Directors decided to forego their commission for the financial year ended March 31, 2020.

   Remuneration details for Independent Directors in the above table are comprised of sitting fees. Details in the corresponding columns are applicable for Whole-Time Directors and KMPs.
2. Mr. Vijay Shah and Mr. Vivek Valsaraj also receive ESOPs under the Company's ESOP Scheme.
3. Mr. Anand Piramal, Non-Executive Director does not receive any sitting fees or any other remuneration.
4. Remuneration details have been provided on the basis of remuneration paid during the FY 2020 and sitting fees for meetings attended during the FY 2020.

* Resigned as Independent Director of the Company with effect from February 4, 2020.

\# Resigned as the Company Secretary and Compliance Officer of the Company with effect from July 30, 2019. Accordingly the remuneration is reported upto the date of resignation and includes full and final settlement. The percentage increase in remuneration is not applicable as the payment for FY 2020 was only for part of the year.

$ Appointed as the Company Secretary and Compliance Officer of the Company with effect from July 30, 2019 and accordingly the remuneration is reported on a pro-rata basis. The percentage increase in remuneration is not applicable as the payment for FY 2020 was the first instance of remuneration from the Company.

ii. The median remuneration of employees of the Company during FY 2020 was ₹ 4,19,450;

iii. In the financial year, there was 1% increase in the median remuneration of employees;

iv. There were 4,282 permanent employees on the rolls of the Company as on March 31, 2020;

v. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. FY 2020 was 9%. As regards, comparison of Managerial Remuneration of FY 2020 over FY 2019, details of the same are given in the above table at Sr. No. i.

vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMP and other Employees.

B) Employee Particulars

Details of employee remuneration as required under the provisions of Section 197 of the Act and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 is provided in a separate statement and forms part of the Annual Report. Further, this Report is being sent to the Members excluding the said statement. The said statement is available on the Company's website, the weblink to which is https://www.piramal.com/investor/overview.

I) None of the Whole-Time Directors received any commission nor any remuneration from any of the Company's subsidiaries.

II) Further details relating to remuneration of the Directors are given in the Report on Corporate Governance forming part of this Annual Report;

III) Requisite details relating to ESOPs are available on the Company's website, the weblink to which is https://www.piramal.com/investor/overview.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Rules made thereunder, the Company has appointed M/s. N. L. Bhatia & Associates, Practicing Company Secretaries as the Secretarial Auditor of the Company. The Secretarial Audit Report is annexed as Annexure G and forms an integral part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

As per the requirements of the Listing Regulations, the material subsidiaries of the Company viz. Piramal Capital & Housing Finance Limited and PHL Fininvest Private Limited have undertaken secretarial audit for the financial year 2019-20.

CERTIFICATIONS FROM COMPANY SECRETARY IN PRACTICE

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

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

RISK MANAGEMENT FRAMEWORK

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

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company complies with applicable secretarial standards.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and systems of compliance which are established and maintained by the Company, audits conducted by the Internal, Statutory and Secretarial Auditors including audit of internal financial controls over financial reporting by the Statutory Auditors and reviews by the Management and the relevant Board Committees, including the Audit & Risk Management Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2020.

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

(a) in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed with no material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual financial statements on a going concern basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

COST AUDIT

M/s. G. R. Kulkarni & Associates, Cost Accountants have been duly appointed as Cost Auditors for conducting Cost Audit in respect of products manufactured by the Company which are covered under the Cost Audit Rules for the financial year ending March 31, 2021. They were also the Cost Auditors for the financial year ended March 31, 2020. As required under Section 148 of the Act, necessary resolution has been included in the Notice convening the AGM, seeking ratification by Members to the remuneration proposed to be paid to the Cost Auditors for the financial year ending March 31, 2021.

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

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report of the Company for FY 2020 as required under Regulation 34(2)(f) of the Listing Regulations is enclosed with this report.

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

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

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

The Policy is gender neutral. During the year under review, 2 (Two) complaints with allegation of sexual harassment were filed with ICC, detailed investigation was carried out and same were disposed-off as per the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

OTHERS

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

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

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

ACKNOWLEDGEMENT

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

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

For and on behalf of the
Board of Directors

Place: Mumbai
Date: June 26, 2020

Chairman

ANNEXURE A

DIVIDEND DISTRIBUTION POLICY

1. Regulatory Framework

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

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

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

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

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

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

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

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

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

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

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

Internal factors

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

External factors

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

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

5. Utilization of Retained Earnings

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

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

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

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

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

7. Disclosures

The Dividend Distribution Policy shall be disclosed in the Annual Report and will also be available on the website of the Company i.e. at www.piramal.com.

ANNEXURE B

Changes in Company's Subsidiaries, Joint Ventures and/or Associate Companies during FY 2020:

COMPANY WHICH HAS BECOME SUBSIDIARY:

a) Piramal Pharma Limited

COMPANIES WHICH HAVE CEASED TO BE SUBSIDIARIES:

a) Decision Resources Inc.
b) Decision Resources International Inc.
c) Decision Resources Group UK Limited
d) DR/Decision Resources LLC
e) DRG UK Holdco Limited
f) Millennium Research Group Inc.
g) Sigmatic Limited
h) Decision Resources Group Asia Limited
i) DRG Holdco Inc.
j) Piramal IPP Holdings LLC
k) DRG Analytics & Insights Private Limited
l) DRG Singapore Pte. Limited
m) Sharp Insight Limited
n) Decision Resources Japan K.K.

No entity has ceased to be a Joint Venture during FY 2020.

No entity has become nor has ceased to be an Associate Company during FY 2020.

ANNEXURE C

Annual Report on Corporate Social Responsibility activities for the financial year 2019-20

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

The CSR initiatives of the Company are either undertaken as projects or programs or activities, whether new or ongoing and in line with the CSR Policy. During the year ended March 31, 2020, the Company discharged its CSR obligations through projects and programs of Piramal Foundation for Education Leadership and Piramal Swasthya Management and Research Institute (collectively referred to as 'the CSR entities') in the education and health sector.

The CSR entities develop innovative solutions to resolve issues that are critical roadblocks towards improving India's health and education issues. The CSR entities believe that considerable positive change can occur, when we collaborate with likeminded partners and nurture projects that are scalable ensuring a long term impact.

Piramal Swasthya Management & Research Institute ('Piramal Swasthya') is focused on bridging public healthcare gaps by supplementing and complementing Government of India's vision to meet Universal Health Coverage. It is one of the largest not-for-profit organizations in India - in the primary public healthcare space with a focus on Maternal Health, Child & Adolescent Health and Non-communicable Diseases. It is operational in 21 States in India through 35 innovative public healthcare delivery programs and has served more than 112 million beneficiaries so far. Piramal Swasthya employs 2500+ employees (including over 250 medical doctors).

Following are the innovation projects undertaken by Piramal Swasthya:

- **Remote Health Advisory & Intervention platform (RHAI)**
  RHAI services provide 24x7 health advice to remote and vulnerable sections of the community through telephone and telemedicine services.
  Telemedicine Services: Three States | 80 Nodes | 0.33 Million Beneficiaries
  Health Information Helpline: Nine States | 439 Seats | 50 Million Beneficiaries

- **Community Outreach Platform**
  It ensures that healthcare facility is reaching to remote areas through mobile medical vans that are equipped with medical devices, medicines and healthcare workers.
  15 States | 132 MMUs | 50 Million Beneficiaries

- **Tribal Health Program**
  Piramal Swasthya is committed towards complementing and supplementing the government's vision of Universal Health Coverage, in its journey towards ending preventable deaths. Piramal Swasthya focuses on the significance of solutions, their delivery and uptake by the beneficiaries. The tribal health program is a unique model in the country that has demonstrated elimination of maternal deaths in the Vishakhapatnam tribal belt including ARAKU valley, for more than three years. The significance of this program rests with the fact that tribal areas have the highest maternal and infant mortalities, hence any positive impact in such areas will result in a large impact on the national average. Piramal Swasthya aims to build the Tribal Health Platform, with multiple partners and stakeholders aimed at building a sustainable, high-performing health ecosystem that adequately and appropriately addresses the needs of tribal communities.
  Six Mandals |Six TMCs | 16 Nutrition Hubs | Zero Maternal Deaths in last three years

- **D.E.S.H. (Detect early & save her/him)**
  D.E.S.H., community based cancer screening program addresses oral, breast and cervical cancers in the north eastern states of India. The project aims at detecting cancer at an early stage by taking screening services to the doorstep of beneficiaries in high incidence areas such as Kamrup district in Assam. D.E.S.H. team walks with the patient through the entire journey of initial screening to diagnosis to treatment.
  One District | 0.17 Million Population | 20,000 Beneficiaries across 164 villages

- **A.M.R.I.T. – A Public Good: Health & Wellness Technology Platform**
  A.M.R.I.T. - Accessible Medical Records via Integrated Technologies, is an integrated technology platform developed by Piramal Swasthya to create and store electronic health records of beneficiaries for public primary healthcare. A.M.R.I.T. is a public good primary healthcare technology platform. With beneficiaries being the primary focus, A.M.R.I.T. will help them by creating a mechanism of standard treatment protocol, reducing treatment disparities and duplication to provide quality of care.

  Key achievements during FY 2019-20:
  Piramal Swasthya's journey in public health has been evolutionary and we have continued to invest where no one else does. We have stuck through with one agenda of "seva bhav" and are working alongside closely with governments to scale innovations like remote health advisory & intervention services, community outreach programs through public private partnerships. Based on Swasthya's recent successes in Mobile Medical Units in Andhra Pradesh and the tribal health program in Araku - Vishakapatnam, we are now well poised to scale our impact and effect sustainable transformation towards contributing to Sustainable Development Goal 3. In addition, we seek to collaborate with the best minds in the country and other like-minded capable foundations who bring national and global learnings to the table resonating with our values and vision. Our recent partnerships in this regard include: Partnership with Bill and Melinda Gates Foundation to set up a 'Tribal Health Collaborative' for India and Partnership with The Rockefeller Foundation to strengthen India's primary healthcare ecosystem.

  Awards and Recognition received by Piramal Swasthya during the financial year 2019-20 were as follows:

  - Piramal Swasthya in September, 2019 was recognized with 'Inclusive Health Access Award' for its High Impact Healthcare Platform serving the most underserved populations across India.
  - Our Community Nutrition Hub Program was recognized with Outlook Poshan Awards 2019 for its nutrition interventions in Andhra Pradesh under the Policy & Governance category.
  - Piramal Swasthya in 2019, made it to the list of MacArthur Top 100 solutions world-wide.
  - Piramal Swasthya collaborated with ECHO India to introduce a Tele-mentoring platform for capacity building of field staff, case-based discussion and interaction with specialists at the Hub.
  - Continuing to reach the most difficult and underserved locations, Piramal Swasthya launched first of its kind Boat Mobile Telemedicine Services in Majuli, Assam.
  - A.M.R.I.T. – Piramal Swasthya's health tech platform was launched in Barpeta, Assam and four other Health & Wellness Centres of Aspirational Districts. A.M.R.I.T. as a public good will become the key enabler in creating care continuum & help in quality healthcare service delivery at the community.

- **Piramal Foundation for Education Leadership ('PFEL')** provides quality education in the government educational system, the objective being to shape the leaders who will dedicate themselves to making a positive difference in society. It believes in creating positive interventions at every level of the education ecosystem - from headmasters, teachers, community leaders, government education officials to motivated youth from India's leading colleges and policy makers in the education department.

  PFEL is engaging extensively with officials at the school, district and state level. At school level in School Leadership Development Program ('SLDP'), PFEL is working with 1300+ schools and over three 'lakhs' students across 12 districts in five states. At district level in District Transformation Program ('DTP'), PFEL is working in three districts in two states. At the state level in the State Transformation Program ('STP'), PFEL is working with 5000+ state officials across 12 states.

  During FY 2020, PFEL has made tremendous strides across all its programs, including the Virtual Field Support ('VFS') program and the Gandhi Fellowship Program ('GFP'). Of these, the VFS program employs local community women who provide pedagogical support to Headmasters, teachers, district and state officials across 14 locations. The GFP is a cadre of youths who have been handpicked as the next set of nation builders. These youths intervene on ground to successfully implement programs across PFEL's locations.

Key achievements during FY 2019-20 include:

School Leadership Development Program

- Entrepreneurship and life skills have been initiated effectively in 30 school impacting 1,000 students through active engagement in 10 Entrepreneurship projects. Developed sense of ownership among 30 stakeholders for conducting average two sessions on life skills and career counselling.
- Developed governance between early childhood intervention and Integrated Child Development Services Department (Jhunjhunu) for child's holistic development through building 228 Demo Anganwadis and impacting 1,558 AWC's across Jhunjhunu focus on enhancing school readiness of 13,000 children of three to six year.
- Programme for International Student Assessment program has been initiated in 10 schools with 500 children and 20 teachers across Jhunjhunu, wherein we deploy PISA-aligned assessments, Teacher Learning Labs, and Project-based learning classrooms to build global 21st century and PISA competencies in children.
- Oriented and trained 9,000+ Stakeholders including Panchayat Elementary Education Officers, Master Trainers, B.Ed. interns, Mentor Teachers to build an eco-system for Social Emotional Ethical Learning by signing an MoU with Emory University and bringing Social Emotional and Ethical learning (SEEL) tool & curriculum contextualized to Indian classrooms as well as designing assessment and developmental tools for children and stakeholders

State Transformation Program

- Signed Memorandum of Understanding ('MOU') with the government of Himachal Pradesh and are exploring partnerships with the Department of Education, Maharashtra as well as the Government of Karnataka.
- Built and developed quantifiable outcomes for eight products across three areas – create future-ready education leaders, transform structures and talent policies and create transformational pedagogy.
- Enhanced roles for 9,000 Block/cluster officials and relaunched State Institute of Educational Management and Training/ District Institute of Education and Training

Virtual Field Support

- Reduced pendency and improved efficiency of state-led initiatives in Jharkhand, Orissa, Madhya Pradesh and Rajasthan.
- Supported ASER in end-line assessment across 52% of the demo schools.
- Modified the VFS script in Amravati to also raise awareness about COVID-19 through 500 outbound calls to parents and community members.
- Received appreciation for Rajasthan and Jharkhand VFS center on delivering outcomes and supporting in LEP (Gyan Sethu) program respectively from state commissioner of Rajasthan and Jharkhand Govt and BCG team.

Gandhi Fellowship Program

- Successfully launched the NEST app for Fellow alumni with 146 members; the registrations have now gone up to 899+ registrations.
- Developed a 160-hour mentorship program designed to develop entrepreneurial expertise in Fellows aspiring to be social entrepreneurs and intrapreneurs.
- My Aspiration Path (MAP) app designed in collaboration with Sattva and developed by Edvanta to provide a one-stop technological solution for all Fellow processes.
- 79 Fellow alumni were involved in giving back to their community – Invested 300+ hours to coach 354 Fellows through the Alumni Mentorship Program to support batch 11's First Aspirational Track careers.

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

2. COMPOSITION OF THE CSR COMMITTEE

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

The composition of the Committee is in compliance with Section 135 of the Companies Act, 2013 ('the Act').

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

Average Net Profits of ₹ 433.89 crores is computed in line with the requirements of Section 135 of the Act.

4. PRESCRIBED CSR EXPENDITURE

CSR Expenditure of ₹ 11.14 Crores

5. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR:

a) Total amount spent for the financial year – ₹ 19.55 Crores

b) Amount unspent, if any – Not Applicable

c) Manner in which the amount spent during the financial year is detailed below:

(₹ In Crores)

(1) Sr. No	(2) CSR Project/ Activity	(3) Sector	(4) Locations	(5) Amount outlay (budget) project or program wise	(6) Amount spent on the projects or programs	(7) Cumulative expenditure up to the reporting period	(8) Amount spent through Implementing Agencies
1.	Building Leadership of Government Schools	Education	Rajasthan	12.35	12.21	95.69	Piramal Foundation for Education Leadership
2.	Operating a Rural BPO & providing livelihood to women	Women Empowerment	Uttarakhand	0.15	0.10	2.02	Kalimath Ghati Krishi Vyawasay Bahuuddeshye Swayat Sahkarita
3.	Providing Primary Healthcare to Rural population	Healthcare	Rajasthan, Telangana, Andhra Pradesh, Assam, Karnataka, Maharashtra	7.00	7.00	29.30	Piramal Swasthya Management & Research Institute
4.	Establishment of Children's Hospital	Healthcare	Maharashtra	0.00	0.00	7.00	Society for Rehabilitation of Crippled Children
5.	Establishment of Educational Training Centre	Education	Pan India	0.00	0.00	4.00	Pratham Education Foundation
6.	Informal Education of Tribal Children	Education	Madhya Pradesh	0.20	0.00	0.92	Friends of Tribal Society
7.	Leadership Training and Career Guidance Camps for youth with limited access, Training programs for teachers	Education	Gujarat, Andhra Pradesh, Tamil Nadu, Karnataka, Maharashtra	0.20	0.19	1.02	M.R.Pai Foundation
8.	Donations to support CSR activities under Schedule VII of Companies Act, 2013	Various CSR activities	Pan India	0.00	0.00	0.57	Company's matching contribution to Give India under Employee Payroll Giving Program
9.	Rehabilitation & Care of those with dependency and HIV-AIDS, including relevant Statistical Research	Healthcare	Maharashtra, Goa, Karnataka, West Bengal, Manipur, Nagaland, Meghalaya, Gujarat, Uttar Pradesh	0.10	0.05	0.42	Donation to Kripa Foundation
10.	Empowering women who are subjected to Domestic Violence and relevant Advocacy for State's effective response action	Women Empowerment	Maharashtra, Haryana, Gujarat, Rajasthan	0.00	0.00	0.30	Impact Foundation India
11.	Care of visually challenged and fighting against preventable blindness	Healthcare	Maharashtra	0.00	0.00	1.00	Vision Foundation India
12.	Providing artificial limbs and rehabilitating patients	Healthcare	Maharashtra	0.00	0.00	0.31	Yuvak Pratishthan
13.	Building and implementing Integrated Electronic Medical Records Platform	Healthcare	Telangana	0.00	0.00	7.70	Piramal Swasthya Management & Research Institute
	TOTAL (A)			**20.00**	**19.55**	**150.25**	
14.	Management and Overhead Costs for running the Company's CSR Programs	CSR	Pan India	0.00	0.00	17.04	Amount spent directly by the Company
	TOTAL (B)			**0.00**	**0.00**	**17.04**	
	TOTAL (A+B)			**20.00**	**19.55**	**167.29**	

Note:

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

i. Building Leadership of Government Schools (Education Sector): ₹ 33.87 Crores by way of donation to Piramal Foundation for Education Leadership (Implementing Agency);

ii. Enabling Primary Healthcare (Healthcare Sector): ₹ 13.41 Crores by way of donation to Piramal Swasthya Management and Research Institute (Implementing Agency).

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

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

Not Applicable

7. RESPONSIBILITY STATEMENT OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

Prof. Goverdhan Mehta	**Nandini Piramal**
(Chairman - CSR Committee)	(Executive Director)

Place: Mumbai
Date: May 11, 2020

ANNEXURE D

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014 for the year ended March 31, 2020

A. CONSERVATION OF ENERGY

i. Steps taken for conservation of energy

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

Pithampur

1. Water Conservation Program:
   - Reuse of ultrafiltration reject as feed water for boiler.
   - Treatment of effluent for overland irrigation/ cooling tower makeup.
   - Improved steam condensate recovery and reuse as boiler feed, resulting in saving of fresh water.
2. Energy Conservation Program:
   - Installation of auto temperature controller for Heating Ventilation and Air-conditioning System.
   - Installation of energy efficient pumps for chilled water system.
   - Replacement of conventional light fixtures with LED lights.
   - Replacement of cooling tower fans with energy efficient fans.
3. Construction of new micro lab building with fly ash bricks comprised of energy efficient lighting arrangement.
4. Reduction in consumption of Solvent (Acetone) for coating operation.
5. Continued use of Agro-Briquette, a clean source of energy, as fuel for boiler.

Ennore

1. Replacement of air compressors has resulted in reduced power consumption of 47,212 units per annum.
2. Installation of two energy efficient fans in cooling towers has resulted in reduced power consumption.

Mahad

1. Replacement of air compressor of nitrogen generation plant with centralised air compressor has resulted in energy saving.
2. Replacement of old motors with energy efficient motors in two Air Handling Units ('AHU'), has resulted in energy saving.
3. Replacement of chilling coil of two DX system AHU with chiller cooling coils has resulted in reduced power consumption.
4. Replacement of cooling tower with a new one has led to increase in the efficiency of the chiller and reduction in energy consumption.

5. Installation of temperature controllers in cooling towers has resulted in energy saving.

Digwal

1. Replacement of low efficient IE2 motors of capacity 10kw and above with high efficient IE3 motors has resulted in energy conservation.
2. Replacement of water ring/jet vacuum pumps with dry piston vacuum pumps has resulted in energy and water conservation.
3. Replacement of conventional type mercury vapour lights with LED lights has resulted in energy conservation.
4. Replacement of V-belt drives with flat belt drives for AHU and air blowers of Effluent Treatment Plant (ETP) has resulted in energy conservation.
5. Replacement of flap type Non Return Valve (NRVs) with ball type NRVs in utility pumps has resulted in energy conservation.
6. Installation of high efficiency energy saving fans for cooling towers.
7. Installation of Variable Frequency Drive (VFD) of intermediate area in production blocks has resulted in energy conservation.
8. Installation of servo stabilizer for lighting loads to provide optimum voltage has resulted in energy conservation.
9. Installation of heat exchangers to generate hot water through efficient and optimum use of steam energy thereby stopping wastage of water and heat energy which was the case in direct steam usage to generate hot water.
10. Reduction of Isoflurane API stage –I Reactor (R515A) batch cycle time from 16 hours to 12 hours has resulted in saving energy and has increased plant production capacity.
11. Reduction of Azeo mass transfer time cycle from 3 hours to 1 hour has resulted in energy saving.
12. Installation of VFD for plant cooling tower pump resulted in saving about 4,032 units per annum.
13. Arrangement of timers for bottling plant AHU to operate at low frequency during the night and auto change to normal speed during day time.

Ahmedabad

1. Collection of terrace rain water in utility storage tank resulted in reduction of water consumption by 5% as compared to last year's consumption.
2. Replacement of analytical lab lighting with LED lights.
3. Usage of Frigi-Tech refrigerant oil additive, which removes the scaling in refrigerant circuit, improves refrigerant flow and allows for efficient heat transfer has resulted in a 10% reduction in consumption.
4. Installation of motion sensors in corridors and wash areas has resulted in reduction of power consumption.
5. Water conservation measures have resulted in 8% reduction in water consumption despite increase in number of users.
6. Replacement of R-22 coolant gas with new chiller.

The Company's Plants have collectively made capital investments in energy conservation equipment aggregating to ₹ 4.84 Crores.

ii. Steps taken by the Company for utilizing alternate sources of energy

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

Solar panels have been installed at the Digwal Plant resulting in energy conservation.

B. TECHNOLOGY ABSORPTION

Pithampur

1. Creation of two additional granulation areas in Oral Solid Dosage ('OSD') Manufacturing.
2. Addition of two tablet compression machines and one tablet coating machine in OSD Manufacturing.
3. Upgradation from 60 BPM to 150 BPM bottle packaging line.
4. Replacement of low efficiency reciprocating compressor with Screw Air Compressor.
5. Modification and upgradation of warehouse to enhance capability and capacity.

Ennore

1. Installation of closed loop material handling system and closed loop in-process sampling system in critical areas.

Mahad

1. Installation of multifunction timers in machines in the strip packing area for automatically starting heaters daily.
2. Installation of timers in compounding vessels to stop the stirrer automatically after the set time has been completed.

Digwal

1. Increase in capacity of Trazadone from 10 MT per month to 11 MT per month with improvement in process method of batch charging frequency.

2. Alternate facility created for Trazadone to debottleneck the products.

3. Simplification of Vendor Qualification as well the Quality Management System (QMS) process for the new products for easy implementation.

4. Installation of chemical free soft water treatment process to improve water quality in the cooling tower.

5. Increase in capacity of Isoflurane from 84 MT per month to 92 MT per month by reducing the batch cycle times of Isoflurane manufacturing process.

Ahmedabad

1. Implementation of Quality Control Management System (QCMS) software for online data saving and protection of data generated.

2. Implementation of Stability Management software.

3. Migration of management of specification and STPs from manual system to automated system.

4. Installation of lab scale spray drier (Lab-Ultima).

5. Examination of tablets robustness in bottle pack to simulate shipping condition by using vibration tester and drop tester.

Expenditure on R&D

The Company incurred an expenditure of ₹ 47.49 Crores on Research and Development during FY 2020.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, foreign exchange earnings were ₹ 1,770.59 Crores as against outgo of ₹ 112.32 Crores.

ANNEXURE E

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2020

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

I REGISTRATION & OTHER DETAILS:

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

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company#
1	Pharmaceuticals	210 - Manufacture of pharmaceuticals, medicinal, chemical and botanical products	48.25%
2	Financial Services	649 - Other financial service activities, except insurance and pension funding	42.94%

On the basis of Gross Turnover

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held#	Applicable Section
1	Piramal Asset Management Private Limited	Piramal Tower, 4th Floor, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U65999MH2018PTC310752	Subsidiary	100.00	2(87)(ii)
2	Piramal Securities Limited	Piramal Tower, 4th Floor, B Wing, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U74999MH2018PLC310476	Subsidiary	100.00	2(87)(ii)
3	Piramal Capital & Housing Finance Limited (formerly known as Piramal Housing Finance Limited)	Piramal Tower, 4th Floor, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U65999MH2017PLC291071	Subsidiary	100.00	2(87)(ii)
4	PHL Fininvest Private Limited	Piramal Tower, 4th Floor, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U67120MH1994PTC078840	Subsidiary	100.00	2(87)(ii)
5	Piramal Fund Management Private Limited	Ground Floor, Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U67190MH2005PTC154781	Subsidiary	100.00	2(87)(ii)
6	Piramal Systems & Technologies Private Limited	1st Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U93030MH2011PTC218110	Subsidiary	100.00	2(87)(ii)
7	Piramal Pharma Limited	Gr. Flr.,Piramal Ananta, Agastya Corporate Park, Kamani Junction, LBS Marg, Kurla (West), Mumbai - 400 070	U24297MH2020PLC338592	Subsidiary	100.00	2(87)(ii)
8	Piramal Investment Advisory Services Private Limited	1st Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, (W) Mumbai - 400 013	U65191MH2013PTC244440	Subsidiary	100.00	2(87)(ii)
9	Piramal International	SGG Group, 33, Edith Cavell Street, Port Louis, 11324, Mauritius	NA	Subsidiary	100.00	2(87)(ii)
10	Piramal Holdings (Suisse) SA	Rue des Pierres-du-Niton, 17, 1207 Geneva, Switzerland	NA	Subsidiary	100.00	2(87)(ii)
11	Piramal Pharma Inc.	251 Little Falls Drive, Wilmington, County of New Castle, DE 19808, USA	NA	Subsidiary	100.00	2(87)(ii)
12	Piramal Healthcare Inc.	251 Little Falls Drive, Wilmington, County of New Castle, DE 19808, USA	NA	Subsidiary	100.00	2(87)(ii)
13	Piramal Critical Care Limited	Suite 4, Ground Floor Heathrow Boulevard - East Wing, 280 Bath Road, West Drayton, England, UB7 0DQ	NA	Subsidiary	100.00	2(87)(ii)
14	Piramal Healthcare UK Limited	Whalton Road, Morpeth, Northumberland, NE61 3YA, UK	NA	Subsidiary	100.00	2(87)(ii)
15	Piramal Healthcare Pension Trustees Limited	Whalton Road, Morpeth, Northumberland, NE61 3YA, UK	NA	Subsidiary	100.00	2(87)(ii)
16	Piramal Healthcare (Canada) Limited	110 Industrial Parkway North Aurora, Ontario L4G4C3, Canada	NA	Subsidiary	100.00	2(87)(ii)
17	Piramal Critical Care Italia, S.P.A.	San Giovanni Lupatoto (VR), Via XXIV Maggio 62/A, Cap 37057, Italy	NA	Subsidiary	100.00	2(87)(ii)
18	Piramal Critical Care Inc.	1209 Orange Street, Wilmington, New Castle, Delaware, 19801, USA	NA	Subsidiary	100.00	2(87)(ii)
19	Piramal Technologies SA	Route de l'Ecole 13, c/o Pascale Nguyen, 1753 Matran, Switzerland	NA	Subsidiary	100.00	2(87)(ii)
20	Piramal Dutch Holdings N.V.	WTC Tower B – 9th floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands	NA	Subsidiary	100.00	2(87)(ii)
21	Piramal Critical Care Deutschland GmbH	Am Soeldnermoos 17, 85399, Hallbergmoos, Germany	NA	Subsidiary	100.00	2(87)(ii)
22	Piramal Asset Management Private Limited	9 Battery Road #15-01, Straits Trading Building, Singapore (049910)	NA	Subsidiary	100.00	2(87)(ii)
23	Convergence Chemicals Private Limited	Plot No. D- 2/11/A1 G.I.D.C. Phase-II Dahej Tal Vagra Dahej Gujarat - 392 130	U24100GJ2014PTC081290	Subsidiary	51.00	2(87)(ii)
24	Allergan India Private Limited	Prestige Obelisk, Level 6 and Level 7, Kasturba Road, Bangalore- 560 001	U33201KA1994PTC023162	Associate	49.00	2(6)

Sl. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held#	Applicable Section
25	PEL Finhold Private Limited	Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, (West) Mumbai - 400 013	U65190MH2014PTC257414	Subsidiary	100.00	2(87)(ii)
26	Piramal Pharma Solutions Inc.	421 West Main Street, Frankfort, KY 40601, USA	NA	Subsidiary	100.00	2(87)(ii)
27	India Resurgence ARC Private Limited (formerly known as Piramal Assets Reconstruction Private Limited)	304, 3rd Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U67190MH2016PTC272471	Associate	50.00	2(6)
28	India Resurgence Asset Management Business Private Limited (formerly known as PEL Asset Resurgence Advisory Private Limited)	3rd Floor, Piramal Tower, Peninsula Corporate Park Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	U74900MH2016PTC273377	Associate	50.00	2(6)
29	PEL-DRG Dutch Holdco B.V.	WTC Tower B – 9th floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands	NA	Subsidiary	100.00	2(87)(ii)
30	Piramal Dutch IM Holdco B.V.	WTC Tower B – 9th floor, Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands	NA	Subsidiary	100.00	2(87)(ii)
31	Piramal Consumer Products Private Limited	Gr. Floor, Piramal Ananta, Agastya Corporate Park, Kamani Junction, LBS Marg, Kurla (West), Mumbai - 400 070	U74120MH2012PTC233525	Subsidiary	100.00	2(87)(ii)
32	Piramal Critical Care South Africa (Pty) Ltd	Office 2, Ground Floor, Kipersol Hous, Stonemill Office Park, 300 Acacia Road Darrenwood, Gauteng 2194, South Africa	NA	Subsidiary	100.00	2(87)(ii)
33	Indiareit Investment Management Company	IFS Court, Twenty Eight Cybercity, Ebene, Mauritius	NA	Subsidiary	100.00	2(87)(ii)
34	Asset Resurgence Mauritius Manager	Suite 110, 10th Floor, Ebene Heights Building, 34 Ebene Cybercity, Ebene, Mauritius	NA	Associate	50.00	2(6)
35	Ash Stevens LLC	18655 Krause Street, Riverview, Michigan 48193, USA	NA	Subsidiary	100.00	2(87)(ii)
36	PEL Pharma Inc.	2711, Centerville Road, Suite 400, County of New Castle, Wilmington, DE 19808.	NA	Subsidiary	100.00	2(87)(ii)
37	Bluebird Aero Systems Private Limited	8 Hamatechet Street, Kadima, 60920, Israel	NA	Associate	27.83	2(6)
38	Shrilekha Business Consultancy Private Limited	Shriram House, No.4, Burkit Road, T Nagar Chennai, 600017	U74999TN2017PTC114086	Subsidiary	74.95	2(87)(ii)
39	Zebra Management Services Private Limited	101/105 B Wing, Shiv Chambers, Sector 11 CBD Belapur, Navi Mumbai- 400 614	U74140MH2002PTC211185	Subsidiary	74.95@	2(87)(ii)
40	Shriram Capital Limited	Shriram House, No.4, Burkit Road, T. Nagar, Chennai- 600 017	U65993TN1974PLC006588	Associate	20.00@	2(6)
41	Piramal Critical Care B.V.	Rouboslaan, 32 (Ground Floor), 2252 TR, Voorschoten, The Netherlands.	NA	Subsidiary	100.00	2(87)(ii)
42	Piramal Pharma Solutions (Dutch) B.V.	Bargelaan (7e Verdieping) 200, 2333 CW Leiden	NA	Subsidiary	100.00	2(87)(ii)
43	Piramal Critical Care Pty. Ltd.	Level 20, Tower A, The Zenith, 821 Pacific Highway, Chatswood, New South Wales 2067, Australia	NA	Subsidiary	100.00	2(87)(ii)
44	Piramal Capital International Limited	IFS Court, Bank Street, Twenty Eight, Cybercity, Ebene 72201, Mauritius	NA	Subsidiary	74.95@	2(87)(ii)
45	Searchlight Health Private Limited	M.C.No.294/295, Amarjyothi Layout Domlur Extension Bangalore Bangalore - 560 071, Karnataka, India	U85100KA2007PTC124079	Subsidiary	51.00	2(87)(ii)

@ Representing controlling interest

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

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

(i) Category - wise shareholding

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	5,06,110	0	5,06,110	0.27	5,86,433	0	5,86,433	0.26	(0.01)
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	90,28,184	0	90,28,184	4.89	2,06,88,788	0	2,06,88,788	9.17	4.28
(d)	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify) - Trusts	8,21,44,354	0	8,21,44,354	44.54	8,26,09,935	0	8,26,09,935	36.63	(7.91)
	Sub Total (A)(1) :	**9,16,78,648**	**0**	**9,16,78,648**	**49.70**	**10,38,85,156**	**0**	**10,38,85,156**	**46.06**	**(3.64)**
[2]	Foreign									
(a)	Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**9,16,78,648**	**0**	**9,16,78,648**	**49.70**	**10,38,85,156**	**0**	**10,38,85,156**	**46.06**	**(3.64)**
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds	6,05,883	3,354	6,09,237	0.33	7,81,724	512	7,82,236	0.35	0.02
(b)	Financial Institutions / Banks	1,00,92,993	579	1,00,93,572	5.48	7,55,769	454	7,56,223	0.34	5.14
(c)	Central Govt	213	0	213	0.00	213	0	213	0.00	(0.00)
(d)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	8,50,000	0	8,50,000	0.46	1,90,02,261	0	1,90,02,261	8.43	7.96
(g)	FIIs/FPIs	4,95,48,101	6	4,95,48,107	26.86	6,64,14,778	0	6,64,14,778	29.45	2.58
(h)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other -									
	i) Foreign Bank	333	0	333	0.00	333	0	333	0.00	0.00
	ii) Alternate Investment Funds	0	0	0	0.00	12,52,173	0	12,52,173	0.56	0.56
	Sub Total (B)(1)	**6,10,97,523**	**3,939**	**6,11,01,462**	**33.13**	**8,82,07,251**	**966**	**8,82,08,217**	**39.11**	**5.98**
[3]	Non-Institutions									
(a)	Bodies Corporates									
	i) Indian	22,52,384	38,839	22,91,223	1.24	23,52,517	34,569	23,87,086	1.06	(0.18)
	ii) Overseas	3,946	0	3,946	0.00	3,951	0	3,951	0.00	0.00
(b)	Individuals									
	i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,51,68,347	28,73,413	1,80,41,760	9.78	1,64,19,960	25,32,613	1,89,52,573	8.40	(1.38)
	ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	23,79,550	0	23,79,550	1.29	24,23,864	0	24,23,864	1.07	(0.22)
(c)	Any Other (Specify)									
	i) NBFCs registered with RBI	4,48,790	0	4,48,790	0.24	10,870	0	10,870	0.00	(0.24)
	ii) Non Resident Indians (Repat)	4,11,503	22,665	4,34,168	0.24	11,57,593	21,722	11,79,315	0.52	0.29
	iii) Non Resident Indians (Non Repat)	5,85,375	2,205	5,87,580	0.32	5,77,721	880	5,78,601	0.26	(0.06)
	iv) Foreign Companies	0	43,16,911	43,16,911	2.34	43,24,936	0	43,24,936	1.92	(0.42)
	v) Clearing Member	5,62,501	0	5,62,501	0.30	6,16,112	0	6,16,112	0.27	(0.03)
	vi) Trusts	29,423	53,952	83,375	0.05	1,02,238	1,764	1,04,002	0.05	0.00
	vii) Foreign Nationals	175	0	175	0.00	509	0	509	0.00	0.00
	viii) Hindu Undivided Family	4,20,054	0	4,20,054	0.23	4,34,489	2	4,34,491	0.19	(0.04)

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	ix) IEPF	5,83,836	0	5,83,836	0.32	7,04,153	0	7,04,153	0.31	(0.00)
	x) LLP	0	0	0	0.00	541	0	541	0.00	0.00
	xi) Unclaimed Suspense Account	14,588	0	14,588	0.01	3,363	0	3,363	0.00	(0.01)
	xii) Foreign Portfolio Investor (Individual)	0	0	0	0.00	202	0	202	0.00	0.00
	Sub Total (B)(2)	**2,28,60,472**	**73,07,985**	**3,01,68,457**	**16.36**	**2,91,33,019**	**25,91,550**	**3,17,24,569**	**14.07**	**(2.29)**
	Total Public Shareholding(B)=(B)(1)+(B)(2)	**8,39,57,995**	**73,11,924**	**9,12,69,919**	**49.49**	**11,73,40,270**	**25,92,516**	**11,99,32,786**	**53.18**	**3.69**
(C)	**Shares held by Custodian for GDRs & ADRs**	0	0	0	0.00	0	0	0	0.00	0.00
(D)	**Non Promoter - Non Public**									
	Employee Benefit Trust [under SEBI (Share based Employee Benefit) Regulations, 2014]	14,98,405	0	14,98,405	0.81	17,20,414	0	17,20,414	0.76	(0.05)
	Total (A)+(B)+(C)+(D)	**17,71,35,048**	**73,11,924**	**18,44,46,972**	**100.00**	**22,29,45,840**	**25,92,516**	**22,55,38,356**	**100.00**	**0.00**

(ii) Shareholding of Promoters and Promoter Group

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	The Sri Krishna Trust [Trustees: Mr. Ajay G. Piramal and Dr. (Mrs.) Swati A. Piramal]	7,87,54,817	42.70	0.00	7,88,77,580	34.97	0.00	(7.73)
2	Piramal Welfare Trust [Formerly known as Piramal Enterprises Executive Trust] [Trustee: Piramal Corporate Services Limited]	21,95,517	1.19	0.00	24,90,269	1.10	0.00	(0.09)
3	The Ajay G Piramal Foundation	8,69,478	0.47	0.00	9,86,731	0.44	0.00	(0.03)
4	Mr. Anand Piramal	1,68,568	0.09	0.00	1,97,097	0.09	0.00	0.00
5	Mr. Ajay G Piramal (Karta of Gopikisan Piramal HUF)	1,07,121	0.06	0.00	1,21,479	0.05	0.00	(0.01)
6	Ms. Nandini A Piramal	6,712	0.00	0.00	52,199	0.02	0.00	0.02
7	Piramal Phytocare Limited Senior Employees Option Trust (Formerly known as Piramal Life Sciences Limited Senior Empoyees Options Scheme)*	99,068	0.05	0.00	-	0.00	0.00	(0.05)
8	Mr. Peter DeYoung	98,000	0.05	0.00	1,08,000	0.05	0.00	0.00
9	AASAN Info Solutions (India) Private Limited	54,271	0.03	0.00	20,13,875	0.89	0.00	0.86
10	Ms. Anya Piramal DeYoung	43,000	0.02	0.00	48,000	0.02	0.00	0.00
11	Master Dev Piramal DeYoung	43,000	0.02	0.00	48,000	0.02	0.00	0.00
12	Mr. Ajay G Piramal (Karta of Ajay G Piramal HUF)	5,448	0.00	0.00	6,507	0.00	0.00	0.00
13	Dr. (Mrs.) Swati A. Piramal	32,542	0.02	0.00	2,100	0.00	0.00	(0.02)
14	Mr. Ajay G. Piramal	1,089	0.00	0.00	1,817	0.00	0.00	0.00
15	Mrs. Lalita G Piramal	630	0.00	0.00	1,234	0.00	0.00	0.00
16	PRL Realtors LLP	89,73,913	4.87	0.00	89,73,913	3.98	0.00	(0.89)
17	Anand Piramal Trust	1,17,097	0.06	0.00	1,32,615	0.06	0.00	0.00
18	Nandini Piramal Trust	1,08,377	0.06	0.00	1,22,740	0.05	0.00	0.00
19	V3 Designs LLP	-	0.00	0.00	97,01,000	4.30	0.00	4.30
	Total	**9,16,78,648**	**49.70**	**0.00**	**10,38,85,156**	**46.06**	**0.00**	**(3.64)**

*Pursuant to the Scheme of Amalgamation of Piramal Phytocare Limited ('PPL') with the Company and their respective shareholders as sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench, vide its Order dated 4th November, 2019 and made effective on 2nd December, 2019, PPL has merged with the Company and the PPL ESOP Trust has been categorised as Non-Promoter-Non-Public shareholder and disclosed as employee benefit trust and accordingly does not form part of the Promoter Group at the end of the year.

(iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company@	No. of shares	% of total shares of the Company@
1	Mr. Ajay G. Piramal				
	At the beginning of the year	**1,089**	**0.00**	**1,089**	**0.00**
	24.12.2019 - Scheme of Amalgamation	516	0.00	1,605	0.00
	01.02.2020 - Allotment under Rights Issue	212	0.00	1,817	0.00
	At the end of the year			**1,817**	**0.00**
2	Dr. (Mrs.) Swati A. Piramal				
	At the beginning of the year	**32,542**	**0.01**	**32,542**	**0.01**
	03.05.2019 - Transfer	(31,100)	(0.01)	1,442	0.00
	06.05.2019 - Transfer	(225)	(0.00)	1,217	0.00
	24.12.2019 - Scheme of Amalgamation	638	0.00	1,855	0.00
	01.02.2020 - Allotment under Rights Issue	245	0.00	2,100	0.00
	At the end of the year			**2,100**	**0.00**
3	Ms. Nandini A Piramal				
	At the beginning of the year	**6,712**	**0.00**	**6,712**	**0.00**
	03.05.2019 - Transfer	10,000	0.01	16,712	0.01
	24.12.2019 - Scheme of Amalgamation	5,508	0.00	22,220	0.01
	01.02.2020 - Allotment under Rights Issue	29,979	0.01	52,199	0.02
	At the end of the year			**52,199**	**0.02**
4	Mr. Anand Piramal				
	At the beginning of the year	**1,68,568**	**0.07**	**1,68,568**	**0.07**
	24.12.2019 - Scheme of Amalgamation	5,465	0.00	1,74,033	0.07
	01.02.2020 - Allotment under Rights Issue	23,064	0.02	1,97,097	0.09
	At the end of the year			**1,97,097**	**0.09**
5	Mrs. Lalita G Piramal				
	At the beginning of the year	**630**	**0.00**	**630**	**0.00**
	24.12.2019 - Scheme of Amalgamation	604	0.00	1,234	0.00
	At the end of the year			**1,234**	**0.00**
6	Mr. Peter DeYoung				
	At the beginning of the year	**98,000**	**0.04**	**98,000**	**0.04**
	03.05.2019 - Transfer	10,000	0.01	1,08,000	0.05
	At the end of the year			**1,08,000**	**0.05**
7	Master Dev Piramal DeYoung				
	At the beginning of the year	**43,000**	**0.02**	**43,000**	**0.02**
	03.05.2019 - Transfer	5,000	0.00	48,000	0.02
	At the end of the year			**48,000**	**0.02**
8	Ms. Anya Piramal DeYoung				
	At the beginning of the year	**43,000**	**0.02**	**43,000**	**0.02**
	03.05.2019 - Transfer	5,000	0.00	48,000	0.02
	At the end of the year			**48,000**	**0.02**
9	Mr. Ajay G Piramal (Karta of Gopikisan Piramal HUF)				
	At the beginning of the year	**1,07,121**	**0.06**	**1,07,121**	**0.06**
	24.12.2019 - Scheme of Amalgamation	143	0.00	1,07,264	0.06
	01.02.2020 - Allotment under Rights Issue	14,215	0.01	1,21,479	0.07
	At the end of the year			**1,21,479**	**0.07**
10	Mr. Ajay G Piramal (Karta of Ajay G Piramal HUF)				
	At the beginning of the year	**5,448**	**0.00**	**5,448**	**0.00**
	24.12.2019 - Scheme of Amalgamation	298	0.00	5,746	0.00
	01.02.2020 - Allotment under Rights Issue	761	0.00	6,507	0.00

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company@	No. of shares	% of total shares of the Company@
	At the end of the year			**6,507**	**0.00**
11	**The Sri Krishna Trust [Trustees: Mr. Ajay G. Piramal and Dr. (Mrs.) Swati A. Piramal]**				
	At the beginning of the year	**7,87,54,817**	**34.92**	**7,87,54,817**	**34.92**
	24.12.2019 - Scheme of Amalgamation	1,22,763	0.05	7,88,77,580	34.97
	At the end of the year			**7,88,77,580**	**34.97**
12	**Piramal Welfare Trust [Formerly known as Piramal Enterprises Executive Trust] [Trustee: Piramal Corporate Services Limited]**				
	At the beginning of the year	**21,95,517**	**0.97**	**21,95,517**	**0.97**
	14.05.2019 - Transfer	(500)	(0.00)	21,95,017	0.97
	03.07.2019 - Transfer	(401)	(0.00)	21,94,616	0.97
	24.12.2019 - Scheme of Amalgamation	5,239	0.00	21,99,855	0.97
	30.12.2019 - Transfer	(1,000)	(0.00)	21,98,855	0.97
	01.02.2020 - Allotment under Rights Issue	2,91,414	0.13	24,90,269	1.10
	At the end of the year			**24,90,269**	**1.10**
13	**Anand Piramal Trust**				
	At the beginning of the year	**1,17,097**	**0.05**	**1,17,097**	**0.05**
	01.02.2020 - Allotment under Rights Issue	15,518	0.01	1,32,615	0.06
	At the end of the year			**1,32,615**	**0.06**
14	**Nandini Piramal Trust**				
	At the beginning of the year	**1,08,377**	**0.05**	**1,08,377**	**0.05**
	01.02.2020 - Allotment under Rights Issue	14,363	0.00	1,22,740	0.05
	At the end of the year			**1,22,740**	**0.05**
15	**The Ajay G Piramal Foundation**				
	At the beginning of the year	**8,69,478**	**0.39**	**8,69,478**	**0.39**
	24.12.2019 - Scheme of Amalgamation	1,785	0.00	8,71,263	0.39
	01.02.2020 - Allotment under Rights Issue	1,15,468	0.05	9,86,731	0.44
	At the end of the year			**9,86,731**	**0.44**
16	**AASAN Info Solutions (India) Private Limited**				
	At the beginning of the year	**54,271**	**0.02**	**54,271**	**0.02**
	01.02.2020 - Allotment under Rights Issue	19,59,604	0.87	20,13,875	0.89
	At the end of the year			**20,13,875**	**0.89**
17	**V3 Designs LLP**				
	At the beginning of the year	**-**	**0.00**	**-**	**0.00**
	30.12.2019 - Transfer	1,000	0.00	1,000	0.00
	01.02.2020 - Allotment under Rights Issue	97,00,000	4.30	97,01,000	4.30
	At the end of the year			**97,01,000**	**4.30**
18	**Piramal Phytocare Limited Senior Employees Option Trust (Formerly known as Piramal Life Sciences Limited Senior Empoyees Options Scheme)***				
	At the beginning of the year	**99,068**	**0.05**	**99,068**	**0.05**
	24.12.2019 - Scheme of Amalgamation	5,425	0.00	1,04,493	0.05
	01.02.2020 - Allotment under Rights Issue	13,848	0.01	1,18,341	0.06
	At the end of the year			**1,18,341**	**0.06**

@ % have been calculated on the paid up share capital of the Company as on 31.03.2020.

* Pursuant to the Scheme of Amalgamation of Piramal Phytocare Limited ('PPL') with the Company and their respective shareholders as sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench, vide its Order dated 4th November, 2019 and made effective on 2nd December, 2019, PPL has merged with the Company and the PPL ESOP Trust has been categorised as Non-Promoter-Non-Public shareholder and disclosed as employee benefit trust and accordingly does not form part of the Promoter Group at the end of the year.

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

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company@	No. of shares	% of total shares of the company@
1	Life Insurance Corporation of India				
	At the beginning of the year	**93,69,733**	**4.15**	**93,69,733**	**4.15**
	05.04.2019 - Transfer	1,45,641	0.06	95,15,374	4.21
	12.04.2019 - Transfer	6,10,640	0.27	1,01,26,014	4.49
	19.04.2019 - Transfer	2,25,301	0.10	1,03,51,315	4.59
	26.04.2019 - Transfer	3,09,846	0.14	1,06,61,161	4.72
	03.05.2019 - Transfer	5,61,683	0.25	1,12,22,844	4.97
	10.05.2019 - Transfer	4,84,706	0.21	1,17,07,550	5.19
	17.05.2019 - Transfer	2,67,499	0.12	1,19,75,049	5.31
	24.05.2019 - Transfer	2,41,233	0.11	1,22,16,282	5.41
	31.05.2019 - Transfer	5,92,617	0.26	1,28,08,899	5.67
	07.06.2019 - Transfer	4,65,441	0.21	1,32,74,340	5.88
	14.06.2019 - Transfer	5,75,205	0.26	1,38,49,545	6.14
	21.06.2019 - Transfer	2,32,765	0.10	1,40,82,310	6.24
	29.06.2019 - Transfer	1,75,039	0.08	1,42,57,349	6.32
	05.07.2019 - Transfer	90,319	0.04	1,43,47,668	6.36
	12.07.2019 - Transfer	1,84,842	0.08	1,45,32,510	6.44
	19.07.2019 - Transfer	1,81,878	0.08	1,47,14,388	6.52
	26.07.2019 - Transfer	4,11,090	0.18	1,51,25,478	6.70
	02.08.2019 - Transfer	2,28,796	0.10	1,53,54,274	6.80
	09.08.2019 - Transfer	2,23,136	0.10	1,55,77,410	6.90
	16.08.2019 - Transfer	1,16,174	0.05	1,56,93,584	6.95
	23.08.2019 - Transfer	1,28,452	0.06	1,58,22,036	7.01
	30.08.2019 - Transfer	50,000	0.02	1,58,72,036	7.03
	27.12.2019 - Transfer	12,479	0.01	1,58,84,515	7.04
	07.02.2020 - Allotment under Rights Issue	21,05,176	0.94	1,79,89,691	7.98
	At the end of the year			**1,79,89,691**	**7.98**
2	East Bridge Capital Master Fund Limited				
	At the beginning of the year	**63,43,568**	**2.81**	**63,43,568**	**2.81**
	17.05.2019 - Transfer	17,00,385	0.75	80,43,953	3.56
	24.05.2019 - Transfer	4,39,829	0.20	84,83,782	3.76
	31.05.2019 - Transfer	3,48,295	0.15	88,32,077	3.91
	11.10.2019 - Transfer	20,000	0.01	88,52,077	3.92
	17.01.2020 - Transfer	(54,975)	(0.02)	87,97,102	3.90
	07.02.2020 - Allotment under Rights Issue	14,70,401	0.65	1,02,67,503	4.55
	At the end of the year			**1,02,67,503**	**4.55**
3	Caisse De Depot ET Placement Du Quebec*				
	At the beginning of the year	**65,282**	**0.03**	**65,282**	**0.03**
	05.04.2019 - Transfer	2,281	0.00	67,563	0.03
	03.05.2019 - Transfer	2,492	0.00	70,055	0.03
	17.05.2019 - Transfer	42,46,000	1.88	43,16,055	1.91
	07.06.2019 - Transfer	6,750	0.00	43,22,805	1.91
	14.06.2019 - Transfer	(7,104)	(0.00)	43,15,701	1.91
	21.06.2019 - Transfer	(15,445)	(0.01)	43,00,256	1.90
	29.06.2019 - Transfer	(3,600)	(0.00)	42,96,656	1.90
	16.08.2019 - Transfer	87,377	0.04	43,84,033	1.94
	30.08.2019 - Transfer	13,165	0.01	43,97,198	1.95
	06.09.2019 - Transfer	11,378	0.00	44,08,576	1.95
	04.10.2019 - Transfer	9,08,415	0.40	53,16,991	2.35
	11.10.2019 - Transfer	20,08,423	0.89	73,25,414	3.24
	07.02.2020 - Allotment under Rights Issue	9,70,838	0.43	82,96,252	3.67

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company@	No. of shares	% of total shares of the company@
	06.03.2020 - Transfer	11,46,132	0.51	94,42,384	4.19
	At the end of the year			**94,42,384**	**4.19**
4	East Bridge Capital Master Fund I Ltd				
	At the beginning of the year	**53,32,917**	**2.36**	**53,32,917**	**2.36**
	17.05.2019 - Transfer	2,04,880	0.09	55,37,797	2.45
	31.05.2019 - Transfer	8,907	0.00	55,46,704	2.45
	05.07.2019 - Transfer	5,65,646	0.25	61,12,350	2.70
	27.12.2019 - Transfer	(2,39,486)	(0.10)	58,72,864	2.60
	31.01.2020 - Transfer	(2,24,952)	(0.10)	56,47,912	2.50
	07.02.2020 - Allotment under Rights Issue	9,33,997	0.41	65,81,909	2.91
	28.02.2020 - Transfer	(1,20,510)	(0.05)	64,61,399	2.86
	At the end of the year			**64,61,399**	**2.86**
5	Indiahold Limited				
	At the beginning of the year	**41,76,468**	**1.85**	**41,76,468**	**1.85**
	29.06.2019 - Dematerialization of shares	1,40,443	0.06	43,16,911	1.91
	27.12.2019 - Transfer	8,025	0.00	43,24,936	1.92
	At the end of the year			**43,24,936**	**1.92**
6	Aberdeen Global Indian Equity Limited				
	At the beginning of the year	**22,61,617**	**1.00**	**22,61,617**	**1.00**
	09.08.2019 - Transfer	(2,50,000)	(0.11)	20,11,617	0.89
	18.10.2019 - Transfer	1,32,270	0.06	21,43,887	0.95
	25.10.2019 - Transfer	79,730	0.03	22,23,617	0.98
	20.12.2019 - Transfer	(2,50,000)	(0.11)	19,73,617	0.87
	07.02.2020 - Allotment under Rights Issue	2,61,563	0.12	22,35,180	0.99
	28.02.2020 - Transfer	(1,60,000)	(0.07)	20,75,180	0.92
	At the end of the year			**20,75,180**	**0.92**
7	Vanguard Total International Stock Index Fund				
	At the beginning of the year	**13,55,486**	**0.60**	**13,55,486**	**0.60**
	26.04.2019 - Transfer	(35,823)	(0.02)	13,19,663	0.58
	17.05.2019 - Transfer	17,673	0.01	13,37,336	0.59
	14.06.2019 - Transfer	37,354	0.02	13,74,690	0.61
	29.06.2019 - Transfer	75,797	0.03	14,50,487	0.64
	09.08.2019 - Transfer	19,323	0.01	14,69,810	0.65
	23.08.2019 - Transfer	26,976	0.01	14,96,786	0.66
	07.02.2020 - Allotment under Rights Issue/Transfer	2,16,971	0.10	17,13,757	0.76
	28.02.2020 - Transfer	17,910	0.01	17,31,667	0.77
	06.03.2020 - Transfer	20,055	0.01	17,51,722	0.78
	13.03.2020 - Transfer	24,437	0.01	17,76,159	0.79
	20.03.2020 - Transfer	24,006	0.01	18,00,165	0.80
	27.03.2020 - Transfer	27,385	0.01	18,27,550	0.81
	At the end of the year			**18,27,550**	**0.81**
8	TIAA-CREF Funds - TIAA-CREF Emerging Markets Equity Fund*				
	At the beginning of the year	**0**	**0.00**	**0**	**0.00**
	21.02.2020 - Transfer	2,29,644	0.10	2,29,644	0.10
	28.02.2020 - Transfer	5,52,456	0.24	7,82,100	0.34
	13.03.2020 - Transfer	2,87,596	0.13	10,69,696	0.47
	20.03.2020 - Transfer	2,89,904	0.13	13,59,600	0.60
	31.03.2020 - Transfer	4,50,100	0.20	18,09,700	0.80
	At the end of the year			**18,09,700**	**0.80**

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company@	No. of shares	% of total shares of the company@
9	**Piramal Enterprises Limited Senior Employees Welfare Trust [Formerly known as Piramal Healthcare Limited Senior Employee Option Scheme]$**				
	At the beginning of the year	**14,98,405**	**0.66**	**14,98,405**	**0.66**
	12.04.2019 - Transfer	(1,500)	(0.00)	14,96,905	0.66
	19.04.2019 - Transfer	(1,111)	(0.00)	14,95,794	0.66
	10.05.2019 - Transfer	(1,100)	(0.00)	14,94,694	0.66
	17.05.2019 - Transfer	(100)	(0.00)	14,94,594	0.66
	24.05.2019 - Transfer	(925)	(0.00)	14,93,669	0.66
	14.06.2019 - Transfer	(24,078)	(0.01)	14,69,591	0.65
	21.06.2019 - Transfer	(1,111)	(0.00)	14,68,480	0.65
	29.06.2019 - Transfer	(1,575)	(0.00)	14,66,905	0.65
	05.07.2019 - Transfer	(75)	(0.00)	14,66,830	0.65
	12.07.2019 - Transfer	(58)	(0.00)	14,66,772	0.65
	09.08.2019 - Transfer	(3,736)	(0.00)	14,63,036	0.65
	23.08.2019 - Transfer	(4,735)	(0.00)	14,58,301	0.65
	30.08.2019 - Transfer	(4,366)	(0.00)	14,53,935	0.65
	06.09.2019 - Transfer	(375)	(0.00)	14,53,560	0.65
	13.09.2019 - Transfer	(5,382)	(0.00)	14,48,178	0.65
	20.09.2019 - Transfer	(2,175)	(0.00)	14,46,003	0.65
	27.09.2019 - Transfer	(15,949)	(0.01)	14,30,054	0.64
	30.09.2019 - Transfer	(1,526)	(0.00)	14,28,528	0.64
	04.10.2019 - Transfer	(204)	(0.00)	14,28,324	0.64
	08.11.2019 - Transfer	(3,334)	(0.00)	14,24,990	0.64
	20.12.2019 - Transfer	(2,200)	(0.00)	14,22,790	0.64
	27.12.2019 - Transfer	(4,368)	(0.00)	14,18,422	0.64
	24.01.2020 - Transfer	(4,332)	(0.00)	14,14,090	0.64
	07.02.2020 - Allotment under Rights Issue	1,87,983	0.07	16,02,073	0.71
	At the end of the year			**16,02,073**	**0.71**
10	**Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds**				
	At the beginning of the year	**13,62,089**	**0.60**	**13,62,089**	**0.60**
	12.04.2019 - Transfer	3,105	0.00	13,65,194	0.60
	10.05.2019 - Transfer	3,240	0.00	13,68,434	0.60
	21.06.2019 - Transfer	(7,290)	(0.00)	13,61,144	0.60
	29.06.2019 - Transfer	8,864	0.00	13,70,008	0.60
	19.07.2019 - Transfer	6,601	0.00	13,76,609	0.61
	02.08.2019 - Transfer	12,750	0.01	13,89,359	0.61
	27.09.2019 - Transfer	(3,790)	(0.00)	13,85,569	0.61
	07.02.2020 - Allotment under Rights Issue	1,83,629	0.08	15,69,198	0.69
	27.03.2020 - Transfer	(26,758)	(0.01)	15,42,440	0.68
	At the end of the year			**15,42,440**	**0.68**
11	**Elara India Opportunities Fund Limited**				
	At the beginning of the year	**13,05,013**	**0.58**	**13,05,013**	**0.58**
	07.02.2020 - Allotment under Rights Issue	2,200	0.00	13,07,213	0.58
	At the end of the year			**13,07,213**	**0.58**
12	**Government of Singapore#**				
	At the beginning of the year	**12,04,737**	**0.53**	**12,04,737**	**0.53**
	05.04.2019 - Transfer	41,650	0.02	12,46,387	0.55
	26.04.2019 - Transfer	(11,539)	(0.01)	12,34,848	0.55
	03.05.2019 - Transfer	(5,698)	(0.00)	12,29,150	0.54
	10.05.2019 - Transfer	(15,243)	(0.01)	12,13,907	0.54

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company@	No. of shares	% of total shares of the company@
	17.05.2019 - Transfer	(1,147)	(0.00)	12,12,760	0.54
	24.05.2019 - Transfer	5,950	0.00	12,18,710	0.54
	31.05.2019 - Transfer	(52,759)	(0.02)	11,65,951	0.52
	07.06.2019 - Transfer	1,14,310	0.05	12,80,261	0.57
	14.06.2019 - Transfer	10,735	0.00	12,90,996	0.57
	21.06.2019 - Transfer	212	0.00	12,91,208	0.57
	29.06.2019 - Transfer	(45,668)	(0.02)	12,45,540	0.55
	05.07.2019 - Transfer	(18,711)	(0.01)	12,26,829	0.54
	19.07.2019 - Transfer	(2,825)	(0.00)	12,24,004	0.54
	26.07.2019 - Transfer	(46,623)	(0.02)	11,77,381	0.52
	02.08.2019 - Transfer	(21,574)	(0.01)	11,55,807	0.51
	09.08.2019 - Transfer	(8,968)	(0.00)	11,46,839	0.51
	16.08.2019 - Transfer	(3,604)	(0.00)	11,43,235	0.51
	23.08.2019 - Transfer	(5,367)	(0.00)	11,37,868	0.50
	30.08.2019 - Transfer	67,298	0.03	12,05,166	0.53
	06.09.2019 - Transfer	1,539	0.00	12,06,705	0.54
	20.09.2019 - Transfer	2,639	0.00	12,09,344	0.54
	30.09.2019 - Transfer	(755)	(0.00)	12,08,589	0.54
	04.10.2019 - Transfer	12,105	(0.01)	12,20,694	0.54
	11.10.2019 - Transfer	(29,412)	(0.01)	11,91,282	0.53
	18.10.2019 - Transfer	(19,448)	(0.01)	11,71,834	0.52
	25.10.2019 - Transfer	(9,712)	(0.00)	11,62,122	0.52
	01.11.2019 - Transfer	(2,515)	(0.00)	11,59,607	0.51
	08.11.2019 - Transfer	1,130	0.00	11,60,737	0.51
	15.11.2019 - Transfer	(3,122)	(0.00)	11,57,615	0.51
	22.11.2019 - Transfer	(320)	(0.00)	11,57,295	0.51
	29.11.2019 - Transfer	(20,748)	(0.01)	11,36,547	0.50
	06.12.2019 - Transfer	(55,235)	(0.02)	10,81,312	0.48
	13.12.2019 - Transfer	(19,101)	(0.01)	10,62,211	0.47
	20.12.2019 - Transfer	(2,826)	(0.00)	10,59,385	0.47
	27.12.2019 - Transfer	(9,312)	(0.00)	10,50,073	0.47
	03.01.2020 - Transfer	(39,225)	(0.02)	10,10,848	0.45
	10.01.2020 - Transfer	(3,169)	(0.00)	10,07,679	0.45
	17.01.2020 - Transfer	(16,022)	(0.01)	9,91,657	0.44
	31.01.2020 - Transfer	(2,383)	(0.00)	9,89,274	0.44
	07.02.2020 - Allotment under Rights Issue/Transfer	1,84,526	0.08	11,73,800	0.52
	14.02.2020 - Transfer	(2,789)	(0.00)	11,71,011	0.52
	21.02.2020 - Transfer	(969)	(0.00)	11,70,042	0.52
	28.02.2020 - Transfer	(16,656)	(0.01)	11,53,386	0.51
	06.03.2020 - Transfer	(1,59,546)	(0.07)	9,93,840	0.44
	13.03.2020 - Transfer	(18,456)	(0.01)	9,75,384	0.43
	20.03.2020 - Transfer	(7,480)	(0.00)	9,67,904	0.43
	27.03.2020 - Transfer	(1,05,781)	(0.05)	8,62,123	0.38
	31.03.2020 - Transfer	(8,702)	(0.00)	8,53,421	0.38
	At the end of the year			**8,53,421**	**0.38**
13	**WF Asian Smaller Companies Fund Limited#**				
	At the beginning of the year	**18,88,310**	**0.84**	**18,88,310**	**0.84**
	19.07.2019 - Transfer	2,50,400	0.11	21,38,710	0.95
	13.09.2019 - Transfer	2,61,125	0.12	23,99,835	1.07
	20.09.2019 - Transfer	175	0.00	24,00,010	1.07
	04.10.2019 - Transfer	(5,00,502)	(0.22)	18,99,508	0.84
	11.10.2019 - Transfer	(3,85,555)	(0.17)	15,13,953	0.67
	27.12.2019 - Transfer	(64,074)	(0.03)	14,49,879	0.65

Sl. No.	For each of the Top 10 Shareholders	Share holding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company@	No. of shares	% of total shares of the company@
	31.12.2019 - Transfer	(4,283)	(0.00)	14,45,596	0.64
	03.01.2020 - Transfer	(4,140)	(0.00)	14,41,456	0.64
	10.01.2020 - Transfer	(1,17,293)	(0.05)	13,24,163	0.59
	17.01.2020 - Transfer	(13,24,163)	(0.59)	0	0.00
	At the end of the year			**0**	**0.00**

@ % have been calculated on the paid up share capital of the Company as on 31.03.2020.

*Not in the list of Top 10 shareholders as on 01.04.2019. The same is reflected above since the shareholder was one of the top 10 shareholders as on 31.03.2020.

Ceased to be in the list of Top 10 shareholders as on 31.03.2020. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2019.

$ Classified as Non Promoter Non Public.

(v) Shareholding of Directors & KMP

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company@	No. of shares	% of total shares of the company@
1	Mr. Ajay G. Piramal (member of Promoter Group)				
	At the beginning of the year	**1,13,658**	**0.05**	**1,13,658**	**0.05**
	24.12.2019 - Scheme of Amalgamation	957	0.00	1,14,615	0.05
	01.02.2020 - Rights Issue	15,188	0.01	1,29,803	0.06
	At the end of the year			**1,29,803**	**0.06**
2	Dr. (Mrs.) Swati A. Piramal (member of Promoter Group)				
	At the beginning of the year	**32,542**	**0.01**	**32,542**	**0.01**
	03.05.2019 - Transfer	(31,100)	(0.01)	1,442	0.00
	06.05.2019 - Transfer	(225)	(0.00)	1,217	0.00
	24.12.2019 - Scheme of Amalgamation	638	0.00	1,855	0.00
	01.02.2020 - Rights Issue	245	0.00	2,100	0.00
	At the end of the year			**2,100**	**0.00**
3	Mr. Deepak Satwalekar				
	At the beginning of the year	**10,434**	**0.00**	**10,434**	**0.00**
	01.02.2020 - Rights Issue	1,382	0.00	11,816	0.01
	At the end of the year			**11,816**	**0.01**
4	Prof. Goverdhan Mehta				
	At the beginning of the year	**5,000**	**0.00**	**5,000**	**0.00**
	01.02.2020 - Rights Issue	662	0.00	5,662	0.00
	At the end of the year			**5,662**	**0.00**
5	Mr. Keki Dadiseth				
	At the beginning of the year	**5,217**	**0.00**	**5,217**	**0.00**
	12.06.2019 - Transfer	302	0.00	5,519	0.00
	01.02.2020 - Rights Issue	691	0.00	6,210	0.00
	At the end of the year			**6,210**	**0.00**
6	Mr. N. Vaghul				
	At the beginning of the year	**10,434**	**0.00**	**10,434**	**0.00**
	01.02.2020 - Rights Issue	1,382	0.00	11,816	0.01
	At the end of the year			**11,816**	**0.01**
7	Dr. R. A. Mashelkar				
	At the beginning of the year	**8,125**	**0.00**	**8,125**	**0.00**
	24.12.2019 - Scheme of Amalgamation	178	0.00	8,303	0.00
	01.02.2020 - Rights Issue	1,100	0.00	9,403	0.00
	At the end of the year			**9,403**	**0.00**

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company@	No. of shares	% of total shares of the company@
8	Ms. Nandini Piramal (member of Promoter Group)				
	At the beginning of the year	**6,712**	**0.00**	**6,712**	**0.00**
	03.05.2019 - Transfer	10,000	0.00	16,712	0.01
	24.12.2019 - Scheme of Amalgamation	5,508	0.00	22,220	0.01
	01.02.2020 - Rights Issue	29,979	0.01	52,199	0.02
	At the end of the year			**52,199**	**0.02**
9	Mr. Vijay Shah&				
	At the beginning of the year	**1,24,483**	**0.07**	**1,24,483**	**0.07**
	25.09.2019 - Transfer	12,720	0.01	1,37,203	0.07
	24.12.2019 - Scheme of Amalgamation	53	0.00	1,37,256	0.07
	27.12.2019 - Transfer	(26,000)	(0.01)	1,11,256	0.06
	01.02.2020 - Rights issue	16,343	0.01	1,27,599	0.07
	At the end of the year			**1,27,599**	**0.07**
10	Mr. Gautam Banerjee				
	At the beginning of the year	**NIL**	**NIL**	**NIL**	**NIL**
	At the end of the year			**NIL**	**NIL**
11	Mr. Siddharth Mehta#				
	At the beginning of the year	**NIL**	**NIL**	**NIL**	**NIL**
	At the end of the year			**NIL**	**NIL**
12	Mr. S. Ramadorai				
	At the beginning of the year	**5,300**	**0.00**	**5,300**	**0.00**
	01.02.2020 - Rights Issue	702	0.00	6,002	0.00
	At the end of the year			**6,002**	**0.00**
13	Mr. Anand Piramal (member of Promoter Group)				
	At the beginning of the year	**1,68,568**	**0.07**	**1,68,568**	**0.07**
	24.12.2019 - Scheme of Amalgamation	5,465	0.00	1,74,033	0.08
	01.02.2020 - Rights Issue	23,064	0.01	1,97,097	0.09
	At the end of the year			**1,97,097**	**0.09**
14	Mrs. Arundhati Bhattacharya				
	At the beginning of the year	**NIL**	**NIL**	**NIL**	**NIL**
	At the end of the year			**NIL**	**NIL**
15	Mr. Vivek Valsaraj				
	At the beginning of the year	**15,633**	**0.01**	**15,633**	**0.01**
	08.05.2019 - Transfer	1,100	0.00	16,733	0.01
	10.06.2019 - Transfer	1,620	0.00	18,353	0.01
	29.06.2019 - Transfer	1,000	0.00	19,353	0.01
	17.09.2019 - Transfer	1,500	0.00	20,853	0.01
	01.02.2020 - Rights Issue	1,000	0.00	21,853	0.01
	At the end of the year			**21,853**	**0.01**
16	Mr. Leonard D'Souza^				
	At the beginning of the year	**7,500**	**0.00**	**7,500**	**0.00**
	20.06.2019 - Transfer	(600)	(0.00)	6,900	0.00
	Till 30.07.2019			6,900	0.00
17	Mr. Bipin Singh*				
	From 30.07.2019	**NIL**	**NIL**	**NIL**	**NIL**
	At the end of the year			**NIL**	**NIL**

%have been calculated on the paid up share capital of the Company as on 31.03.2020.

&Includes shareholding as joint shareholder.

#Ceased to be an Independent Director w.e.f. 4th February, 2020.

*Appointed as Company Secretary and Compliance Officer w.e.f. 30th July, 2019.

^Resigned as Company Secretary and Compliance Officer w.e.f 30th July, 2019.

V INDEBTEDNESS

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

(₹ in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year*				
i) Principal Amount	10,839.45	6,466.84	0	17,306.29
ii) Interest due but not paid	-	-	0	-
iii) Interest accrued but not due	134.84	(37.49)	0	97.35
TOTAL (i+ii+iii)	**10,974.29**	**6,429.35**	**0**	**17,403.64**
Change in Indebtedness during the financial year				
Addition	10,796.37	51,016.36	0	61,812.73
Reduction:	-	-	0	-
Loans Repayment	13,339.37	55,427.88	0	68,767.25
Exchange Difference (gain)/Loss	(44.01)	20.57	0	(23.44)
NET CHANGE	**(2,587.02)**	**(4,390.95)**	**0**	**(6,977.96)**
Indebtedness at the end of the financial year				
i) Principal Amount	8,285.19	2,075.89	0	10,361.08
ii) Interest due but not paid	-	-	0	-
iii) Interest accrued but not due	(8.36)	(0.87)	0	(9.23)
TOTAL (i+ii+iii)	**8,276.83**	**2,075.01**	**0**	**10,351.84**

* Previous year's figures are restated for accounting effect of merger of Piramal Phytocare Limited and discontinued operations

Note: During the year, the Company had issued and allotted 1,15,894 Compulsorily Convertible Debentures ('CCDs') of face value of ₹ 1,51,000 each for cash at par. CCDs amounting to ₹ 1,750 Crores remains remain outstanding as on 31st March, 2020.

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole - Time Director and/or Manager:

(₹)

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount
		Ajay G. Piramal	Swati A. Piramal	Nandini Piramal	Vijay Shah	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	8,69,35,238	4,05,84,820	3,42,87,414	4,65,06,463	20,83,13,935
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	63,030	39,600	39,600	13,83,098	15,25,328
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock option	-	-	-	@	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	as % of profit	-	-	-	-	-
	others (specify)	-	-	-	-	-
5	Others, please specify : Performance Pay for FY2019	3,26,02,046	1,49,42,605	1,08,67,349	1,80,74,826	7,64,86,826
	TOTAL (A)	**11,96,00,314**	**5,55,67,025**	**4,51,94,363**	**6,59,64,387**	**28,63,26,089**
	Ceiling as per the Act: @5% of Profits for each Director	41,31,50,221	41,31,50,221	41,31,50,221	41,31,50,221	
	@10% of Profits for all Directors					82,63,00,443

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

B) Remuneration to other directors:

(₹)

Sl. No.	Particulars of Remuneration	Name of the Directors									Total Amount
1	**Independent Directors**	**Gautam Banerjee**	**Keki Dadiseth**	**R. A. Mashelkar**	**Goverdhan Mehta**	**Siddharth Mehta***	**S. Ramadorai**	**Deepak Satwalekar**	**N. Vaghul**	**Arundhati Bhattacharya**	
	(a) Fee for attending board committee meetings	7,00,000	17,50,000	16,00,000	9,00,000	9,50,000	8,50,000	14,00,000	19,50,000	8,00,000	1,09,00,000
	(b) Commission^	-	-	-	-	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-	-	-	-	-
	Total (1)	**7,00,000**	**17,50,000**	**16,00,000**	**9,00,000**	**9,50,000**	**8,50,000**	**14,00,000**	**19,50,000**	**8,00,000**	**1,09,00,000**
2	Other Non - Executive Directors@										
	(a) Fee for attending board committee meetings	-	-	-	-	-	-	-	-	-	-
	(b) Commission	-	-	-	-	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-	-	-	-
	Total (B)=(1+2)	**7,00,000**	**17,50,000**	**16,00,000**	**9,00,000**	**9,50,000**	**8,50,000**	**14,00,000**	**19,50,000**	**8,00,000**	**1,09,00,000**
	Total Managerial Remuneration (A+B)#										**28,63,26,089**
	Overall Ceiling as per the Act										**90,89,30,487**

*Mr. Siddharth Mehta resigned as an Independent Director of the Company w.e.f 4th February, 2020.

^Considering the heightened uncertainty caused by COVID-19 pandemic and the need to conserve cash for the future, Non-Executive Independent Directors decided to forego their commission for the financial year ended March 31, 2020.

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

#Exclusive of Sitting Fees

Remuneration details have been provided on the basis of remuneration paid during FY 2020 and sitting fees for meetings attended during FY 2020.

C) Remuneration to key Managerial Personnel other than MD/Manager/WTD

(₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Vivek Valsaraj CFO	**Mr. Leonard D'Souza Company Secretary***	**Mr. Bipin Singh Company Secretary^**	**Total**
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	2,03,22,422	1,26,82,319	48,86,803	3,78,91,544
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	32,400	70,111	24,200	1,26,711
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option@	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	- Others (specify)	-	-	-	-
5	Others, specify	-	-	-	-
	TOTAL	**2,03,54,822**	**1,27,52,430**	**49,11,003**	**3,80,18,255**

* Resigned as Company Secretary and the Compliance Officer w.e.f. 30th July, 2019. Remuneration is reported upto the date of resignation and includes full and final settlement.

^ Appointed as Company Secretary and the Compliance Officer w.e.f. 30th July, 2019 and accordingly, remuneration is reported on a pro rata basis.

@ Mr. Vivek Valsaraj receives ESOPs under the Company's ESOP Scheme.

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

ANNEXURE F

NOMINATION POLICY

I. Preamble

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

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

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

A. Directors

1. Candidates for Directorship should possess appropriate qualifications, skills and expertise in one or more fields of finance, law, general corporate management, information management, science and innovation, public policy, financial services, sales & marketing and other disciplines as may be identified by the NRC and/or the Board from time to time, that may be relevant to the Company's business.

2. Such candidates should also have a proven record of professional success.

3. Every candidate for Directorship on the Board should have the following positive attributes:

    a) Possesses a high level of integrity, ethics, credibility and trustworthiness;
    b) Ability to handle conflict constructively and possess the willingness to address critical issues proactively;
    c) Is familiar with the business of the Company and the industry in which it operates and displays a keen interest in contributing at the Board level to the Company's growth in these areas;
    d) Possesses the ability to bring independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management and resource planning;
    e) Displays willingness to devote sufficient time and attention to the Company's affairs;
    f) Values Corporate Governance and possesses the skills and ability to assist the Company in implementing good corporate governance practices;
    g) Possesses leadership skills and is a team player.

4. Criteria for Independence applicable for selection of Independent Directors:

    a) Candidates for Independent Directors on the Board of the Company should comply with the criteria for Independence as stipulated in the Companies Act, 2013 and the Regulations, as amended or re-enacted or notified from time to time. Such candidates should also comply with other applicable regulatory requirements relating to Independence or as may be laid down by the Board from time to time;

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

5. Change in status of Independence

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

6. Extension of existing term of Independent Directors

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

B. Members of Senior Management

1. For the purpose of this Policy, the term 'Senior Management' shall have the same meaning as defined in the Companies Act, 2013 and the Regulations, as amended from time to time.

2. The eligibility criteria for appointments to Senior Management and continuity thereof shall include integrity and ethics, in addition to possessing qualifications, expertise, experience and special competencies relevant to the position for which purpose the executive is being or has been appointed.

3. Any candidate being considered for the post of senior management should be willing to comply fully with the PEL Code of Conduct for senior management, PEL – Code of Conduct for Prevention of Insider Trading and other applicable policies, in force from time to time.

III. Process for identification & shortlisting of candidates

A. Directors

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

2. Candidates for Board membership may be identified from a number of sources, including but not limited to past and present members of the Board and Directors database.

3. NRC shall evaluate proposals for appointment of new Directors on the basis of qualification criteria and positive attributes referred to hereinabove and make its recommendations to the Board.

B. Members of Senior Management

1. The NRC shall consider the recommendations of the management while evaluating the selection of executives in senior management. The NRC may also identity potential candidates for appointment to Senior Management through referrals and recommendations from past and present members of the Board or from such other sources as it may deem fit and proper.

2. The NRC shall evaluate proposals for appointments to Senior Management on the basis of eligibility criteria referred to hereinabove and such other criteria as it may deem appropriate.

3. Based on such evaluation, the NRC shall shortlist the desired candidate and make its recommendations to the Board for appointment.

IV. Removal

A. Directors

1. If a Director incurs any disqualification mentioned under the Companies Act, 2013 or any other applicable law, regulations, statutory requirement, the NRC may recommend to the Board with reasons recorded in writing, the removal of the said Director subject to the provisions of and compliance with the statutory provisions.

2. Such recommendations may also be made on the basis of performance evaluation of the Directors or as may otherwise be thought fit by the NRC.

B. Members of Senior Management

1. The NRC shall consider the recommendations of the management while making recommendations to the Board for dismissal/removal of those in Senior Management.

2. Such recommendations may also be made on the basis of performance evaluation of members of Senior Management to the extent applicable or as may otherwise be thought fit by the NRC.

V. Review

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

REMUNERATION POLICY

1. Preamble

1.1. The Nomination and Remuneration Committee ('NRC') of Piramal Enterprises Limited (the "Company"), has adopted the following policy and procedures with regard to remuneration of Directors, Key Managerial Personnel and other employees.

1.2. The Remuneration Policy ('Policy') is framed in compliance with the applicable provisions of Regulation 19 read with Part D of the Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('the Regulations') entered by the Company with the Stock Exchanges and Section 178 and other applicable provisions of the Companies Act, 2013.

1.3. This Policy reflects the Company's core values viz. Knowledge, Action, Care and Impact.

2. Designing of Remuneration Packages

2.1. While designing remuneration packages, the following factors are taken into consideration:

a. Ability to attract, motivate and retain the best talent in the industries in which the Company operates;

b. Current industry benchmarks;

c. Cost of living;

d. Maintenance of an appropriate balance between fixed performance linked variable pay and long term incentives reflecting long and short term performance objectives aligned to the working of the company and its goals;

e. Achievement of Key Result Areas (KRAs) of the employee, the concerned department/function and of the Company.

3. Remuneration to Directors

A. Non - Executive/Independent Directors:

The Non - Executive/Independent directors are entitled to the following:

i. Sitting Fees: The Non - Executive/Independent Director receive remuneration in the form of sitting fees for attending meetings of Board or Committee thereof of the Company and its subsidiaries where such Director maybe so appointed. The Independent Directors also receive sitting fees for attending separate meetings of the Independent Directors. Provided that the amount of such fees shall not exceed such amount per meeting as may be prescribed by the Central Government from time to time.

ii. Commission: Commission may be paid within the monetary limit approved by shareholders subject to compliance with applicable regulatory requirements.

B. Remuneration to Whole – Time Directors

The remuneration to be paid to the Whole – Time Directors shall be in compliance with the applicable regulatory requirements, including such requisite approvals as required by law:

i. Increments may be recommended by the Committee to the Board which shall be within applicable regulatory limits.

ii. The Board may at the recommendation of the NRC and its discretion, may consider the payment of such additional remuneration within the framework of applicable laws and regulatory requirements.

4. Remuneration to Key Managerial Personnel and Senior Management

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

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

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

5. Remuneration to Other Employees

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

6. Disclosure

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

7. Review

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

ANNEXURE G

To,
The Members,

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

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

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

N. L. Bhatia
Managing Partner
FCS: 1176
CP. No. 422

Date: May 11, 2020
Place: Mumbai

SECRETARIAL AUDIT REPORT
FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Piramal Enterprises Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

a) The Companies Act, 2013 ('the Act') and the Rules made thereunder;

b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

d) Foreign Exchange Management Act, 1999 ('FEMA') and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
   b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
   f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   g. Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
   h. Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company);
   i. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;- **Not Applicable for the financial year ended March 31, 2020;**
   j. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;- **Not Applicable for the financial year ended March 31, 2020;**
   k. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;- **Not Applicable for the financial year ended March 31, 2020**.

Amongst the various laws which are applicable to the Company, following are the laws which are specifically applicable to the Company:

i. Central Goods and Services Tax Act, 2017
ii. Integrated Goods and Services Tax Act, 2017
iii. Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1940
iv. Drugs (Price Control) Order, 2013
v. Foods Standard & Safety Act (FSSA), 2006, Food Safety and Standards Rules, 2011, Food Safety and Standards (Licensing and Registration of Food Businesses), Regulations, 2011
vi. The Narcotic Drugs and Psychotropic Substances Act, 1985
vii. The Legal Metrology Act & Legal Metrology (Packaged Commodities) Rules, 2011
viii. The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 and Rules, 1955
ix. Gujarat Special Economic Zone Act, 2004
x. Maharashtra Prohibition Act, 1949 (Bombay Act No. XXV of 1949)
xi. Tamil Nadu Spirituous Preparations (Control) Rules, 1984
xii. National Ambient Air Quality Standards (NAAQS), 2009
xiii. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
xiv. Manufacture, Storage and Import of Hazardous Chemical Rules, 1989
xv. Bio-Medical Waste (Management and Handling) Rules, 1998
xvi. The Chemical Weapons Convention Act, 2000
xvii. Ozone Depleting Substance (R&C) Rules, 2000
xviii. Maharashtra Non-Biodegradable Wastes Act, 2006
xix. Pharmaceutical Policy 2002
xx. Good Clinical Practice Guidelines
xxi. NABL Accreditation India Requirements
xxii. Information Technology Act, 2000
xxiii. Air (Prevention and Control of Pollution) Act, 1981 and Air (Prevention and Control of Pollution) Rules, 1982

xxiv. Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules 1975
xxv. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
xxvi. The Indian Copyright Act, 1957
xxvii. The Patents Act, 1970
xxviii. The Trade Marks Act, 1999

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

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

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

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

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

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

We further report that, during the period under review,

1. The Company had issued and allotted ₹ 1,41,86,200 equity shares of ₹ 2/- each at a conversion premium of ₹ 2,688/- per share pursuant to conversion of 3,54,655 Compulsory Convertible Debentures ('CCDs') of the face value of ₹ 1,07,600 each aggregating to ₹ 38,16,08,78,000/-.

2. The Company had allotted the following Rights Equity Shares of the face value of ₹ 2/- each at an issue price of ₹ 2,380/- per equity share including a premium of ₹ 2,378 per equity share:

   a. 2,13,392 Rights Equity Shares to the CCD holders out of the Rights Equity Shares reserved for them as per regulation 53 of the erstwhile Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   b. 66 Rights Equity Shares which were kept under abeyance during the Rights Issue made vide Letter of Offer dated February 1, 2018;

3. The Company had transferred certain assets and liabilities forming part of the financial services business of the Company to Piramal Capital & Housing Finance Limited and PHL Fininvest Private Limited, wholly owned subsidiaries of the Company. Since the proposed transaction was less than 20% of the net value of the financial services business in the books of the Company as at the last financial year, no other approvals were required.

4. The Members, at Annual General Meeting held on July 30, 2019, had approved and authorized the Board to issue secured/ unsecured redeemable Non-Convertible Debentures ('NCDs') on private placement basis, up to an aggregate amount which shall be within the overall borrowing limit approved by the shareholders under Section 180(1)(c) of the Companies Act, 2013.

5. The Hon'ble National Company Law Tribunal, Mumbai Bench vide order dated November 4, 2019, had approved the Scheme of Amalgamation between Piramal Phytocare Limited ('PPL') and Piramal Enterprises Limited ('PEL') and their shareholders ('Scheme'). Accordingly, the Company on December 13, 2019, had allotted 3,05,865 (Three Lakhs Five Thousand Eight Hundred and Sixty Five) fully paid-up equity shares of the face value of ₹ 2/- each to the eligible shareholders of PPL as on record date fixed for this purpose, i.e. December 12, 2019, in the ratio of 1 (One) fully paid-up equity share of the face value of ₹ 2/- each of PEL for every 70 (Seventy) fully paid-up equity shares of ₹ 10/- each of PPL held by the equity shareholders of PPL.

6. The Company had issued and allotted 2,63,85,861 equity shares of the face value of ₹ 2 each at a price of ₹ 1,300 per share (including premium of ₹ 1,298 per share) under the Rights Issue vide its Letter of Offer dated December 24, 2019.

7. The Company had issued and allotted 1,15,894 Compulsorily Convertible Debentures ('CCDs') of the face value of ₹ 1,51,000 each, at par, for an aggregate amount of ₹ 1,750 crores by way of preferential issue. The preferential issuance of CCDs was approved by the shareholders at the Extraordinary General Meeting ('EGM') held on November 25, 2019.

8. In February 2020, the Company completed divestment of stake in healthcare insights and analytics business, held by the Company directly and through its wholly owned subsidiaries which was approved by the Members at the EGM of the Company held on February 13, 2020.

9. The Company had issued 51,900 NCDs of the nominal value of ₹ 10,00,000 amounting to ₹ 5,190 crores on private placement basis.

10. The Company redeemed 86,583 NCDs amounting to ₹ 8,649.49 crores pursuant to maturity/early redemption/repurchase.

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

N. L. Bhatia
Managing Partner
FCS: 1176
CP. No. 422

Date: May 11, 2020
Place: Mumbai

ANNEXURE H

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para-C Sub clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Piramal Enterprises Limited,
Piramal Ananta, Agastya Corporate Park,
Opposite Fire Brigade, Kamani Junction, LBS Marg,
Kurla (West), Mumbai - 400 070

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Piramal Enterprises Limited having CIN L24110MH1947PLC005719 and having registered office at Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Ajay G. Piramal	00028116	07/03/1988
2.	Dr. (Mrs.) Swati A. Piramal	00067125	20/11/1997
3.	Ms. Nandini Piramal	00286092	01/04/2009
4.	Mr. Anand Piramal	00286085	12/05/2017
5.	Mr. Vijay Shah	00021276	01/01/2012
6.	Mr. Gautam Banerjee	03031655	01/04/2013
7.	Mr. Keki Dadiseth	00052165	01/12/2005
8.	Dr. R.A. Mashelkar	00074119	21/12/2011
9.	Prof. Goverdhan Mehta	00350615	21/12/2011
10.	Mr. S. Ramadorai	00000002	24/10/2002
11.	Mr. Deepak Satwalekar	00009627	19/07/2002
12.	Mr. N. Vaghul	00002014	29/08/1997
13.	Mrs. Arundhati Bhattacharya	02011213	25/10/2018

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

N. L. Bhatia
Managing Partner
FCS: 1176
CP. No. 422

Place: Mumbai
Date: May 11, 2020

ANNEXURE I

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Piramal Enterprises Limited

We have examined all the relevant records of Piramal Enterprises Limited ('the Company') for the purpose of certifying compliance of the conditions of Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period from April 01, 2019 to March 31, 2020. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

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

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

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

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

N. L. Bhatia
Managing Partner
FCS: 1176
CP. No. 422

Date: May 11, 2020
Place: Mumbai

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company**
   L24110MH1947PLC005719

2. **Name of the Company**
   Piramal Enterprises Limited (the 'Company' or 'PEL')

3. **Registered Address**
   Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070

4. **Website**
   https://www.piramal.com

5. **E-mail ID**
   complianceofficer.pel@piramal.com

6. **Financial Year reported**
   FY 2019-20

7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**
   - 210: Manufacturing of pharmaceuticals, medicinal, chemical and botanical products
   - 649: Other Financial service activities, except insurance and pension funding

8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**
   Pharmaceuticals and Financial Services

9. **Total number of locations where business activity is undertaken by the Company**
   a. Number of International Locations: We have 6 major locations of which 2 are in UK, 3 are in USA and 1 in Canada;
   b. Number of National Locations: We have 7 major locations spread across Mumbai (1) and Mahad (1) in Maharashtra, Pithampur (1) in Madhya Pradesh, Digwal (1) in Telangana, Chennai (1) in Tamil Nadu and Ahmedabad (2) in Gujarat.

10. **Markets served by the Company - Local/State/National/International**
    We serve Local / State/ National / International markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Paid up capital (₹)	45,10,76,712
Total Turnover (₹)	4,219.19 crores
Total Profit after Taxes (₹)	144.85 crores
Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)	4.51*
List of activities in which the above expenditure has been incurred	Donation towards: a. Education b. Healthcare

*the Company has spent ₹ 19.55 crores or 4.51% of its average net profits of three preceding financial years, as per the provisions of Section 135 of the Companies Act, 2013.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**
   Yes, PEL has subsidiary companies in India and overseas

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**
   The subsidiary companies conduct their standalone Business Responsibility initiatives, independent of PEL.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**
   Business Responsibility ('BR') at PEL is not limited to the Company but extends to its value chain partners. Presently, less than 30% of said partners participate in BR initiatives of the Company. PEL leverages various platforms to engage with its vendors and suppliers in order to create awareness on responsible business practices. As part of the Creating Optimal and Responsible Environment ('CORE') program, the Company encourages and enables its supply chain to implement sustainable business practices. Further, in its endeavour to strengthen relationships across its supply chain, PEL also organises suppliers' meet at regular intervals.

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**
   a) **Details of the Director/Directors responsible for implementation of the BR policy/policies**

Name	DIN	Designation
Mr. Vijay Shah*	00021276	Director

*Mr. Vijay Shah was the Director responsible for implementation of the Business Responsibility ('BR') policies for the year ended March 31, 2020.

   b) **Details of the BR Head**

DIN (if applicable)	Not applicable
Name	Mr. Bharat Londhe
Designation	Head - Environment, Health and Safety, Corporate
Telephone number	(91 22) 3802 3000/4000
E-mail id	bharat.londhe@piramal.com

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

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

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

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

Not Applicable

3. Governance related to BR

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

The Company's BR performance is reviewed annually by the Board of Directors.

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

Yes, the Business Responsibility Report has been published along with the Annual Report of PEL for financial year 2019-20 and it can be viewed at https://www.piramal.com/investor/overview.

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

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

No, the policy relating to ethics, bribery and corruption extends beyond the Company. The Company is driven by the philosophy of "Doing Well and Doing Good". This showcases its commitment towards ethical and transparent business practices. The PEL Code of Conduct for Board of Directors, PEL Code of Conduct for Senior Management and PEL Code of Conduct and Ethics ('PEL Code of Conduct') are testament to the Company's efforts in ensuring that honesty and ethical conduct are never compromised, while promoting professionalism in the Company. These policies guide PEL in upholding the highest levels of Corporate Governance and in complying with relevant laws and regulations. PEL has implemented a Vigil Mechanism under its Whistle Blower Policy with a view to promote the highest standards of integrity. The Whistle Blower Policy encourages employees to report violations directly and confidentially to a dedicated e-mail ID and the said violations, if any, are then addressed by the Audit & Risk Management Committee of the Board. PEL's core values of Knowledge, Action, Care and Impact act as guiding principles that steer the path in forming the right partnerships in creating long term stakeholder value. PEL's Business Code for Contractors (BCC) endeavours to ensure that suppliers, vendors and sub-vendors with whom the Company engages are compliant with the norms of the Company.

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

PEL maintains high levels of integrity and ethics in all its business activities thereby creating value for its stakeholders. PEL has constituted various committees that are in operation to address the needs, grievances or complaints of stakeholders. Any complaint received is thoroughly investigated and systematically resolved by the designated committee(s). For example, the Stakeholder's Relationship Committee reviews grievances of shareholders and debenture holders on a quarterly basis, the Audit & Risk Management Committee is responsible for addressing complaints from whistle blowers and an Internal Committee is in place which addresses complaints of sexual harassment. For details of complaints relating to sexual harassment, please refer to Principle 3 of this Report and for details of investor grievances, please refer to the 'Stakeholders Grievance Redressal' section in the Report on Corporate Governance.

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

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

   PEL aims to serve the needs of the society, while continually working towards making a positive impact on our society and environment.

   All our products and services are in adherence to Environment, Health & Safety ('EHS') guidelines. The below products have incorporated environmental or social concerns, risks and opportunities at design and manufacturing stages:

   - Trazadone
   - Mebeverine Hydrogen Chloride

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   (i) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

   (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   PEL endeavours to work towards consuming resources in a sustainable manner and is focused on optimising resource utilisation in the manufacturing of products. Following are the examples of such manufacturing related initiatives that have resulted in improved atom economy thereby conserving associated resources:

   Trazadone is a phenylpiperazine compound of the Serotonin Antagonist and Reuptake Inhibitor (SARI) class. It is an antidepressant medication that is used to treat major depressive disorders, anxiety disorders and alcohol dependence.

   Technical Improvements: Continuing the usage of improved method of analysing the Loss on Drying (LOD) test has helped in maintaining the production capacity of Trazadone at 10 MT per month.

   Outcome: The overall product yield was 358 kgs against the budgeted yield of 334 kgs during the reporting period. This reduced the batch cycle time and consumption of electricity.

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

   Technical Improvement: Usage of higher strength Isopropyl Alcohol HCL.

   Outcome: This has led to an increase in the yield from 431 kgs to 438 kgs, thereby decreasing the specific raw material consumption and waste generation.

   PEL has a dedicated Research and Development ('R&D') team that works tirelessly to design and develop cost effective and environment friendly solutions, which offer superior advantages in terms of customer value and higher probability of supply continuity. This helps the Company to achieve low turnaround time while taking care of quality. As a step towards improving PEL's environmental performance, the R&D team is working to optimise the use of packaging, while exploring opportunities related to reusable and recyclable packaging solutions. Following are some examples of packaging related initiatives:

   - Non-usage of mono-carton and leaflet in the packaging of the i-Can brand and reduction of paperboard usage for Little's cartons has led to reduced usage of paperboard.
   - Non-usage of shrink film in the packaging of the i-pill brand has resulted in a reduction of plastic waste generated by approximately 25 MT.

   The Company has adopted a number of water conservation initiatives at its plant sites, including recirculation of steam condensation to boiler, modifications in manufacturing processes and use of efficient alternatives to reduce tap water flow. These initiatives have resulted in an overall reduction in water consumption by 3%. Details about these initiatives are contained in the report on Conservation of Energy and Technology Absorption, which forms part of the Board's Report. The weblink to the same is: https://www.piramal.com/investor/overview.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   Yes, the Company has procedures in place for sustainable sourcing, which are in-line with its endeavour to continuously improve the social and environmental performance of its supply chain. Through the CORE program, PEL sensitizes its supply chain about the benefits of effectively managing its performance while taking into consideration health, safety and the environment. The Company also encourages implementation of sustainable business practices.

The Company's EHS Policy, Sustainability Development Policy and Safety management principles have set out guidance for its supply chain partners for sustainable procurement practices. PEL places special importance on consequences of design, materials, manufacture, production, logistics, service delivery, operations, maintenance, recycling and disposal, that are fundamental to its supplier selection process. The supply chain management is guided by the Sustainable Procurement approach as well as a Standard Operating Process which evaluates suppliers on material risk assessment, compliance to environmental regulations, labour laws, carbon footprint and health and safety parameters for procurement process. By means of the above systems, PEL procured 60% of its goods and services sustainably.

Furthermore, a number of supply chain initiatives were undertaken to reduce carbon footprint. Some of them are described below:

i. Saving of 9,880 Kgs CO2 equivalent ('CO2e') by clubbing of effective shipments;

ii. Continuation of Direct Port Delivery route, where import containers move directly from port to factory, reduced approximately 19,200 kms of transit distance, thereby resulting in saving of 5,240 Kgs CO2e; and

iii. Continuing the usage of Dell energy efficient servers has led to an estimated electricity saving of 21.5 MWh, while avoiding emission of approximately 18.13 MT CO2e.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Yes, the Company has taken measures to source goods from local and small producers. PEL believes that local sourcing is an essential aspect in developing the supply chain and achieving sustainable procurement in the long run. Sourcing of packing materials, commodity items, raw materials and other goods and services from small producers near PEL's operations is mutually beneficial as it provides an impetus to the local economy, while simultaneously decreasing the associated transportation costs. With a view to increase awareness on sustainable business practices, the organisation uses a number of initiatives to engage with suppliers and vendors who are critical to its operations. Under the CORE program, PEL raises awareness about environmental and social sustainability among its vendors. As a part of the Company's Supplier Code, vendors are subjected to regular audits to ensure adherence to PEL's standards. PEL interacts with the vendors on various aspects like technological upgradations, process operations, effluent treatment plant and waste disposal requirements. Post audit, the suppliers are provided with recommendations and advice on norms that they must adhere to.

   As a part of PEL's endeavour to forge stronger relationships across its value chain, suppliers' meets are organized at regular intervals where improvement opportunities are discussed with supply chain partners. These meets include a number of activities covering EHS, patient centricity and product road shows, besides an annual felicitation for suppliers.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   Yes, PEL is committed to minimizing the environmental impact of waste and understands the role that recycling can play in the same. While there are limitations on recycling in pharmaceutical operations, PEL is continually exploring possibilities for prevention, reduction, recycling or use of waste as an energy source, before selecting safe disposal as an option. This helps to ensure the overall environmental impact related to waste remains minimal, while energy use from waste is maximized. The waste data from all PEL sites is monitored and the Company's waste contractors are regularly assessed to ensure waste is properly managed.

   The Company's waste contractors handle all non-hazardous waste for further treatment, recycling and disposal. In the reporting year, 13% of hazardous waste was co-processed, thereby increasing the quantity of hazardous waste being co-processed by 5%. PEL has a Zero Liquid Discharge ('ZLD') system at key facilities and has developed adequate infrastructure to treat and fully reuse wastewater. In FY 2019-20, overall wastewater recycling at PEL increased by 20%.

   Some of the key waste and wastewater related initiatives at the plants are as follows:

   i. At Ennore, water ring vacuum pumps have been replaced with dry screw vacuum pumps. This replacement has reduced overall effluent generation by 50 kilolitres per day. Further, the dry screw vacuum pump vents are connected to post vapour condenser to collect condensed solvent which is then recycled.

   ii. At Pithampur, 100% treated effluent has been recycled by using it for overland irrigation/ cooling tower makeup.

   iii. At Ennore and Digwal, 100% process effluent is recycled through the ZLD system and the ZLD reverse osmosis unit permeate is used for cooling tower make up. This has enabled reduction in the freshwater consumption.

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

1. Please indicate the total number of employees

   PEL had a total of 4,282 employees as on March 31, 2020.

   We at PEL believe that our employees are our true strength and one of the prime reasons for our success. In order to attract the best talent, the Company hires from multiple sources and has different programs in place. Headstart is a dedicated induction program for campus hires, which enables smooth on-boarding of management trainees. The Career Opportunity Program is an in-house hiring program aimed at attracting the right talent within the organization and providing opportunities to grow their career within the organization.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis

   PEL had hired 2,079 employees on temporary/contractual/casual basis as on March 31, 2020.

3. Please indicate the number of permanent women employees

   PEL had 408 permanent women employees as on March 31, 2020.

4. Please indicate the number of permanent employees with disabilities

   PEL had 3 permanent employees with disability as on March 31, 2020.

5. Do you have an employee association that is recognized by management?

   Yes, PEL has recognized trade unions at Pithampur, Digwal and Mahad sites that represent the interests of the workmen.

6. What percentage of your permanent employees are members of this recognized employee association?

   12.42% of PEL's employees are part of recognized trade unions.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

   The cases filed and pending under different categories are listed below:

Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
Child labour/forced labour/ involuntary labour	Nil	Nil
Sexual harassment	2	Nil
Discriminatory employment	Nil	Nil

   PEL has well defined policies pertaining to ethical conduct, prevention of sexual harassment and equal opportunity, among others. PEL adopts a 'zero tolerance' approach towards all forms of child labour, forced labour, involuntary labour and sexual harassment. The Company ensures compliance to each such policy through a robust grievance handling mechanism. Further, PEL also has monthly/quarterly reach-out sessions, town halls and HR connect sessions that provide employees opportunities to share their thoughts and concerns. These steps enable the Company to provide a safe and conducive work environment to all its employees.

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

   PEL believes that enhancing the skills of its employees and providing them with opportunities to grow in their careers goes a long way in sustaining an organization's growth. The Company provides ample opportunities for learning and development, especially through new age learning tools. Various programs related to behavioural skills, technical/functional skills, EHS, product quality, etc. are conducted by business learning teams in collaboration with PEL's Central Learning & Talent Management team. Furthermore, there are academies at the business level, which provide specific trainings for different business functions. Additionally, the virtual campus of Piramal Learning University hosts thousands of curated skill enhancement and e-learning courses.

   Percentages of employee categories to whom safety and skill upgradation training were provided during FY 2019-20 are as follows:

Employee category	% of Employees that were given safety training	% of Employees that were given skill up-gradation training
Permanent Employees	100	96.22
Permanent women Employees	100	99.51
Casual/Temporary/Contractual Employees	100	93.07
Employees with disabilities	100	100

   Performance management at PEL is undertaken as a comprehensive and ongoing process, to ensure that our employees can grow both professionally as well as personally. The Company has also established a structured talent review process to identify and nurture talent. This is complemented by various initiatives like IGNITE, ASCEND and SUMMIT for talent development across different levels. These initiatives along with the functional academies, where employees are offered learning opportunities as per their selected career path, enable the overall development of employees.

   PEL nurtures a culture of appreciation and believes that recognition plays an important role in an employee's motivation, while helping the employee to achieve performance, development and aspirational goals. The Company recognizes outstanding performances and behaviours that are aligned with Piramal values, through various reward and recognition programs at functional, business and Company level, with the Chairman's Award being one of the highest levels of recognition.

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

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

   Yes, PEL has mapped its internal and external stakeholders. The Company values its stakeholders and the Company's CSR initiatives are aimed at building trust and mutually rewarding partnerships with internal and external stakeholders who also exhibit some of PEL's core values and form an important part of its journey as a sustainable organization. The Company uses formal as well as informal engagement channels to reach out to its stakeholders.

The internal and external stakeholders of PEL have been listed below:

Internal:

- Employees

External:

- Customers
- Suppliers
- Vendors
- Distributors
- Government
- Policy makers
- Shareholders
- Regulatory bodies
- Investors
- District, block, cluster officials, headmasters and teachers
- Research organizations
- National/International organisations
- Knowledge and academic partners
- CSR Beneficiaries

There are various forums to engage with internal and external stakeholders. Some of the means for engaging with external stakeholders include field support, debriefs, meetings, workshops, reviews, brainstorming sessions and panel discussions.

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

The disadvantaged, vulnerable and marginalized stakeholders, as identified by PEL, are listed below:

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

PEL cares for the community and has developed a framework for contributing to their overall development. The Company's CSR Policy defines its purpose of serving the disadvantaged, marginalized, vulnerable groups and weaker sections of the society.

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

Piramal Foundation for Education Leadership ('PFEL') and Piramal Swasthya Management and Research Institute ('Piramal Swasthya') are PEL's CSR partners. They undertake, from time to time, various special initiatives to engage with identified disadvantaged, vulnerable and marginalized stakeholders.

The major initiatives undertaken in the healthcare and education fields are mentioned below:

a) Healthcare initiatives:

Piramal Swasthya is focused on maternal health, child and adolescent health and non-communicable diseases. Key initiatives undertaken during FY 2019-20 are as follows:

- Remote Health Advisory and Intervention ('RHIA') services and community outreach models which complement and supplement the government healthcare system. RHAI aims to reduce the minor ailment load on the public health system by providing medical information and advice through telephone and telemedicine services. Community outreach services aim to tackle the barriers faced by rural people in accessing primary healthcare.
- Tribal Health Program involves bringing healthcare to the doorstep of the beneficiary and linking them to the government facilities. This is accomplished with the help of a dedicated team that crosses difficult terrain every day. Pregnant women and family members are educated on healthy practices, nutrition and how to cook nutrient rich diet with locally available resources. They are also made aware about the importance of immunization and the nearest available health facilities.
- D.E.S.H. (Detect early & save her/him), is a first-of-its-kind community-based cancer screening program that addresses oral, breast and cervical cancers in the north eastern states. D.E.S.H. team walks with the patient through the journey, from initial screening, to diagnosis, to treatment.

b) Education initiatives:

PFEL is focused on transforming the quality of education in government education system by providing leadership training to headmasters, teachers, community leaders and government education officials. The concept at the centre of the education initiatives is systemic transformation. Key initiatives undertaken during FY 2019-20 are as follows:

- School Leadership Development Program ('SLDP') aims to improve student learning outcome by developing leadership skills of school heads, teaching skills of teachers and by engaging with the local community in the school development process. PFEL has partnered with multiple governments, corporates and educational institutions impacting more than 1,400 schools and over 4.72 lakh students under this program. As a result of this program, there has been an improvement in the learning levels in Mathematics and Language subjects.

In addition, the program has also developed as an innovation hub, with the following results:

- Developed entrepreneurship and life skills in 30 schools in Jhunjhunu.
- Developed 228 aanganwadis, which impact 1,558 aanganwadi centres, in Jhunjhunu to focus on child development.
- Initiated Programme for International Student Assessment ('PISA') in 10 schools through PISA-based assessments, teacher learning labs and project-based learning classrooms.
- District Transformation Program ('DPT') aspires to improve student learning outcomes by strengthening the capabilities of coaches, facilitators and teachers. PFEL is running this project

in three districts namely, Bardoli, Narmada and Jhunjhunu, in the states of Gujarat and Rajasthan.

- Center of Excellence – Coaching and Facilitation - PFEL has developed a comprehensive set of products, self-learning processes and tech tools to enable capacity development and assess growth of middle managers on pedagogical knowledge and coaching competencies. These Centres of Excellence are instrumental in conducting primary and secondary research to enhance the implementation of the programs on ground.

Principle 5: Businesses should respect and promote human rights

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

   PEL understands that human rights represent respect for individuals and communities and is committed to safeguarding these rights. The PEL Code of Conduct enables the Company to uphold this commitment and sets the standards as per which employees of PEL engage with internal stakeholders, as well as external stakeholders like vendors, suppliers and contractors. PEL is an equal opportunity employer and respects dignity of labour, as well as freedom of association. The Company also has a Sustainable Development Policy that is applicable to all full-time and part-time employees, those on contract, suppliers and vendors of PEL. It reinforces PEL's commitment to uphold the human rights of all stakeholders impacted by its business operations, including the workforce, contractors, suppliers and communities.

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

   The Company has not received any complaints in connection with breach of human rights during FY 2019-20.

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

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

   The policy related to Principle 6 covers all permanent and contractual employees, suppliers and vendors. PEL gives highest priority to employee health and safety and protection of the environment. The following policies are in place:

   - EHS Policy
   - Sustainable Development Policy

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

   Yes, PEL is aware about the potential environmental impact of its operations and the implications of climate change and accordingly aspires to reduce its environmental impact and ensure effective utilization of resources. The CORE program is the foundation for sustainability practices in the Company. Effective implementation of sustainability initiatives is ensured through a governance framework that is comprised of a Governance Committee, Global Sustainability Coordinator, Site Sustainability Sponsor, Site Sustainability Lead and Site Sustainability Champions. Details on CORE can be found on the website at https://piramalpharmasolutions.com/environment-health-safety

   Following are a few initiatives that PEL undertakes to address environmental concerns:

   a) PEL is cognizant about the fact that supply chain sustainability is a key contributor to the overall growth of the Company. As a step towards making PEL's supply chain more sustainable, key suppliers were identified and supported in adopting sustainability initiatives into their operations. Further, to measure the performance of these suppliers, sustainability performance scorecards were created.

   b) PEL has established internal systems through which it periodically monitors its direct energy consumption, indirect energy consumption and Greenhouse Gas ('GHG') emissions. The Company calculates these emissions based on the internationally adopted accounting framework set by the GHG Protocol. With the help of these systems, PEL aims to identify, quantify and disclose its GHG emissions.

   c) PEL understands the role of energy efficiency in helping to reduce impact on climate change. We are committed to procuring and using energy in an efficient, cost effective and environmentally responsible manner. To this end, the Company has adopted an energy efficiency policy, which calls for conservation of energy through the use of energy efficient equipment. Some examples of energy efficiency initiatives at PEL include reduction in power usage by using energy efficient alternatives, modifications in utility pipelines and using timers to control light fixtures.

   d) As part of the tree census program of PEL, data on tree species and tree numbers are continuously captured. In the reporting year, new tree plantation at all sites increased by 5%.

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

   Yes, PEL regularly identifies and assesses potential environmental risks that can impact business operations and growth of the Company. Climate change and other environmental risks like changing weather patterns, scarcity of water and extreme events like floods and droughts can potentially disrupt the Company's operations as well as the entire supply chain. In order to contribute to the fight against climate change, PEL is working towards multiple sustainability goals in areas like energy usage, renewable energy and GHG emissions. Assessment of viable energy efficient projects, including renewables, for its existing plants and processes is a key focus area for PEL. The Company also aims to perform risk review for sustainable design and construction of new facilities.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words

or so. Also, if yes, whether any environmental compliance report is filed?

No, PEL does not have any projects registered with the United Nations Framework Convention on Climate Change (UNFCCC) as a Clean Development Mechanism (CDM) project in the reporting year. However, the Company continues to strive towards improving the environmental performance of its operations, products and services, while minimising pollution. To this end, PEL has a Sustainable Development Policy, which includes goals for reducing GHG emissions, waste disposal, energy usage and water withdrawal. It also contains goals for using alternate sources of energy and conducting risk review of new facilities.

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

   Yes, as an environmentally responsible organisation, PEL has undertaken various initiatives to improve its environmental performance. The different plant locations have in place relevant certifications like ISO 14001 and ISO 45001 at Pithampur, ISO 18001 and ISO 14001 at Digwal and Integrated Management System Certification, which includes ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 at Mahad.

   The Company has also established Energy Efficiency Guidelines with the objective of reducing energy consumption through vigilant energy management and adopting emerging efficient renewable technologies. The measures adopted by PEL for conservation of energy at its plant locations are contained in the report on Conservation of Energy and Technology Absorption, which forms part of the Board's Report. The weblink to the same is https://www.piramal.com/investor/overview

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

   Yes, the emissions/wastes at the Company's sites were well within the prescribed limits. It is pertinent to mention that PEL is mindful of its responsibilities towards the environment in which it operates and endeavours to protect and conserve the same to the best of its ability and continued to do so during the reporting period.

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

   PEL has no pending show cause or legal notices from CPCB/SPCB as on March 31, 2020.

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

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

   Yes, PEL is a member of following trade bodies/ associations, among others:

   a. Confederation of Indian Industry – (CII)
   b. World Economic Forum
   c. Bulk Drug Manufacturers Association India
   d. National Safety Council

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

   Yes, as a responsible organization, PEL advocates issues related to societal causes through its association with industrial chambers. The Senior Management of the Company represents PEL in various industry forums. They are cognizant of the responsibility they shoulder as they engage in constructive discussions, which aim to improve public good, without any vested interests. PEL also works towards the advancement of public good through its CSR activities.

Principle 8: Businesses should support inclusive growth and equitable development

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

   The CSR undertaken by PEL is guided by the CSR Policy which has been formulated in line with the Company's vision for welfare of society. The Company believes that:

   - It can play a meaningful role in bringing professionalism, leadership and discipline to projects in pursuit of CSR
   - Innovation can play a crucial role in developing 'out of the box' solutions to seemingly intractable problems
   - It is crucial that any solution backed by the Company has the potential to achieve scale and be replicable across large geographies of India. In doing so, the Company seeks partnerships, with government and private entities, in an open source relationship that seeks to maximize the impact of its solutions.

   The Company has undertaken various projects to achieve inclusive growth and equitable development. These include healthcare initiatives for young mothers, adolescent girls, infants, neonates, children below five years of age, pregnant women and beneficiaries of age-group 30-60 years who are suffering from diabetes and hypertension in various tribal areas. PEL has also implemented programs like the SLDP, DTP and Centre of Excellence, for the students of government primary schools.

   PEL also supports the Gandhi Fellowship Programme, which aims to empower the youth in India to bring about a positive change at the grassroot level in the field of education.

   The Company's employees participate in various programs under the Employee Social Impact (ESI) program coordinated by Piramal Foundation (a Company registered under Section 8 of the Companies Act, 2013), which provides volunteering opportunities to employees of the Piramal Group. In FY 2019-20, employees of the Piramal Group devoted a total of 55,148 hours under these programs.

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

   The CSR projects of PEL were carried out through the CSR partners of PEL, PFEL and Piramal Swasthya. PFEL works towards creating systemic transformation in the field of education through initiatives that empower the stakeholders within the system. Stakeholders are supported in developing their knowledge, skills and mind-set through on field and virtual interventions, in order to improve their impact on students and achieve better learning outcomes. Piramal Swasthya is one of the largest not-for-profit organizations in India in the primary public healthcare space, with a focus on Maternal Health, Child and Adolescent Health and Non-communicable Diseases. It has over a decade-long experience in operating several healthcare innovations at scale, which are addressing the primary healthcare needs of the most underserved and marginalized populations across India. Further, donations were also made to other NGOs, namely Kalimath Ghati Krishi Vyawasay Bahuuddeshye Swayat Sahkarita, M R Pai Foundation and Kripa Foundation for various community development initiatives.

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

   Yes, PEL has a structured mechanism to measure the impact of its initiatives. The governance mechanism of the health initiatives includes quarterly, half yearly and yearly reviews, along with feedback meetings with the stakeholders. Program performance with regards to output and outcome indicators is shared as part of regular program monitoring. Further, the mid line and end line evaluations help understand the program impact better. A beneficiary survey is also conducted to understand the real voice of the beneficiary, besides being able to gather suggestions on improving quality of service delivery. In addition, testimonials of repeat beneficiaries of the program also help to gather feedback on the effectiveness of the program.

   There are several review mechanisms in place for reviewing the progress of education initiatives. For SLDP the individuals associated with the Gandhi Fellowship Programme conduct regular debriefs to discuss the challenges they face, best practises that may be replicated and co-create solutions to mitigate any common problems they may be facing. They also leverage technology to keep a track of the micro-milestones being achieved in the life cycle of the project. This process has also been adopted for DTP on a pilot basis. Further, impact assessment of SLDP to gauge improvement in the learning levels of students is undertaken through a third party. In the reporting year, PEL also conducted an impact assessment of DTP. For other programs, impact assessment is undertaken in consultation with experts.

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

   PEL contributed ₹ 19.55 crores towards projects for health and education initiatives in FY 2019-20.

   Health initiative: A total of ₹ 7 crores was contributed to Piramal Swasthya towards projects like D.E.S.H., a community-based cancer screening project, non-communicable disease screening & remote mobile Tele Medicine Centre and tribal healthcare project along with contribution towards related innovation vertical and support cost.

   Education initiative: PEL contributed a total of ₹ 12.21 crores in implementing projects for education through PFEL towards School Leadership Development Program; District Transformation Program; and Centres of Excellence.

   Other initiatives: PEL contributed ₹ 0.34 crores as donation to the following NGOs:

   - Kalimath Ghati Krishi Vyawasay Bahuuddeshye Swayat Sahkarita which operates as rural BPO providing livelihood to women in Uttarakhand.
   - M R Pai Foundation which conducts leadership training and career guidance camps for youth with limited access and training program for teachers.
   - Kripa Foundation which undertakes rehabilitation and care of those with dependency and HIV-AIDS including relevant statistical research.

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

   As a part of the robust governance process of the CSR initiatives, multiple review mechanisms are in place to ensure that the initiatives deliver their intended outcomes, while ensuring that they are adopted by the local community. The local community is made aware about the different health and education programs along with their benefits through various means. Further, grievance and feedback mechanisms have been established to gather inputs from the community, leading to improvement in the project functioning and outcome.

   The success of the CSR projects is also evident from the awards received by them, some of which are listed below:

   a. Piramal Swasthya was awarded by Outlook India for the Community Nutrition Hub.

   b. Piramal Swasthya was awarded by FICCI at FICCI HEAL 2019.

   c. Piramal Swasthya was awarded the USAID Inclusive Access Health Prize by USAID.

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

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

   There were eight consumer complaints pending as at the end of the financial year under review. These are being acted upon for closure.

The Consumer Products Division ('CPD') has a dedicated 24*7 customer care helpline. The helpline is available not just for the end consumer, but also the distributors and retailers. The helpline number is widely publicised by printing it on all product packaging as well as marketing material of CPD. In case of queries, the customer care executive attempts to address the same through the information available with him. However, in case the executive is not able to provide a satisfactory response, a pre-defined escalation matrix is activated to respond to the query suitably, within a definite period of time. In case of complaints, a multi-level escalation matrix is leveraged to direct the complaint to the relevant department and provide a satisfactory response within a definite period of time.

Also, there is an online response management system in place to respond to reviews on e-commerce platforms. With PEL's analytics team churning out reviews regularly, and the consumer care team alive to these, CPD is able to respond to customer sentiment, be it compliments for its brands or any customer dissatisfaction, feedback or comments.

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

   Yes, CPD follows all applicable mandatory laws & regulations related to product information and labelling. As a means to improve product labelling, we display information with respect to product properties, claims, usage instructions and precautions to be followed. This forms a part of the product packaging or is separately provided as an information leaflet.

   In addition, a toll free number, displayed on the product packaging, is provided to address any queries or grievances related to the product.

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

   There are no cases pending against PEL by any stakeholder regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour as on March 31, 2020.

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

   Yes, PEL carries out consumer survey/ consumer satisfaction trends. In line with its purpose of 'Doing Well and Doing Good', the Company recognizes that customer satisfaction is key to its ability to create long-term value for its stakeholders. The Company continues to achieve customer satisfaction by delivering products of the best quality. This is enabled by PEL's three tier quality governance process. These tiers are closely integrated to ensure execution robustness. Predefined quality strategy with regular reviews enables continuous improvement approach and its close alignment to business and regulatory changes. Quality processes are guided by high level policy document that ensures quality culture, patient centricity, data integrity and scalable compliance.

Pharmaceutical Division

PEL is one of the first companies in the pharmaceutical sector to have a dedicated customer centricity team in the country. The Company has evolved from being a "Product-Centric" business to "Customer-Centric" to now a "Patient-Centric" business. It believes that patient centricity is all about 'Understanding the needs and wants of patients and building an organization that is dedicated to addressing them.' The Company focuses on establishing wide-ranging portfolio of services that caters to global customers. As a result, customers have started considering the Company as the 'Partner-of-Choice' for their external needs, right from discovery to commercialisation.

Customer Satisfaction surveys and calls are conducted at regular intervals to update the customers about current happenings and to get their feedback. This also provides an opportunity to explore new possibilities by interpreting customer needs. The key metrics tracked by the Company are Net Promoter Score ('NPS'), Customer Effort Score ('CES') and Customer Satisfaction Index score. Using NPS metrics, the Company has established a robust feedback mechanism which assists it in assessing customer loyalty. The CES acts as an indicator of the customer-effort to push matters for resolution.

Based on the customer survey outcomes, the team develops an action plan and delivers the same to the customer. This helps in connecting with customer, improving customer satisfaction and enhancing the relationship with the customer. The Company also conducts a comprehensive site wise partner satisfaction survey that is utilised for internal purposes i.e. for internal stakeholders or cross-functional customers.

Consumer Products Division

PEL is working towards making self-care more accessible for the masses. It is mindful of the fact that retailers play an important role in the dissemination of product related information to the end consumer. Therefore, the Company ensures that retailers are aware of the properties of its over the counter products, which in turn helps them respond to consumer queries appropriately.

In addition to this, Consumer Products Division which houses a range of consumer products like Saridon and Lacto Calamine, considers understanding consumer behaviour and needs as its topmost priority. It engages in listening to consumers, be it through first hand research or custom studies that are done with independent research agencies. This process of unearthing consumer insights is then translated into decisions on new product launches, product improvements, and even other promotions that can help make PEL's brands relevant for the consumer.

With its unique set of brands and robust consumer led initiatives being part of the core processes that run the business, the Company strives to make itself and its brands find a uniquely relevant place in consumer hearts. PEL makes efforts to fuel the future with new introductions that can drive growth and sustainability in tandem with each other.

Financial Statements

Standalone

Consolidated

INDEPENDENT AUDITOR'S REPORT

To The Members of

Piramal Enterprises Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Piramal Enterprises Limited ("the Company"), which comprise of the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31,2020, and its Profit, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

As more fully described in note 2b(i) to the standalone financial statements to assess the recoverability of certain assets, the Company has considered internal and external information in respect of the current and estimated future global including Indian economic indicators consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	Impairment of loans and investment portfolio in finance business [Refer to Note 2(a)(vii), 2(b)(iii) and 47(f) to the standalone financial statements]	
	The Company as part of its financial services segment offers long term and short term wholesale lending primarily to the real estate and infrastructure sector. Loans and investment portfolio in the finance business are measured at amortised cost less impairment allowance for losses. The Company applies the expected credit loss (ECL) model for recognising impairment loss. The Company's assessment of expected credit loss involves use of judgements and estimates, such as determination of probability of default (PD), determination of the staging , loss given default (LGD), exposure at default (EAD), estimating Management overlay for economic uncertainty expected to result from COVID 19 pandemic, forward looking information and macro-economic factors, in computing the ECL on loans and investments. As at March 31, 2020, the Company reported total gross loans and expected credit loss provisions of ₹ 1,422.32 crores and ₹ 408.92 crores respectively, which includes Management overlay of ₹ 303 crores for economic uncertainty resulting from COVID-19 pandemic.	We performed the following key audit procedures: a) We held discussions with the Management and performed an overall assessment of the ECL provision at each stage including management's assessment of COVID-19 impact, to determine if the provision was reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment. b) We evaluated the design of internal controls relating to the computation of ECL provision , the key assumptions (i.e., staging, EAD, PD and LGD rates) and other inputs used therein, including macro-economic factors c) We selected a sample of loan contracts and tested the operating effectiveness of controls over computation of ECL provision, the key assumptions and inputs used therein, through inspection of evidence of performance of these controls or independently re-performing the control.

Sr. No.	Key Audit Matter	Auditor's Response
	We identified impairment of loan and investment portfolio in finance business as a key audit matter, because the Company exercises significant judgment in calculating the expected credit losses.	d) Through a sample of loan contracts, we performed substantive procedures, including test of details to evaluate adequacy of ECL provisioning made. e) We independently performed a sensitivity analysis, based on current indicators of future economic conditions, considering internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of the audit report on the key assumptions used.
2	Existence of inventory of raw and packing materials, work in progress, finished goods (manufactured and traded): ₹ 423.56 crores [Refer to Note 9 to the standalone financial statements]	
	The Company has its inventory located in various factories and clearing & forwarding agent (CFA) locations. The Company has: a) a policy of performing monthly cycle counts of its inventory in factories, and b) appointed external chartered accountants for performing a monthly physical verification of inventory at the CFA locations. Prior to the travel restrictions imposed because of COVID-19, in the month of March 2020, we were able to visit a factory covering about 49% of the total inventory and performed a sample physical verification of inventory. For the other factories, due to the travel restrictions, we were unable to participate in the physical verification of inventory performed by the Management at the year-end. Similarly, for the CFA locations, the CFA agents performed the physical verification of inventory at the year-end, as the external chartered accountants were not able to perform the monthly physical verification at the year-end due to travel restrictions, We were unable to participate in the physical verification of inventory performed by the CFA agents. We therefore performed alternate procedures to test existence of inventory as at year-end, in accordance with the requirements of the auditing standards; and hence identified as a key audit matter.	With respect to the factories and CFA locations not visited by us at the year-end, we performed the following key audit procedures: a) Understood and evaluated the management's internal controls process to establish the existence of inventory such as (a) the process of periodic physical verification carried out by the Management, the scope and coverage of the periodic verification programme, the results of such verification including analysis of discrepancies, if any; (b) reports of the independent chartered accountants appointed by the Management to physically verify the inventory of the Company located at the CFA locations; (c) maintenance of stock records at all locations; (d) the process for identifying expired, near-expiry items of inventory b) On a sample basis, we obtained the cycle count inventory verification reports from the Management for inventory at factories and CFA locations performed during and at the year-end and traced to the inventory ledgers and performed roll forward procedures, where required, on a sample basis c) On a sample basis, we inspected documentation (including acknowledged copies of lorry receipts by customer / transporter, as applicable) supporting the sale of finished goods made subsequent to the year- end; determined whether such sale was made out of production upto the year-end based on batch number controls; tested purchase of inventory prior to the year end, and tested movement of raw materials to work in progress and work in progress to finished goods upto the year end d) With respect to inventory at CFA locations, on a sample basis, we obtained reports of physical verification of inventories as of February 29, 2020 performed by external Chartered Accountants appointed by the Company; and independently performed roll forward procedures to arrive at the balance of inventory as of March 31, 2020. Additionally on a sample basis, we inspected documentation supporting the purchases made prior to the year end and sale made after the year end e) On a sample basis, we independently performed quantity reconciliation from April 1, 2019 to March 31, 2020 for key items of raw material and finished goods.

<table>
<tr><th>Sr. No.</th><th>Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>3</td><td>Evaluation of the appropriateness of going concern assumption and related disclosures
[Refer to Note 47(a) to the standalone financial statements]</td><td></td></tr>
<tr><td></td><td>The Company has net current liability of ₹ 6,515.33 crores as at March 31, 2020. Since the Company is the parent company and therefore responsible to provide continued financial and operational support to its subsidiaries which are in diversified businesses, to assess whether the going concern assumption is appropriate, the Company has considered a range of factors relating to profitability, debt repayment schedule and potential sources of replacement financing. The Company has performed sensitivity analysis on such factors considered to determine whether the Company has adequate resources to continue in operational existence for the foreseeable future. Because of the uncertainties resulting from COVID-19, the actual impact of this pandemic may be different from those estimated in these financial statements.

In response to the uncertainty surrounding the impact of COVID-19 pandemic, we performed enhanced risk assessment procedures, and increased audit effort to evaluate the Management's assessment of appropriateness of the going concern assumption; and hence identified as a key audit matter.</td><td>We performed the following key audit procedures:
a) We evaluated the design and implementation of controls over evaluation of the appropriateness of going concern assumptions and tested the operating effectiveness of these controls
b) We ascertained the net current liability position of the Company as at March 31, 2020
c) We obtained monthly cash flow projections covering twelve months April 2020 to March 2021 and understood the basis of preparation
d) We tested the availability of unused bank lines, credit rating for commercial paper, non-convertible debentures with underlying evidences
e) We verified underlying evidences on a sample basis to support the funding plans of the Management, including minutes of meetings of shareholders, board of directors and committees of the board of directors
f) We inspected terms of debenture and loan agreements and determined if there has been a breach of interest and principal payments
g) We tested whether effect of moratorium sought for repayments to lenders has been considered in the future projected cash flows only to the extent approved by the lenders
h) We discussed with the Management and understood that:
• No third party has invoked force majeure clause
• there is no material dependency on any vendor or customer and hence no supply chain disruptions anticipated
• no material modifications to contracts with customers have been made / anticipated
i) We tested the sensitivity analysis made by the Management regarding expected cash inflows from borrowers which in turn is dependent on the quality of the financial assets including credit risk of the borrowers
j) We evaluated events subsequent to the balance sheet date upto the date of our audit report to determine if there is any impact on the going concern assessment
k) We evaluated adequacy of disclosures made in the financial statements.</td></tr>
</table>

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)
UDIN 20046930AAAABX4260

Mumbai, May 29, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Piramal Enterprises Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Piramal Enterprises Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)
UDIN 20046930AAAABX4260

Mumbai, May 29, 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the Members of Piramal Enterprises Limited)

(i) In respect of its property, plant and equipment:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanation given to us, no material discrepancies were noticed on physical verification of fixed assets.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / conveyance deed / confirmation from custodians/ Court Orders approving scheme of arrangements/amalgamations provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, which are freehold are held in the name of the Company as at the balance sheet date.

(ii) As explained to us, the inventories including stocks with clearing and forwarding agents, and excluding stocks with other third parties were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification. In respect of inventory lying with other third parties, confirmations were obtained by the Management for substantial portions of stocks held by them at the year-end.

(iii) According to the information and explanations given to us, the Company has not granted any secured loans to companies, firms, or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of unsecured loans to companies covered in the Register maintained under Section 189 of the Companies Act, 2013, having regard to the Amendment agreements where entered into during the year:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the balance sheet date.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year in terms of provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (cost records and audit) Rules, 2014 and amended Companies (cost records and audit) Amendment Rules, 2016 as prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty and Excise Duty which have not been deposited as at March 31, 2020 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Gross amount of dispute (₹ In Crores)	Amount unpaid (₹ In Crores)
Income Tax Act 1961	Income Tax	Appellate Tribunal	A.Y. 2002-03 to 2007-08, 2010-11 to 2015-16	410.49	202.94
		Appellate Authority upto Commissioner's level	A.Y. 2005-06, 2006-07, A.Y. 2010-11 to A.Y. 2012-13 and AY 2016-17	46.91	21.22
		High Court	A.Y. 2008-09 and AY 2009-10	17.72	-
Central Excise Laws	Excise Duty & Service Tax including interest and penalty, as applicable.	High Court	2008-09 , 2009-10	9.42	7.54
		CESTAT	1996-97 to 2000-01, 2004-05 to 2017-18	61.13	58.62
		Appellate Authority upto Commissioner's level	1989-90, 1995-96, 1998-99, 2000-01, 2004-05 to 2006-07, 2009-10 to 2011-12, 2013-14 to 2014-15 and 2019-20	1.76	1.46
Sales Tax Laws	Sales Tax	High Court	2005-06, 2009-10, 2014-15 to , 2017-18	1.77	1.03
		Tribunal	1990-91, 1995-96, 1997-98 to 2004-05, 2006-07 to 2010-11, 2012-13 to 2014-15 and 2016-17	4.59	2.61
		Appellate Authority upto Commissioner's level	1998-99 to 2015-16 and 2017-18 to 2018-19	10.35	7.32
Custom Laws	Custom Duty	CESTAT	2009-2010 to 2011-2012	1.57	1.41

(viii) In our opinion and according to the information and explanations given to us, having regard to the moratorium of three months offered by a bank with respect to the principal and interest aggregating to ₹ 53.39 crores that were due in March 2020, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.

(ix) In our opinion and according to the information and explanations given to us, moneys raised by way of rights issue of equity shares during the year, moneys received during the year from the CCD holders who subscribed for previous rights issue (including money received in previous year that were pending utilization) and the term loans have been applied by the Company for the purposes for which they were raised i.e., issue related expenses, repayment and pre-payment of borrowings and general corporate purpose.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid /provided managerial remuneration in accordance with requisite approval mandated by the provision of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has made private placement of fully compulsorily convertible debentures during the year under review.

In respect of the above issue, we further report that:

a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and

b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised i.e. general corporate purpose.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)
UDIN 20046930AAAABX4260

Mumbai, May 29, 2020

BALANCE SHEET
as at March 31, 2020

(₹ in Crores)

		Note No.	As at March 31, 2020		As at March 31, 2019	
	ASSETS					
	Non-Current Assets					
(a)	Property, Plant & Equipment	3		**1,384.79**		1,435.70
(b)	Capital Work in Progress			**62.80**		45.91
(c)	Intangible Assets	3		**357.54**		388.20
(d)	Intangible Assets Under Development			**56.63**		52.04
(e)	Right of Use Asset	45		**46.93**		-
(f)	Financial Assets:					
	(i) Investments	4	**18,452.21**		22,044.81	
	(ii) Loans	6	**10,869.25**		10,333.38	
	(iii) Other Financial Assets	7	**23.70**	**29,345.16**	31.43	32,409.62
(g)	Deferred Tax Assets (Net)	5		**34.88**		292.59
(h)	Other Non-Current Assets	8		**456.25**		467.73
	Total Non-Current Assets			**31,744.98**		**35,091.79**
	Current Assets					
(a)	Inventories	9		**423.56**		362.89
(b)	Financial Assets:					
	(i) Investments	4	**986.71**		969.32	
	(ii) Trade Receivables	10	**657.10**		616.14	
	(iii) Cash & Cash Equivalents	11	**43.66**		24.45	
	(iv) Bank Balances Other Than (iii) above	12	**35.08**		41.69	
	(v) Loans	13	**80.12**		265.60	
	(vi) Other Financial Assets	14	**95.16**	**1,897.83**	326.01	2,243.21
(c)	Assets held for sale			**10.00**		-
(d)	Other Current Assets	15		**399.50**		290.60
	Total Current Assets			**2,730.89**		**2,896.70**
	TOTAL ASSETS			**34,475.87**		**37,988.49**
	EQUITY AND LIABILITIES					
	Equity					
(a)	Equity Share capital	16	**45.11**		36.89	
(b)	Other Equity	17	**22,582.87**		19,455.04	
	Total Equity			**22,627.98**		19,491.93
	Liabilities					
	Non-Current Liabilities					
(a)	Financial Liabilities:					
	(i) Borrowings	18	**2,389.78**		4,619.83	
	(ii) Lease Liability	45	**22.90**		-	
	(iii) Other Financial Liabilities	19	**-**	**2,412.68**	0.74	4,620.57
(b)	Provisions	20		**47.24**		36.66
(c)	Other Non-Current Liabilities	21		**141.75**		125.16
	Total Non-Current Liabilities			**2,601.67**		**4,782.39**
	Current Liabilities					
(a)	Financial Liabilities:					
	(i) Borrowings	22	**4,061.75**		6,629.64	
	(ii) Trade Payables					
	Total outstanding dues of Micro enterprises and small enterprises		**11.86**		11.13	
	Total outstanding dues of creditors other than Micro enterprises and small enterprises		**605.96**		557.29	
	(iii) Lease Liability	45	**19.90**		-	
	(iv) Other Financial Liabilities	23	**4,228.43**	**8,927.90**	6,336.26	13,534.32
(b)	Other Current Liabilities	24		**125.41**		64.87
(c)	Provisions	25		**46.17**		44.22
(d)	Current Tax Liabilities (Net)	26		**146.74**		70.76
	Total Current Liabilities			**9,246.22**		**13,714.17**
	Total Liabilities			**11,847.89**		**18,496.56**
	TOTAL EQUITY & LIABILITIES			**34,475.87**		**37,988.49**

The above Balance Sheet should be read in conjunction with the accompanying notes

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rupen K. Bhatt
Partner
Membership Number: 046930

Mumbai, May 29,2020

For and on behalf of the Board of Directors

Ajay G. Piramal
Chairman

Vivek Valsaraj
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 11,2020

STATEMENT OF PROFIT AND LOSS
for the Year ended March 31, 2020

(₹ in Crores)

	Note No.	Year Ended March 31, 2020		Year Ended March 31, 2019	
Revenue from operations	27		4,219.19		3,670.85
Other Income (Net)	28		699.06		446.31
Total Income			**4,918.25**		**4,117.16**
EXPENSES					
Cost of materials consumed	29	878.18		768.15	
Purchases of Stock-in-Trade	30	75.92		79.24	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	(10.73)		8.22	
Employee benefits expense	32	463.15		411.10	
Finance costs	33	1,710.06		1,497.27	
Depreciation and amortization expense	3 & 45 (i)	175.46		131.22	
Expected Credit Loss on Financial Assets (including Commitments)	47(f)	327.88		(15.26)	
Other expenses	34	758.49		746.87	
Total Expenses			**4,378.41**		**3,626.81**
Profit Before Exceptional Items and Tax			**539.84**		**490.35**
Exceptional Items	35		-		(1,287.96)
Profit/ (Loss) before Tax			**539.84**		**(797.61)**
Less: Income Tax Expense	50				
Current tax			130.42		71.57
Tax adjustment for earlier years			385.62		-
Deferred Tax (Net)			(121.05)		(1.17)
			394.99		70.40
Profit/ (Loss) after Tax			**144.85**		**(868.01)**
Other Comprehensive Income / (Expense) (OCI), net of tax expense:	36				
A. Items that will not be reclassified to profit or loss					
(a) Changes in fair values of equity instruments through OCI		(1,359.46)		(551.69)	
(b) Remeasurement of Post Employment Benefit Obligations		(3.21)		(2.89)	
Income Tax Impact on above		0.81	(1,361.86)	24.00	(530.58)
B. Items that will be reclassified to profit or loss					
Deferred gains / (losses) on cash flow hedge		(24.01)		5.61	
Income Tax Impact on above		6.04	(17.97)	(1.96)	3.65
Total Other Comprehensive Expense (OCI) for the year			**(1,379.83)**		**(526.93)**
Total Comprehensive Loss for the year			**(1,234.98)**		**(1,394.94)**
Earnings Per Equity Share (Basic) (₹) (Face value of ₹ 2/- each)	44		**6.87**		**(42.72)**
Earnings Per Equity Share (Diluted) (₹) (Face value of ₹ 2/- each)	44		**6.84**		**(42.72)**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rupen K. Bhatt
Partner
Membership Number: 046930

Mumbai, May 29,2020

For and on behalf of the Board of Directors

Ajay G. Piramal
Chairman

Vivek Valsaraj
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 11,2020

CASH FLOW STATEMENT
for the Year ended March 31, 2020

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional items and tax*	**539.84**	490.35
Adjustments for:		-
Depreciation and amortisation expense	**175.46**	131.22
Provision written back	**(120.28)**	-
Amortisation of leasehold land	**-**	0.07
Finance Costs in relation to compulsory convertible debentures considered separately	**7.90**	36.00
Finance Costs attributable to other than financial services operations	**493.74**	392.48
Interest Income on Financial assets	**(264.99)**	(256.59)
Measurement of financial assets at FVTPL	**18.69**	26.79
(Gain)/Loss on Sale of Property Plant and Equipment	**(0.25)**	0.33
Dividend on Non Current Equity Instruments	**-**	(61.25)
Write-down of Inventories	**35.63**	0.71
Profit on Sale of Investment (Net)	**(18.31)**	(0.13)
Expected Credit Loss on Financial Assets (including Commitments)	**327.88**	(15.01)
Expected Credit Loss on Trade Receivables	**8.08**	0.41
Credit balance written back	**(1.42)**	-
Recognition of lease rent expense on straight-line method	**-**	(2.11)
Unrealised foreign exchange (gain) / loss	**(315.74)**	(103.19)
Operating Profit Before Working Capital Changes	**886.23**	**640.08**
Adjustments For Changes In Working Capital:		
Adjustments for (increase) / decrease in operating assets		
- Trade receivables	**18.05**	(137.33)
- Other Current Assets	**(108.90)**	(37.11)
- Other Non Current Assets	**12.27**	(1.15)
- Other Financial Assets - Non Current	**8.63**	0.82
- Other Financial Assets - Loans - Non Current	**(3,012.86)**	3,720.57
- Inventories	**(96.30)**	13.85
- Other Financial Assets - Current	**191.90**	(169.89)
- Other Financial Assets - Loans - Current	**42.90**	53.67
- Amounts realised from Debentures and Alternate Investment Funds (Net)	**3,070.20**	1,633.58
- Mutual funds	**-**	1,151.09
Adjustments for increase / (decrease) in operating liabilities		
- Trade Payables	**167.90**	37.12
- Non - Current provisions	**7.37**	5.32
- Other Current Financial Liabilities	**10.64**	(23.56)
- Other Current Liabilities	**60.54**	(4.10)
- Current provisions	**3.77**	2.49
- Provisions for Grants - Committed	**-**	(7.28)
- Other Non-current Liabilities	**16.59**	125.16
- Interest accrued	**(81.87)**	(77.73)
Cash Generated from Operations	**1,197.06**	**6,925.60**
- Taxes Paid (Net of Refunds)	**(63.55)**	(178.73)
Net Cash Generated from Operating Activities **	**1,133.51**	**6,746.87**

* In respect of year ended March 31, 2019, the exceptional item of provision of the Company's cost of equity investment in PHSA amounting to ₹ 1,287.96 Crores is non cash. Since profit considered for cash flow is before exceptional, this item is not reflected in cash flow.

** includes interest received ₹ 1,113.75 Crores (Previous year ₹ 1,409.89 Crores), Dividend Received ₹ 637.54 Crores (Previous year ₹ 68.55 Crores) and interest paid during the year ₹ 1,134.45 Crores (Previous year ₹ 1,027.16 Crores) pertaining to financial services operations.

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of investment in subsidiary (net of transaction cost)	**116.27**	-
Proceeds from sale of investment held at FVTOCI	**2,252.41**	-
Payments for Purchase of Property Plant and Equipment / Intangible Assets	**(85.73)**	(133.73)
Proceeds from Sale of Property Plant and Equipment / Intangible Assets	**0.74**	0.21
Interest Received	**376.39**	159.21
Bank balances not considered as Cash and cash equivalents		
- Fixed deposits placed	**(1,595.33)**	(52.50)
- Matured	**1,617.01**	60.50
Other Bank Balances	**(7.93)**	(8.81)
Dividend on Non - Current Equity Investments	**-**	61.25
Purchase of Equity Investments in subsidiaries and Joint ventures	**(726.35)**	(1,589.18)
Loans to related parties	**(73.40)**	(7,825.86)
Release of escrow deposit	**12.80**	-
Net Cash Generated from / (Used in) Investing Activities	**1,886.88**	**(9,328.91)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Non - Current Borrowings		
- Receipts	**5,990.23**	7,269.99
- Payments	**(10,308.34)**	(2,474.21)
Proceeds from Current Borrowings		
- Receipts	**54,263.69**	54,374.04
- Payments	**(58,442.37)**	(55,808.45)
Lease payments		
- Principal	**(27.58)**	-
- Interest	**(4.79)**	-
Coupon Payment on Compulsorily Convertible Debentures	**(150.67)**	(385.38)
Proceeds from Compulsorily Convertible Debentures	**1,749.99**	-
Proceeds from Right Issue	**3,480.95**	6.87
Rights share issue expenses	**(14.77)**	-
Expenses incurred on issue of Compulsorily Convertible Debentures	**(5.45)**	-
Expenses incurred on conversion of Compulsorily Convertible Debentures	**(3.82)**	(1.27)
Finance Costs Paid (other than those attributable to financial services operations)	**(513.77)**	(373.42)
Dividend Paid	**(556.77)**	(448.23)
Dividend Distribution Tax Paid	**(0.09)**	(91.27)
Net Cash Generated from / (Used in) Financing Activities	**(4,543.56)**	**2,068.67**
Net Decrease in Cash & Cash Equivalents [(A)+(B)+(C)]	**(1,523.17)**	(513.37)
Cash and Cash Equivalents as at April 1	**(53.52)**	459.85
Cash and Cash Equivalents as at March 31	**(1,576.69)**	(53.52)
Cash and Cash Equivalents Comprise of:		
Cash on Hand	**0.07**	0.05
Bank Overdraft	**(1,620.35)**	(77.97)
Balance with Scheduled Banks in Current Accounts	**43.59**	24.40
	(1,576.69)	**(53.52)**

Notes:

1. During the year, the company had converted its ₹ 1,900 Crores (Previous year ₹ 1,100 Crores) of loan given to its wholly owned subsidiary, PHL Fininvest Private Limited ("Fininvest") into equity shares. (Refer note 4)
2. During the year, the company had converted its ₹ 900 Crores (Previous year ₹ 1,700 Crores) of loan given to its wholly owned subsidiary, Piramal Capital Housing and Finance Limited into equity shares.(Refer note 4)
3. During the previous year, the company had converted its ₹ 1,224.80 Crores of loan given to its wholly owned subsidiary, Piramal Holdings (Suisse) SA ("PHSA") into Class B Non-voting shares.
4. During the previous year, the company had converted its ₹ 27.64 Crores of loan (including interest) given to its erstwhile wholly owned subsidiary, DRG Analytics & Insights Private Limited into equity shares.

The above Statement of Cash flow should be read in conjunction with the accompanying notes

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rupen K. Bhatt
Partner
Membership Number: 046930

Mumbai, May 29,2020

For and on behalf of the Board of Directors

Ajay G. Piramal
Chairman

Vivek Valsaraj
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 11,2020

STATEMENT OF CHANGES IN EQUITY

for the Year ended March 31, 2020

A. EQUITY SHARE CAPITAL (REFER NOTE 16):

(₹ in Crores)

Particulars	
Balance as at April 1, 2018	**36.05**
Changes in Equity Share Capital during the year (Refer note 52(a) and 52(b))	0.84
Balance as at March 31, 2019	**36.89**
Changes in Equity Share Capital during the year (Refer note 52(a), 52(b) and 52(d))	8.22
Balance as at March 31, 2020	**45.11**

B. OTHER EQUITY (EXCLUDING SHARE APPLICATION MONEY PENDING ALLOTMENT):

(₹ in Crores)

Particulars	Notes	Equity Component of Compulsorily Convertible Debentures	Reserves & Surplus						Other Items in OCI		Total
			Capital Reserve	Securities Premium	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Cash Flow Hedging Reserve	FVTOCI - Equity Instruments	
Balance as at April 01, 2018		4,357.72	2,358.39	1,834.99	61.73	690.23	5,798.55	3,948.85	-	2,250.34	21,300.80
On account of merger with Piramal Phytocare Limited (Refer note 52 (d))		-	21.35	2.50	-	-	-	(51.32)	-	-	(27.47)
Adjusted balance as at April 01,2018		**4,357.72**	**2,379.74**	**1,837.49**	**61.73**	**690.23**	**5,798.55**	**3,897.53**	**-**	**2,250.34**	**21,273.33**
Loss after tax for the year		-	-	-	-	-	-	(868.01)	-	-	(868.01)
Other Comprehensive Income / (Expense) (net of tax expense) for the year		-	-	-	-	-	-	(1.84)	3.65	(528.74)	(526.93)
Transfer to Debenture Redemption Reserve		-	-	-	-	826.65	-	(826.65)	-	-	-
Conversion of Compulsorily Convertible Debentures into Equity shares (Refer note 52 (a))	17	(998.01)	-	1,111.77	-	-	-	-	-	-	113.76
Rights Issue of Equity shares (Refer note 52 (b))		-	-	2.69	-	-	-	-	-	-	2.69
Expenses incurred on conversion of Compulsorily Convertible Debentures		-	-	(1.27)	-	-	-	-	-	-	(1.27)
Dividend paid during the year		-	-	-	-	-	-	(451.50)	-	-	(451.50)
Dividend Distribution Tax thereon		-	-	-	-	-	-	(91.27)	-	-	(91.27)
Balance as at March 31, 2019		**3,359.71**	**2,379.74**	**2,950.68**	**61.73**	**1,516.88**	**5,798.55**	**1,658.26**	**3.65**	**1,721.60**	**19,450.80**

(₹ in Crores)

Particulars	Notes	Equity Component of Compulsorily Convertible Debentures	Reserves & Surplus						Other Items in OCI		Total
			Capital Reserve	Securities Premium	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Cash Flow Hedging Reserve	FVTOCI - Equity Instruments	
Balance as at April 01, 2019		**3,359.71**	**2,379.74**	**2,950.68**	**61.73**	**1,516.88**	**5,798.55**	**1,658.26**	**3.65**	**1,721.60**	**19,450.80**
Profit after tax for the year		**-**	**-**	**-**	**-**	**-**	**-**	**144.85**	**-**	**-**	**144.85**
Other Comprehensive Expense (net of tax expense) for the year		**-**	**-**	**-**	**-**	**-**	**-**	**(2.40)**	**(17.97)**	**(1,359.46)**	**(1,379.83)**
Issue and conversion of Compulsorily Convertible Debentures into Equity Shares (Refer Note 52(a))		**(1,832.36)**	**-**	**3,295.69**	**-**	**-**	**-**	**-**	**-**	**-**	**1,463.33**
Rights Issue of Equity shares (Refer note 52 (b))	17	**-**	**-**	**3,475.65**	**-**	**-**	**-**	**-**	**-**	**-**	**3,475.65**
Transfer on sale FVTOCI-Designated Instruments (Refer note 4)		**-**	**-**	**-**	**-**	**-**	**-**	**670.40**	**-**	**(670.40)**	**-**
On account of adoption of IND AS 116 during the year (Refer note 45)		**-**	**-**	**-**	**-**	**-**	**-**	**3.52**	**-**	**-**	**3.52**

(₹ in Crores)

Particulars	Notes	Equity Component of Compulsorily Convertible Debentures	Reserves & Surplus						Other Items in OCI		Total
			Capital Reserve	Securities Premium	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Cash Flow Hedging Reserve	FVTOCI - Equity Instruments	
Expenses incurred on rights issue of equity shares		-	-	(14.77)	-	-	-	-	-	-	(14.77)
Expenses incurred on conversion of Compulsorily Convertible Debentures		-	-	(3.82)	-	-	-	-	-	-	(3.82)
Transfer from Debenture Redemption Reserve		-	-	-	-	(694.35)	-	694.35	-	-	-
Dividend paid during the year		-	-	-	-	-	-	(556.77)	-	-	(556.77)
Dividend Distribution Tax thereon (Net of DDT paid of ₹ 114.36 crores by subsidiary companies)		-	-	-	-	-	-	(0.09)	-	-	(0.09)
Balance as at March 31, 2020		**1,527.35**	**2,379.74**	**9,703.43**	**61.73**	**822.53**	**5,798.55**	**2,612.12**	**(14.32)**	**(308.26)**	**22,582.87**

C. SHARE APPLICATION MONEY PENDING ALLOTMENT (REFER NOTE 17 AND 52(D)):

(₹ in Crores)

Particulars	
Balance as at April 1, 2018	**-**
On account of merger with Piramal Phytocare Limited (Refer note 52 (d))	0.06
Adjusted Balance as at April 1, 2018	**0.06**
Movement during the year	4.18
Balance as at March 31, 2019	**4.24**
Movement during the year	(4.24)
Balance as at March 31, 2020	**-**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rupen K. Bhatt
Partner
Membership Number: 046930

Mumbai, May 29,2020

For and on behalf of the Board of Directors

Ajay G. Piramal
Chairman

Vivek Valsaraj
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 11,2020

1. GENERAL INFORMATION

Piramal Enterprises Limited (PEL) (including its subsidiaries) is one of India's large diversified companies, with a presence in Pharmaceuticals and Financial Services.

In Pharma, through end-to-end manufacturing capabilities across 13 global facilities and a large global distribution network to over 100 countries, The Group sells a portfolio of niche differentiated pharma products and provides an entire pool of pharma services (including in the areas of injectable, HPAPI etc.). The Company is also strengthening its presence in the Consumer Products segment in India.

In Financial Services, Group provides comprehensive financing solutions to various companies. It provides both wholesale and retail funding opportunities across sectors. In real estate, the platform provides housing finance and other financing solutions across the entire capital stack ranging from early stage private equity, structured debt, senior secured debt, construction finance, and flexi lease rental discounting. The wholesale business in non-real estate sector includes separate verticals - Corporate Finance Group (CFG) and Emerging Corporate Lending (ECL). CFG provides customized funding solutions to companies across sectors such as infrastructure, renewable energy, roads, industrials, auto components etc. while ECL focuses on lending towards Small and Medium Enterprises (SMEs). The Group has also launched Distressed Asset Investing platform that invests in equity and/or debt in assets across sectors (other than real estate) to drive restructuring with active participation in turnaround. The Group also has strategic alliances with top global funds such as APG Asset Management, Bain Capital Credit, CPPIB Credit Investment Inc. and Ivanhoé Cambridge (CDPQ). The Group has long term equity investments in Shriram Group, a leading financial conglomerate in India.

PEL is a public limited Company incorporated and domiciled in India and has its registered office at Mumbai, India. It is listed on the BSE Limited and the National Stock Exchange of India Limited in India.

2A. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation of financial statements

Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Historical Cost convention

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair value.

ii) New and amended IND AS standards that are effective from the current year

The Company has applied the following standards and amendments for the first time for the annual reporting period commencing April 01, 2019:

(a) IND AS 116, Leases

Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method of transition. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The Company's lease asset classes primarily consist of leases for land, buildings and IT assets.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

3. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

(b) The impact of Ind AS 12 amendments is not material

iii) Investments in subsidiaries, associates, joint operations and joint ventures

Subsidiaries:

Subsidiaries are all entities (including structured entities) over which the group has control. The Company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Associates:

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Joint Arrangements:

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Company has only joint ventures.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

The Company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings, if any.

Investments in Subsidiaries, Associates and Joint ventures are accounted at cost.

iv) Property, Plant and Equipment

Freehold Land is carried at historical cost. All other items of Property Plant & Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred. Subsequent expenditures related to an item of Property Plant & Equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured.

Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013 on the basis of technical evaluation, which are as follows:

Asset Class	Useful life
Buildings*	10 years - 60 years
Roads	10 years
Furniture & Fixtures	3 years - 15 years
Plant & Equipment	3 years - 20 years
Continuous Process Plant	25 years
Office Equipment	3 years - 15 years
Motor Vehicles	8 years
Helicopter	20 years
Ships	13 years

*Useful life of leasehold improvements is as per lease period

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

v) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

The research and development (R&D) cost is accounted in accordance with Ind AS - 38 'Intangibles'.

Research

Research costs, including patent filing charges, technical know-how fees, testing charges on animal and expenses incurred on development of a molecule till the stage of Preclinical studies and till the receipt of regulatory approval for commencing phase I trials are treated as revenue expenses and charged off to the Statement of Profit and Loss of respective year.

Development

Development costs relating to design and testing of new or improved materials, products or processes are recognized as intangible assets and are carried forward under Intangible Assets under Development until the completion of the project when they are capitalised as Intangible assets, if the following conditions are satisfied:

- it is technically feasible to complete the asset so that it will be available for use;
- management intends to complete the asset and use or sell it;
- there is an ability to use or sell the asset;
- it can be demonstrated how the asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the asset are available; and
- the expenditure attributable to the asset during its development can be reliably measured.

Intangible Assets with finite useful lives are amortized on a straight line basis over the following period:

Asset Class	Useful life
Brands and Trademarks	10 - 15 years
Copyrights, Know-how (including qualifying Product Development Cost) and Intellectual property rights	4 - 15 years
Computer Software	3 - 6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

vi) Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

vii) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Investments and Other Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Subsequent Measurement

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method. Subsequently, these are measured at amortised cost using the Effective Interest Method less any impairment losses.

Fair value through other comprehensive income (FVTOCI):
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL):
Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments
The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification on derecognition of fair value gains and losses to the statement of profit and loss. Dividends from such investments are recognised in the statement of profit and loss when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

Impairment of financial assets
The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

In case of other than trade receivables, the expected credit loss is a product of exposure at default, probability of default and loss given default. The company has devised an internal model to evaluate the probability of default and loss given default based on the parameters set out in Ind AS 109. Accordingly, the financial instruments are classified into Stage 1 – Standard Assets with zero to thirty days past due (DPD), Stage 2 – Significant Credit Deterioration or overdue between 31 to 90 days and Stage 3 – Default Assets with overdue for more than 90 days. The Company also takes into account the below qualitative parameters in determining the increase in credit risk for the financial assets:

1) Significant negative deviation in the business plan of the borrower
2) Internal rating downgrade for the borrower or the project
3) Current and expected financial performance of the borrower
4) Need for refinance of loan due to change in cash flow of the project
5) Significant decrease in the value of collateral
6) Change in market conditions and industry trends

For recognition of impairment loss on other financial assets and risk exposure (including off Balance Sheet Commitments), the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Default Assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

Non-current assets held for sale

Assets held for sale are measured at the lower of carrying amount or fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of the assets held for sale has been estimated using valuation techniques (including income and market approach) which includes unobservable inputs. Non-current assets and Disposal Group that ceases to be classified as held for sale shall be measured at the lower of carrying amount before the non-current asset and Disposal Group was classified as held for sale and its recoverable amount at the date of the subsequent decision not to sell. Recoverable amounts of assets reclassified from held for sale have been estimated using management's assumptions which consist of significant unobservable inputs.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Compulsorily Convertible Debenture

Convertible instruments are separated into liability and equity components based on the terms of the contract. On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are apportioned between the liability and equity components of the convertible debentures based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments.

Financial Guarantee Contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability

(i) Cash flow hedges that qualify for hedge accounting: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

(ii) Derivatives that are not designated as hedges: The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Offsetting Financial Instruments

Financial Assets and Liabilities are offset and the net amount is reflected in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

viii) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

ix) Inventories

Inventories comprise of Raw and Packing Materials, Work in Progress, Finished Goods (Manufactured and Traded) and Stores and Spares. Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Weighted Average basis. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. The cost of Work-in-progress and Finished Goods comprises of materials, direct labour, other direct costs and related production overheads and Excise Duty as applicable. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

x) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur. Long Term Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

- Defined Contribution plans such as provident fund, superannuation, pension, employee state insurance scheme

- Defined Benefit plans such as provident fund and Gratuity In case of Provident Fund, contributions are made to a Trust administered by the Company, except in case of certain employees, where the Contributions are made to the Regional Provident Fund Office.

Defined Contribution Plans

The Company's contribution to provident fund (in case of contributions to the Regional Provident Fund Office), Pension and Employee State Insurance Scheme are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

Defined Benefit Plan

The liability or asset recognised in the balance sheet in respect of defined benefit provident and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets (excluding interest income) are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Bonus Plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

xi) Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xii) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods: Revenue from the sale of goods is recognised when the Company transfers Control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the product shipped. Amounts disclosed as revenue are net off returns, trade allowances, rebates and indirect taxes.

Sale of Services: In contracts involving the rendering of services/development contracts, revenue is recognised at the point in time in which services are rendered. In case of fixed price contracts, the customer pays a fixed amount based on the payment schedule. If the services rendered by the Company exceed the payment, a Contract asset (Unbilled Revenue) is recognised. If the payments exceed the services rendered, a contract liability (Deferred Revenue) is recognised. If the contracts involve time-based billing, revenue is recognised in the amount to which the Company has a right to invoice.

Interest: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Dividend: Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

xiii) Foreign Currency Transactions

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency viz. Indian Rupee are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

xiv) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

xv) Leases

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

xvi) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

xvii) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

xviii) Borrowing Costs

General and specific borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those Property Plant & Equipments which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xix) Segment Reporting

The Chairman of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, “Operating Segments.”. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / Costs which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under Unallocated Income / Costs. Interest income and expense are not allocated to respective segments (except in case of Financial Services segment).

In accordance with Ind AS 108 ‘Operating Segments’, segment information has been given in the consolidated financial statements of the Company, which are presented in the same annual report and therefore, no separate disclosure on segment information is given in these financial statements.

xx) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

xxi) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xxii) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Crores as per the requirement of Schedule III, unless otherwise stated.

2B. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

i Estimation of uncertainty relating to COVID-19 global health pandemic

In assessing the recoverability of loans, receivables, intangible assets and investments, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports up to the date of approval of these standalone financial statements. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the carrying amount of these assets represent the company’s best estimate of the recoverable amounts. As a result of the uncertainties resulting from COVID-19, the impact of this pandemic may be different from those estimated as on the date of approval of these financial statements and the Company will continue to monitor any changes to the future economic conditions. Also refer note 3, 10, 47 (a), 47 (f), 51.

ii Fair Valuation:

Some of the company’s assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liability, the company uses market observable data to the extent it is available. When Level 1 inputs are not available, the company engages third party qualified external valuer to establish the appropriate valuation techniques and inputs to the valuation model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 51.

iii Expected Credit Loss:

When determining the provision for impairment loss on financial assets carried at amortised cost and Loan commitments, in line with Expected Credit Loss model, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort for determing the Probability of default (PD) and Loss Given default (LGD). This includes both quantitative and qualitative information and analysis, based on the company's historical experience and credit assessment and including forward-looking information.

The inputs used and process followed by the Company in determining the impairment loss in line with Expected Credit loss model have been detailed in Note 47(f).

iv Impairment loss in Investments carried at cost:

The Company conducts impairment reviews of investments in subsidiaries / associates / joint arrangements whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable or tests for impairment annually. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which is based on future cash flows and a suitable discount rate in order to calculate the present value.

v Deferred Taxes:

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

3. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Crores)

Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT	
	Opening As at April 1, 2019	Additions	Deductions/ Adjustments	As at March 31,2020 (A)	Opening As at April 1, 2019	For the Year #	Deductions/ Adjustments	As at March 31,2020 (B)	As at March 31,2020 (A-B)	As at March 31, 2019
Property, Plant & Equipment										
Land Freehold	21.46	-	-	**21.46**	-	-	-	**-**	**21.46**	21.46
Buildings	762.43	13.71	0.11	**776.03**	47.42	20.48	0.04	**67.86**	**708.17**	715.01
Roads	3.47	-	-	**3.47**	0.98	0.41	-	**1.39**	**2.08**	2.49
Plant & Equipment	850.82	37.75	0.93	**887.64**	210.36	74.25	0.59	**284.02**	**603.62**	640.46
Furniture and fixtures	42.54	0.84	0.13	**43.25**	15.24	4.83	0.11	**19.96**	**23.29**	27.30
Motor Vehicles	8.00	0.12	0.11	**8.01**	2.51	1.04	0.06	**3.49**	**4.52**	5.49
Ships	0.88	-	-	**0.88**	0.35	0.09	-	**0.44**	**0.44**	0.53
Helicopter^	9.60	-	-	**9.60**	2.16	0.54	-	**2.70**	**6.90**	7.44
Office equipment	24.14	3.34	0.26	**27.22**	8.62	4.54	0.25	**12.91**	**14.31**	15.52
Total (I)	**1,723.34**	**55.76**	**1.54**	**1,777.56**	**287.64**	**106.18**	**1.05**	**392.77**	**1,384.79**	**1,435.70**
Intangible Assets (Acquired)										
Product-related Intangibles - Brands and Trademarks*+	451.51	-	-	**451.51**	94.62	31.62	-	**126.24**	**325.27**	356.89
Product-related Intangibles - Copyrights, Know-how and Intellectual property rights	17.79	-	-	**17.79**	7.17	1.76	-	**8.93**	**8.86**	10.62
Computer Software	38.48	9.26	0.66	**47.08**	19.35	6.35	0.66	**25.04**	**22.04**	19.13
Intangible Assets (Internally Generated)										
Product Know-how	2.32	-	-	**2.32**	0.76	0.19	-	**0.95**	**1.37**	1.56
Total (II)	**510.10**	**9.26**	**0.66**	**518.70**	**121.90**	**39.92**	**0.66**	**161.16**	**357.54**	**388.20**
Grand Total (I+II)	**2,233.44**	**65.02**	**2.20**	**2,296.26**	**409.54**	**146.10**	**1.71**	**553.93**	**1,742.33**	**1,823.90**

* Material Intangible Assets as on March 31, 2020:

Asset Class	Carrying Value as at March 31, 2020	Carrying Value as at March 31, 2019	Remaining useful life as on March 31, 2020
Product-related Intangibles - Brands and Trademarks	**325.27**	356.89	**4 years to 13 years**

\# Depreciation for the year ended March 31, 2020 includes depreciation amounting to ₹ 9.23 Crores (Previous Year ₹ 9.81 Crores) on assets used for Research and Development locations at Ennore and Mumbai.

\+ Certain Brands are in the process of being registered in the name of the Company, for which the necessary application has been made with trade mark registry.

^ The Company has a 25% share in joint ownership of Helicopter

Refer Note 40 for the assets mortgaged as security against borrowings.

Refer Note 37B for the contractual capital commitments for purchase of Property, Plant & Equipment

Considering internal and external sources of information, the Company has evaluated at the end of the reporting period, whether there is any indication that any intangible asset may be impaired. Where such indication exists, the Company has estimated the recoverable amount of the intangible assets based on 'value in use' method. The financial projections on the basis of which the future cash flows have been estimated consider (a) an increase in economic uncertainties due to COVID-19, (b) reassessment of the discount rates, (c) revisiting the growth rates factored while arriving at terminal value, and these variables have been subjected to a sensitivity analysis. The carrying amount of the intangible assets represent the Company's best estimate of the recoverable amounts.

3. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS (CONTD.)

(₹ in Crores)

Particulars	GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION / AMORTISATION					NET CARRYING AMOUNT	
	Opening as at April 1, 2018	On Merger @	Additions	Deletions/ Adjustments	As at March 31, 2019 (A)	Opening as at April 1, 2018	On Merger @	For the Year #	Deductions/ Adjustments	As at March 31, 2019 (B)	As at March 31, 2019 (A-B)	As at March 31, 2018
Property, Plant & Equipment												
Land Freehold	21.46	-	-	-	21.46	-	-	-	-	-	21.46	21.46
Buildings	741.70	-	20.90	0.17	762.43	27.98	-	19.57	0.13	47.42	715.01	713.72
Roads	2.54	-	0.93	-	3.47	0.58	-	0.40	-	0.98	2.49	1.96
Plant and Equipment	736.80	0.42	115.05	1.45	850.82	149.45	0.12	61.77	0.98	210.36	640.46	587.35
Furniture and fixtures	39.43	0.02	3.12	0.03	42.54	10.33	0.01	4.91	0.01	15.24	27.30	29.10
Motor Vehicles	5.59	-	2.41	-	8.00	1.76	-	0.75	-	2.51	5.49	3.83
Ships	0.88	-	-	-	0.88	0.26	-	0.09	-	0.35	0.53	0.62
Helicopter^	9.60	-	-	-	9.60	1.62	-	0.54	-	2.16	7.44	7.98
Office equipment	20.78	-	3.43	0.07	24.14	5.01	-	3.67	0.06	8.62	15.52	15.77
Total (I)	**1,578.78**	**0.44**	**145.84**	**1.72**	**1,723.34**	**196.99**	**0.13**	**91.70**	**1.18**	**287.64**	**1,435.70**	**1,381.79**
Intangible Assets (Acquired)												
Product-related Intangibles - Brands and Trademarks+	451.51	-	-	-	451.51	63.00	-	31.62	-	94.62	356.89	388.51
Product-related Intangibles - Copyrights, Know-how and Intellectual property rights	17.79	-	-	-	17.79	5.41	-	1.76	-	7.17	10.62	12.38
Computer Software	36.18	-	2.32	0.02	38.48	13.42	-	5.95	0.02	19.35	19.13	22.76
Intangible Assets (Internally Generated)												
Product Know-how	2.32	-	-	-	2.32	0.57	-	0.19	-	0.76	1.56	1.75
Total (II)	**507.80**	**-**	**2.32**	**0.02**	**510.10**	**82.40**	**-**	**39.52**	**0.02**	**121.90**	**388.20**	**425.40**
Grand Total (I+II)	**2,086.58**	**0.44**	**148.16**	**1.74**	**2,233.44**	**279.39**	**0.13**	**131.22**	**1.20**	**409.54**	**1,823.90**	**1,807.19**

+ Certain Brands are in the process of being registered in the name of the Company, for which the necessary application has been made with trade mark registry.

^ The Company has a 25% share in joint ownership of Helicopter

@ Refer note 52(d) in case of Piramal Phytocare Limited merger

4. INVESTMENTS

Investments - Non Current:

(₹ in Crores)

	Particulars	As at March 31, 2020		As at March 31, 2019	
	Investments in Equity Instruments (Fully paid up, unless otherwise stated):				
A.	**In Subsidiaries (Unquoted) - At cost:**				
i.	Piramal International		-		-
ii.	PHL Fininvest Private Limited @		4,667.17		2,607.17
iii.	Piramal Holdings (Suisse) SA				
	Class A shares	106.70		106.70	
	Class B shares (Non Voting)	1,224.80		1,224.80	
	Add: Capital Contribution (Guarantee)	8.88		8.88	
	Less: Impairment Provision	1,312.35	28.03	1,287.96	52.42
iv.	Piramal Healthcare Inc.	55.67		55.67	
	Add: Capital Contribution (Guarantee)	30.77	86.44	30.77	86.44
v.	Piramal Systems and Technologies Private Limited		4.50		4.50
vi.	Piramal Dutch Holdings N.V.		1,390.54		1,390.54
vii.	PEL Finhold Private Limited		0.03		0.01
viii.	Piramal Fund Management Private Limited		108.26		108.26
ix.	Piramal Investment Advisory Services Private Limited		2.70		2.70
x.	DRG Holdco Inc. @@@		-		47.85
xi.	Piramal Consumer Products Private Limited		14.57		14.57
xii.	Piramal Healthcare UK Limited (Capital Contribution - Guarantee)		1.06		1.06
xiii.	Piramal Healthcare Canada Limited (Capital Contribution - Guarantee)		2.21		2.21
xiv.	Piramal Dutch IM Holdco B.V.		143.49		143.49
xv.	PEL Pharma Inc.		6.54		6.54
xvi.	Piramal Capital and Housing Finance Limited @@		7,896.65		6,496.64
xvii.	Searchlight Health Private Limited @@@		-		32.47
xviii.	DRG Analytics & Insights Private Limited @@@		-		27.64
xix.	Piramal Asset Management Private Limited		1.00		0.01
xx.	Piramal Securities Limited		37.00		20.00
			14,390.19		**11,044.52**
B.	**In Joint Ventures (Unquoted) - At Cost:**				
i.	Convergence Chemicals Private Limited		35.71		35.71
ii.	India Resurgence ARC Private Limited		54.00		51.00
iii.	India Resurgence Asset Management Business Private Limited		20.00		15.00
iv.	Shrilekha Business Consultancy Private Limited		2,146.16		2,146.16
			2,255.87		**2,247.87**
C.	**In Associates:**				
	Unquoted - At Cost:				
i.	Allergan India Private Limited		3.92		3.92
ii.	Shriram Capital Limited		0.01		0.01
			3.93		**3.93**
D.	**Other Bodies Corporate:**				
	Quoted - At FVTOCI:				
i.	Shriram City Union Finance Limited (Face Value of ₹ 10 each)		492.47		1,217.41
ii.	Shriram Transport Finance Company Limited (Face Value of ₹ 10 each) #		-		2,886.93
			492.47		**4,104.34**
	Unquoted - At FVTPL:				
i.	TCP Limited		*		*
			-		-
	Investments in Preference Shares (fully paid up):				
A.	**In Subsidiaries (Unquoted):**				
	Optionally Convertible Participative Preference Shares - at FVTPL				
	Piramal Fund Management Private Limited		105.00		115.00
			105.00		**115.00**

(₹ in Crores)

Particulars	As at March 31, 2020		As at March 31, 2019	
Investment in Debentures (Refer Note below):				
A. In Subsidiaries (Quoted):				
Non-Convertible Debentures - At amortised cost				
Piramal Capital Housing Finance Limited		**152.30**		-
		152.30		-
B. In Subsidiaries (Unquoted):				
Optionally Convertible Debentures - At FVTPL				
Piramal Systems & Technologies Private Limited ##		**23.13**		54.80
		23.13		**54.80**
C. In Joint Venture (Unquoted) - At amortised cost				
India Resurgence Asset Management Business Private Limited		**24.55**		-
		24.55		-
D. Other Bodies Corporate (Refer note 39):				
Unquoted:				
Redeemable Non-Convertible Debentures - At Amortised Cost	**930.16**		4,222.60	
Less: Provision for Impairment based on Expected credit loss model	**(310.80)**	**619.36**	(84.91)	4,137.69
		619.36		**4,137.69**
Investments in Share Warrants (Refer note 51)				
A. Other Bodies Corporate:				
Quoted:				
Share Warrants		**1.48**		-
		1.48		-
Investments in Alternative Investment Funds (Refer note 51)				
A. In Subsidiaries - At Cost: (Unquoted)				
Class A Units of Piramal Investment Opportunities Fund Scheme - I		**2.65**		12.62
		2.65		**12.62**
B. In Joint Ventures - At Cost: (Unquoted)				
Piramal Ivanhoe Residential Equity Fund 1		**115.29**		122.07
India Resurgence Fund - Scheme 2		**187.22**		158.07
		302.51		**280.14**
C. In Other Body Corporate - At FVTPL (Unquoted)		**78.77**		43.90
		383.93		**336.66**
Non Current Investments		**18,452.21**		**22,044.81**

* Amounts are below the rounding off norm adopted by the Company.

Note: To the extent of debentures (including interest) redeemable within 12 months of the reporting date, the amount has been presented as part of current investments as per the requirements of Schedule III. The balance amount has been presented as non-current.

@ During the year, the company converted its loan to PHL Fininvest Private Limited ("Fininvest") into shares resulting into allotment of 57,431,656 equity shares of ₹ 10 each at ₹ 87.06 per share for which shares are pending allotment and 189,985,071 equity shares of ₹ 10 each at ₹ 73.69 per share in Fininvest to the Company.

@@ During the year, the company converted its loan to Piramal Capital Housing Finance (PCHFL) into shares resulting into allotment of 784,655,623 equity shares of ₹ 10 each at ₹ 11.47 per share in PCHFL to the Company. The shares are pending allotment.

@@@ The Board of Directors of the Company, at their meeting held on January 17, 2020 approved the divestment of entire stake in the Healthcare Insights and Analytics business (the "Transaction"), held by the Company directly and through its wholly owned subsidiaries, to Clarivate Analytics Plc. (and its subsidiaries) for an aggregate consideration of USD 950 million of which USD 900 million would be received on closing of the Transaction and USD 50 million would be received at the end of 12 months from the closing of the Transaction. Closing of the transaction was completed on February 28, 2020 after receipt of consideration, post necessary regulatory approvals and approval of shareholders of the Company at the Extra-ordinary General Meeting held on February 13, 2020. Other Income for the year ended March 31, 2020 includes a net amount of ₹ 18.31 crores in relation to the divestiture of stake held by the Company directly.

Due to non fulfilment of Conditions precedent for each tranche of investment in Searchlight Health Private Limited (formerly known as Health Super Hiway Private Limited), amounts lying in Escrow deposit of ₹12.80 Crs were withdrawn and received. (Refer note 14).

During the year, the Company has sold its entire direct investment of 9.96% in Shriram Transport Finance Company Limited. Upon sale, the Company has reclassified the cumulative fair value changes of ₹ 670.40 crores from Other Comprehensive Income to Retained Earnings.

The value of optionally fully convertible debentures of Piramal Systems and Technologies Pvt Ltd is net of additional provision on account of expected credit loss.

Investments - Current:

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in Debentures:		
In Other Body Corporates		
Quoted:		
Redeemable Non-Convertible Debentures - At FVTPL	650.37	761.41
Redeemable Non-Convertible Debentures - At Amortised Cost	351.78	214.39
Less: Provision for Impairment based on Expected credit loss model	(15.44)	(6.48)
	986.71	969.32
Current Investments	986.71	969.32
Aggregate market value of quoted investments		
- Non-Current	646.25	4,104.34
- Current	650.37	761.41
Aggregate carrying value of quoted investments (Gross)		
- Non-Current	646.25	4,104.34
- Current	650.37	761.41
Aggregate carrying value of unquoted investments (Gross)		
- Non-Current	19,429.12	19,313.34
- Current	351.78	214.39
Aggregate amount of impairment in value of investments	1,638.59	1,379.35
Refer Note 40 for Investments mortgaged as security against borrowings.		
Details of Investments:		
(i) Financial Assets carried at Cost		
Investments in Equity Instruments of Subsidiaries	14,390.19	11,044.52
Investments in Equity Instruments of Joint Ventures	2,255.87	2,247.87
Investments in Equity Instruments of Associates	3.93	3.93
Investments in Alternative Investment Fund	305.16	292.76
	16,955.14	13,589.08
(ii) Financial assets carried at fair value through profit or loss (FVTPL)		
Equity	-	-
Preference Shares	105.00	115.00
Share warrants	1.48	-
Debentures	673.51	816.21
Alternative Investment Fund	78.77	43.90
	858.76	975.11
(iii) Financial assets carried at amortised cost		
Debentures	1,132.56	4,345.60
	1,132.56	4,345.60
(iv) Financial assets measured at FVTOCI		
Equity instruments - Equity Shares	492.47	4,104.34
	492.47	4,104.34
Total	19,438.93	23,014.13

5. DEFERRED TAX ASSETS (NET)

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
(a) Deferred Tax Assets on account of temporary differences:				
- Provision for assets of financial services	100.83		45.67	
- Other Provisions	5.23		7.96	
- Unused Tax Credit / losses	-		421.74	
- Amortisation of expenses which are allowed in current year	0.23		0.32	
- Expenses that are allowed on payment basis	32.87		58.52	
- Measurement of financial assets at amortised cost/fair value	25.76		0.83	
- Deferred Revenue	59.02		58.47	
- Fair value measurement of derivative contracts	4.44		-	
- Effect of recognition of lease rent expense	1.31		1.24	
		229.69		594.75
(b) Deferred Tax Liabilities on account of temporary differences:				
- Property, Plant and Equipment and Intangible Assets	(175.17)		(234.81)	
- Measurement of financial liabilities at amortised cost	(19.64)		(62.99)	
- Fair value measurement of derivative contracts	-		(4.36)	
		(194.81)		(302.16)
NET DEFERRED TAX ASSETS		34.88		292.59

Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation law.
Refer Note 50 for movements during the year.

6. LOANS - NON-CURRENT

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
AT AMORTISED COST:				
Inter Corporate Deposits Receivables (Secured) - Credit Impaired				
Inter Corporate Deposits	89.00		89.00	
Less: Provision for expected credit loss	50.00	39.00	13.35	75.65
Terms Loans Receivables (Secured) - Credit Impaired				
Term Loans	24.38		24.38	
Less: Provision for expected credit loss	24.38	-	24.38	-
Loans (Unsecured And Considered Good)				
Loans to related parties (Refer note 4 & 39)		10,830.25		10,257.73
TOTAL		10,869.25		10,333.38

7. OTHER FINANCIAL ASSETS - NON-CURRENT

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Bank deposits with more than 12 months maturity	0.90	-
Security Deposits	22.80	31.43
TOTAL	23.70	31.43

8. OTHER NON-CURRENT ASSETS

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Advance tax [Net of Provision of ₹ 4,449.65 Crores as at March 31, 2020 (Previous year ₹ 4,730.00 Crores)]	426.58	417.48
Capital Advances	2.64	5.10
Advances recoverable	27.03	39.30
Prepayments	-	5.85
TOTAL	456.25	467.73

9. INVENTORIES

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Raw and Packing Materials [includes in transit of ₹ 3.50 Crores as on March 31, 2020, (Previous year ₹ 0.31 Crores)]	**187.05**	139.26
Work-in-Progress	**141.24**	142.56
Finished Goods	**46.77**	33.51
Stock-in-trade	**25.00**	26.21
Stores and Spares	**23.50**	21.35
TOTAL	**423.56**	**362.89**

Note:

1. Refer Note 40 for the inventories hypothecated as security against borrowings.
2. The cost of inventories recognised as an expense during the year was ₹ 987.08 Crores (Previous year ₹ 898.09 Crores).
3. The cost of inventories recognised as an expense includes ₹ 0.21 Crores (Previous year reversal of ₹ 2.05 Crores) in respect of write downs of inventory to net realisable value and an expense of ₹ 35.42 Crores (Previous year reversal of ₹ 2.13 Crores) in respect of provisions for slow moving/non moving/expired/near expiry products.
4. Refer Note 2(a)(viii) for policy for valuation of inventories.

10. TRADE RECEIVABLES

(₹ in Crores)

		As at March 31, 2020		As at March 31, 2019	
(a)	Secured - Considered Good	**0.18**		0.18	
(b)	Unsecured - Considered Good	**658.57**		617.51	
	Less: Expected Credit Loss on (b)	**(1.65)**	**657.10**	(1.55)	616.14
(c)	Unsecured - Considered Doubtful	**25.04**		26.41	
	Less: Expected Credit Loss on (c)	**(25.04)**	**-**	(26.41)	-
TOTAL			**657.10**		**616.14**

The credit period on sale of goods generally ranges from 7 to 150 days.

The Company has a documented Credit Risk Management Policy for its Pharmaceuticals Manufacturing and Services business. For every new customer (except established large pharma companies), Company performs a credit rating check using an external credit agency. If a customer clears the credit rating check, the credit limit for that customer is derived using internally documented scoring systems. The credit limits for all the customers are reviewed on an ongoing basis.

Of the Trade Receivables balance as at March 31, 2020 of ₹ 683.79 Crores (as at March 31, 2019 of ₹ 644.10 Crores),the top 3 customers of the Company represent the balance of ₹ 116.13 Crores as at March 31, 2020 (as at March 31, 2019 - ₹ 235.60 Crores). There were three customers (Previous year: two customer) who represent more than 5% of total balance of Trade Receivables.

The Company has used a practical expedient by computing the expected credit loss allowance for External Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience, adjusted for forward looking information including the likelihood of increased credit risk considering emerging situations due to COVID-19 based on external sources of information. The Company has concluded that the carrying amount of the trade receivables represent the Company's best estimate of the recoverable amounts. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as under:

Ageing	**Expected credit loss (%) - For external customers**
Less than 365 days	0.30%
More than 365 days	100.00%

(₹ in Crores)

Ageing of Expected credit loss	**March 31, 2020**	**March 31, 2019**
Within due date	**1.28**	1.25
After Due date	**25.41**	26.71

(₹ in Crores)

Ageing of receivables	As at March 31, 2020	As at March 31, 2019
Less than 365 days	**634.53**	613.71
More than 365 days	**49.26**	30.39
Total	**683.79**	**644.10**

If the trade receivables (discounted) are not paid at maturity, the bank has right to request the Company to pay the unsettled balance. As the Company has not transferred the risks and rewards relating to these customers, it continues to recognize the full carrying amount of the receivables and has recognized the cash received on the transfer as a secured borrowing (Refer Note 22).

At the end of the reporting period, the carrying amount of the trade receivables that have been transferred but have not been de-recognized amounted to ₹ 33.55 Crores (Previous year ₹ 0.79 Crores) and the carrying value of associated liability is ₹ 33.55 Crores (Previous year ₹ 0.79 Crores) (Refer Note 22).

(₹ in Crores)

Movement in Expected Credit Loss Allowance:	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning of the year	**27.96**	27.11
Less: Amounts written off	**(9.24)**	-
Add: Net Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	**7.97**	0.85
Balance at the end of the year	**26.69**	**27.96**

Refer Note 39 for the receivables from Related Parties

Refer Note 40 for the receivables hypothecated as security against borrowings.

11. CASH AND CASH EQUIVALENTS

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
- Cash and Cash equivalents		
i. Balance with Banks:		
- Current Accounts	**43.59**	24.40
ii. Cash on Hand	**0.07**	0.05
TOTAL	**43.66**	**24.45**

12. OTHER BANK BALANCES

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
i. Earmarked balances with banks:				
- Unclaimed Dividend Account	**21.68**		21.64	
- Others (Refer note below)	**13.15**		4.76	
		34.83		26.40
ii. Margin Money		**0.25**		15.29
TOTAL		**35.08**		**41.69**

Note: Bank balance of ₹12.66 Crores represents Rights Issue proceeds pending utilisation kept in Escrow account (previous year ₹ 0.55 Crores).

13. LOANS - CURRENT

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
AT AMORTISED COST:				
Loans Receivables from Related Parties - Unsecured and Considered Good (Refer note 39)		**61.43**		244.53
Inter Corporate Deposits Receivables (Unsecured and Considered Good)		**18.69**		21.07
Inter Corporate Deposits Receivables (Unsecured) - Credit Impaired				
Inter Corporate Deposits	**8.30**		8.30	
Less: allowance for expected credit loss	**8.30**	**-**	8.30	-
TOTAL		**80.12**		**265.60**

14. OTHER FINANCIAL ASSETS - CURRENT

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Security Deposits	**20.55**	12.67
Guarantee Commission receivable	**11.84**	10.55
Derivative Financial Assets	**-**	12.49
Unbilled revenues #	**25.07**	14.54
Other Receivables from Related Parties	**30.42**	244.80
Bank deposits	**-**	8.00
Interest Accrued	**0.29**	5.95
Restricted Deposit - Escrow Account @	**-**	12.80
Others	**6.99**	4.21
TOTAL	**95.16**	**326.01**

Classified as financial asset as right to consideration is unconditional upon passage of time. During the year ended March 31, 2020, ₹ 14.54 Crores (previous year ₹ 68.52 Crores) of unbilled revenue as on April 01, 2019 has been reclassified to Trade Receivables upon billing to customers.

@ Refer note 4 in case of divestment of stake in Healthcare Insights business

15. OTHER CURRENT ASSETS

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Unsecured and Considered Good (Unless otherwise stated)				
Advances:				
Unsecured and Considered Good	**76.03**		61.02	
Considered Doubtful	**0.08**		0.08	
	76.11		61.10	
Less: Provision for doubtful advances	**0.08**	**76.03**	0.08	61.02
Balance with Government Authorities		**275.80**		182.90
Prepayments		**34.15**		31.50
Claims Receivable		**13.52**		15.18
TOTAL		**399.50**		**290.60**

16. SHARE CAPITAL

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
AUTHORISED SHARE CAPITAL		
400,000,000 (250,000,000) Equity Shares of ₹ 2/- each	**80.00**	50.00
3,000,000 (3,000,000) Preference Shares of ₹ 100/- each	**30.00**	30.00
24,000,000 (24,000,000) Preference Shares of ₹ 10/- each	**24.00**	24.00
105,000,000 (105,000,000) Unclassified Shares of ₹ 2/- each	**21.00**	21.00
	155.00	**125.00**
ISSUED CAPITAL		
226,138,301 (185,260,375) Equity Shares of ₹ 2/- each	**45.23**	37.05
TOTAL	**45.23**	**37.05**
SUBSCRIBED AND PAID UP		
225,538,356 (184,446,972) Equity Shares of ₹ 2/- each (fully paid up)	**45.11**	36.89
TOTAL	**45.11**	**36.89**

(i) Movement in Equity Share Capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
At the beginning of the year	**184,446,972**	**36.89**	180,273,674	36.05
Add: Issued during the year (Refer Note 52(a),(b) and (d))	**41,091,384**	**8.22**	4,173,298	0.84
At the end of the year	**225,538,356**	**45.11**	**184,446,972**	**36.89**

There are no equity shares due and outstanding to be credited to Investor Education and Protection Fund as at the year end.

(ii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% Holding	No. of shares	% Holding
The Sri Krishna Trust through its Trustees, Mr. Ajay Piramal and Dr.(Mrs.) Swati A. Piramal	**78,877,580**	**34.97%**	78,754,817	42.70%
Life Insurance Corporation of India	**17,989,691**	**7.98%**	9,959,306	5.40%

(iii) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the balance sheet date:

Particulars	Financial Year	No. of shares
Equity Shares of ₹ 2 each allotted as fully paid-up pursuant to merger of Piramal Phytocare Limited into the Company (Refer note 52 (d))	2019-20	3,05,865

(iv) Terms and Rights attached to equity shares

Equity Shares:

The Company has one class of equity shares having a par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

17. OTHER EQUITY

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Capital Reserve		**2,379.74**		2,379.74
Securities Premium		**9,703.43**		2,950.68
Capital Redemption Reserve		**61.73**		61.73
Debenture Redemption Reserve		**822.53**		1,516.88
Equity component of Compulsorily Convertible Debentures		**1,527.35**		3,359.71
General Reserve		**5,798.55**		5,798.55
FVTOCI - Equity Instruments		**(308.26)**		1,721.60
Cash Flow Hedging Reserve		**(14.32)**		3.65
Share Application Money pending allotment		**-**		4.24
Retained Earnings		**2,612.12**		1,658.26
		22,582.87		**19,455.04**
CAPITAL RESERVE				
At the beginning of the year	**2,379.74**		2,358.39	
Add: On account of merger with Piramal Phytocare Limited (Refer note 52 (d))	**-**		21.35	
		2,379.74		**2,379.74**

This reserve is outcome of past Business Combinations.

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
SECURITIES PREMIUM				
At the beginning of the year	**2,950.68**		1,834.99	
Add: On account of merger with Piramal Phytocare Limited (Refer note 52 (d))	-		2.50	
Add: Conversion of Compulsorily Convertible Debentures into Equity Shares (Refer note 52 (a))	**3,295.69**		1,111.77	
Add: Rights Issue of Equity shares (Refer note 52 (b))	**3,475.65**		2.69	
Less: Expenses incurred on conversion of Compulsorily Convertible Debentures	**(3.82)**		(1.27)	
Less: Expenses incurred on rights issue of equity shares	**(14.77)**		-	
		9,703.43		**2,950.68**

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the Provisions of the Companies Act, 2013.

CAPITAL REDEMPTION RESERVE				
At the beginning of the year	**61.73**		61.73	
Add: Transferred during the year	-		-	
		61.73		**61.73**

This reserve was created as per requirements of Companies Act pursuant to buyback of equity shares and redemption of preference shares.

DEBENTURE REDEMPTION RESERVE				
At the beginning of the year	**1,516.88**		690.23	
Add/(Less): Transfer during the year	**(694.35)**		826.65	
		822.53		**1,516.88**

The Debenture redemption reserve is created as per the requirements of Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014. The amount represents 25% of the amount payable on redemption of debentures.

EQUITY COMPONENT OF COMPULSORILY CONVERTIBLE DEBENTURES				
At the beginning of the year	**3,359.71**		4,357.72	
Less: Issue and conversion of Compulsorily Convertible Debentures -Equity Component (Refer note 52 (a))	**(1,832.36)**		(998.01)	
		1,527.35		**3,359.71**

This is the equity component of the issued Compulsorily Convertible Debentures. The liability component is reflected in financial liabilities. (Refer note 18 and 23)

For terms of issue in relation to Compulsorily Convertible Debentures issued during the year, refer note 18.

GENERAL RESERVE				
At the beginning of the year	**5,798.55**		5,798.55	
Add: Transfer during the year	-		-	
		5,798.55		**5,798.55**
FVTOCI - EQUITY INSTRUMENTS				
At the beginning of the year	**1,721.60**		2,250.34	
Less: Transfer on sale of FVTOCI-Designated Instruments (Refer note 4)	**(670.40)**		-	
Less: Changes in Fair value of FVTOCI Equity instruments (net of tax)	**(1,359.46)**		(528.74)	
		(308.26)		**1,721.60**

The Company has elected to recognise changes in the fair value of certain investments in equity securities in Other Comprehensive Income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

CASH FLOW HEDGING RESERVE				
At the beginning of the year	**3.65**		-	
Add/(Less): Movement during the year	**(17.97)**		3.65	
		(14.32)		**3.65**

The Company uses hedging instruments as part of its management of foreign currency risk associated with its Foreign Currency Non-repatriable loans and for forecasted sales. Amounts recognised in cash flow hedging reserve is reclassified to Statement of Profit and Loss when the hedged items affect the statement of Profit and Loss. To the extent these hedges are effective, the change in the fair value of hedging instrument is recognised in the Cash Flow Hedging Reserve. (Refer Note 47(e))

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
SHARE APPLICATION MONEY PENDING ALLOTMENT				
At the beginning of the year	**4.24**		-	
Add: On account of merger with Piramal Phytocare Limited (Refer note 52 (d))	-		0.06	
Add/(Less): Movement during the year	**(4.24)**		4.18	
		-		**4.24**
RETAINED EARNINGS				
At the beginning of the year	**1,658.26**		3,948.85	
Add: Transfer on sale of FVTOCI-Designated Instruments (Refer note 4)	**670.40**		-	
Less: On account of merger with Piramal Phytocare Limited (Refer note 52 (d))	-		(51.32)	
Add/(Less): Profit/ (Loss) for the year	**144.85**		(868.01)	
Less: Remeasurement of Post Employment Benefit Obligations (net of tax)	**(2.40)**		(1.84)	
Add: On account of adoption of IND AS 116 during the year (Refer note 45)	**3.52**		-	
Add/ (Less): Transfer from/ (to) Debenture Redemption Reserve	**694.35**		(826.65)	
Less: Dividend paid (including Dividend Distribution Tax)	**(556.86)**		(542.77)	
		2,612.12		1,658.26
TOTAL		**22,582.87**		**19,455.04**

On July 30, 2019, a Dividend of ₹ 28 per equity share (total dividend of ₹ 556.77 Crores and dividend distribution tax of ₹ 0.09 Crores) (Net of DDT paid of ₹ 114.36 crores by subsidiary companies) was paid to holders of fully paid equity shares.

On May 11, 2020, a Dividend of ₹ 14 per equity share (Face value of ₹ 2/- each) amounting to ₹ 315.75 Crores has been recommended by the Board of Directors which is subject to approval of the Shareholders. The amounts calculated are based on the number of shares likely to be entitled for dividend as estimated on May 11, 2020. The Finance Act 2020 has repealed the Dividend Distribution Tax (DDT) hence DDT is not applicable.

18. BORROWINGS - NON CURRENT

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Secured - at amortized cost		
Term Loan From Banks:		
Rupee Loans	**175.10**	1,061.32
Redeemable Non Convertible Debentures	**2,073.06**	3,214.61
Unsecured - at amortized cost		
Redeemable Non Convertible Debentures	**0.18**	124.94
Liability component of Compulsorily Convertible debentures	**70.79**	-
Foreign Currency Non Repatriable Loans	**70.65**	218.96
TOTAL	**2,389.78**	**4,619.83**

Terms of repayment, nature of security & rate of interest in case of Secured Loans (includes amount included in Current Maturities of Long Term Debt-Refer Note 23)

A. Term Loan from Banks -Rupee Loans

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First charge over identified OTC brands and receivable with at least 1.10 x cover. Second charge on Immovable office property at Kurla. No further charge to be created on the same except for existing encumbrances.	Total Tenor of 3 years from date of first drawdown repayable in the 1st year of Q1 and Q2 -1 % each , Q3 and Q4 -4% each ,in the 2nd year of Q1 and Q2 - 5 % each , Q3 and Q4- 10% each ,in the 3rd year of Q1 and Q2 -10 % each ,Q3 and Q4-20% each	**270.00**	300.00
First pari passu charge on all the movable properties of the Company's i.e Plant and Machinery (excluding Current Assets and Intangible Assets), both present and future , at the below locations:(a) Pithampur,Madhya Pradesh (b) Ennore,Chennai (c) Digwal Village , Medak District, Andhra Pradesh (d) Mahad,District Raigad,Maharashtra (e) Matoda Village, Ahmedabad .First pari passu charge on Company s immovable properties at (a) Pithampur ,Madhya Pradesh and (b) Mahad,District Raigad,Maharashtra (c) Digwal, Sangareddy District ,Telangana . First pari passu charge by way of hypothecation of receivables from the loans extended for the financial services business , minimum fixed asset Cover of 1.15 x.Charge over specified OTC Brands	Bullet Repayment ,Total tenor of 24 months from date of first drawdown .	**150.00**	150.00
First pari passu charge on the underlying assets / fixed assets of the Company ,with a minimum fixed assets cover 1.10 x.	Total Tenor of 24 months from date of first drawdown repayable in 1st year of Q3 & Q4 each - 5%, in the 2nd year of Q1 - 5%, Q3 - 20%, and Q4 - 65%	**425.00**	500.00
First pari passu charge on all the movable properties of the Company's i.e Plant and Machinery (excluding Current Assets and Intangible Assets), both present and future , at the below locations:(a) Pithampur,Madhya Pradesh (b) Ennore,Chennai (c) Digwal Village , Medak District, Andhra Pradesh (d) Mahad,District Raigad,Maharashtra (e) Matoda Village, Ahmedabad .First pari passu charge on Company s immovable properties at (a) Pithampur ,Madhya Pradesh and (b) Mahad,District Raigad,Maharashtra (c) Digwal, Sangareddy District ,Telangana . First pari passu charge by way of hypothecation of receivables from the loans extended for the financial services business , minimum fixed asset Cover of 1.15 x.Charge over specified OTC Brands #	Total tenor of 13 months from date of first drawdown,repayable on monthly basis of ₹ 50 Crs each starting from the end of 4th month.	**500.00**	-
First pari passu charge on all the movable properties of the Company's i.e Plant and Machinery (excluding Current Assets and Intangible Assets), both present and future , at the below locations:(a) Pithampur,Madhya Pradesh (b) Ennore,Chennai (c) Digwal Village , Medak District, Andhra Pradesh (d) Mahad,District Raigad,Maharashtra (e) Matoda Village, Ahmedabad .First pari passu charge on Company s immovable properties at (a) Pithampur ,Madhya Pradesh and (b) Mahad,District Raigad,Maharashtra (c) Digwal, Sangareddy District ,Telangana . First pari passu charge by way of hypothecation of receivables from the loans extended for the financial services business , minimum fixed asset Cover of 1.15 x.Charge over specified OTC Brands #	Bullet Repayment ,Total tenor of 13 months from date of first drawdown .	**300.00**	-
Hypothecation of all movable properties of the Company i.e. plant and machinery (excluding Current Assets and Intangible Assets) both present and future at the below locations:(a) Pithampur, Madhya Pradesh (b) Ennore, Chennai (c) Digwal Village ,Medak District , Telangana (d) Mahad District Raigad , Maharashtra and the Equitable Mortgage on the immovable properties, both Lease Hold and Free Hold of the Company , both present and future at the below locations: (a) Pithampur ,Madhya Pradesh (b) Mahad District Raigad,Maharashtra. The charge will be on pari-passu basis with existing Term Lenders with a minimum Financial Asset Cover (FACR) of 1.15 times.	Repayment in 5 Half Yearly instalments of ₹ 40 Crores each commencing 24 months after the first disbursement.	**-**	80.00

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
Charge on brands acquired on exclusive basis	Total Tenor of 30 months from date of first drawdown with 1 year moratorium and thereafter repayable in three equal half yearly instalments	-	58.33
Charge on brands acquired on exclusive basis	Total Tenor of 30 months from date of first drawdown with 1 year moratorium and thereafter repayable in three equal half yearly instalments	-	33.33
First pari passu charge on the fixed assets of the Company	Total Tenor of 36 months from date of first drawdown, repayable in six equal half yearly instalments (which are not exclusively charged to lenders.)	-	350.00
First pari passu charge on all the movable properties of the Company i.e Plant and Machinery (excluding Current Assets and Intangible Assets), both present and future , at the below locations:(a) Pithampur,Madhya Pradesh (b) Ennore,Chennai (c) Digwal Village ,Medak District , Andhra Pradesh (d) Mahad,District Raigad,Maharashtra.First pari passu charge on Company s immovable properties at (a) Pithampur ,Madhya Pradesh and (b) Mahad,District Raigad,Maharashtra. First pari passu charge by way of hypothecation of receivables from the loans extended for the financial services business ,minimum fixed asset Cover of 1.15 x.	Bullet Repayment ,Total tenor of 13 months from date of first drawdown .	-	50.00

The coupon rates for the above loans are in the range of 8.90 % to 10.40 % per annum (Previous Year: 8.55 % to 10.50 % per annum)

Refer Note 40 for assets hypothecated/mortgaged as securities against the Secured Borrowings

Creation of charges in respect of certain loans are still in process

B. Term Loan from Banks- FCNR Loan

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First Pari -passu charge on the underlying assets / fixed assets of the Company, with a minimum fixed assets cover 1.1X.	Facility can be either repaid (bullet repayment) or converted into rupee term loan after 24 months from the date of first disbursement	-	136.21
First Pari -passu charge on the underlying assets / fixed assets of the Company, with a minimum fixed assets cover 1.1X.	Facility can be either repaid (bullet repayment) or converted into rupee term loan after 24 months from the date of first disbursement	-	103.74
First Pari -passu charge on the underlying assets / fixed assets of the Company, with a minimum fixed assets cover 1.1X.	Facility can be either repaid (bullet repayment) or converted into rupee term loan after 24 months from the date of first disbursement	-	323.82

The coupon rate for the above loans is NIL (Previous Year: 5.74% to 5.95 % per annum)

C. Redeemable Non Convertible Debentures:

(₹ in Crores)

Particulars	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
50 (Previous Year: 50) (payable annually) 9.75% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 5 Crores is redeemable at par at the end of 3650 days from the date of allotment.	**5.00**	5.00
350 (Previous Year: 350) (payable annually) 9.75% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 35 Crores is redeemable at par at the end of 3652 days from the date of allotment.	**35.00**	35.00
100 (Previous Year: 100) (payable annually) 9.57% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 10 Crores is redeemable at par at the end of 1826 days from the date of allotment	**10.00**	10.00
3,000 (Previous Year: 3,000) (payable monthly) 9.70% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of the Company).	The amount of ₹ 300 Crores is redeemable at par at the end of 731 days from the date of allotment	**300.00**	300.00
250 (Previous Year: 1,750) (payable monthly) 9.70% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of the Company).	The amount of ₹ 175 Crores is redeemable at par at the end of 731 days from the date of allotment	**25.00**	175.00
250 (Previous Year: 250) (payable monthly) 9.70% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of the Company).	The amount of ₹ 25 Crores is redeemable at par at the end of 731 days from the date of allotment	**25.00**	25.00
2,000 (Previous Year: 2,000) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 200 Crores is redeemable at par at the end of 1096 days from the date of allotment	**200.00**	200.00
500 (Previous Year: 500) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 50 Crores is redeemable at par at the end of 1096 days from the date of allotment	**50.00**	50.00
400 (Previous Year: 400) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 40 Crores is redeemable at par at the end of 1096 days from the date of allotment	**40.00**	40.00
150 (Previous Year: 150) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 15 Crores is redeemable at par at the end of 1096 days from the date of allotment	**15.00**	15.00

(₹ in Crores)

Particulars	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
100 (Previous Year: 100) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 10 Crores is redeemable at par at the end of 1096 days from the date of allotment	**10.00**	10.00
100 (Previous Year: 100) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 10 Crores is redeemable at par at the end of 1096 days from the date of allotment	**10.00**	10.00
50 (Previous Year: 50) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 5 Crores is redeemable at par at the end of 1096 days from the date of allotment	**5.00**	5.00
550 (Previous Year: 550) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed cum Deed of Mortgage and the Deed of Hypothecation	The amount of ₹ 55 Crores is redeemable at par at the end of 1096 days from the date of allotment	**55.00**	55.00
250 (Previous Year: 250) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed cum Deed of Mortgage and the Deed of Hypothecation	The amount of ₹ 25 Crores is redeemable at par at the end of 1096 days from the date of allotment	**25.00**	25.00
200 (Previous Year: 200) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed cum Deed of Mortgage and the Deed of Hypothecation	The amount of ₹ 20 Crores is redeemable at par at the end of 1096 days from the date of allotment	**20.00**	20.00
5,000 (Previous Year: 5,000) (payable monthly) 9.00% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 500 Crores is redeemable at par at the end of 547 days from the date of allotment	**500.00**	500.00
5,000 (Previous Year: 5,000) (payable monthly) 9.00% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company and set out in the Debenture Trust deed and Deed of Hypothecation. The Company shall maintain security cover of at least one times of the entire redemption amount throughout the tenure of the NCDs.	The amount of ₹ 500 Crores is redeemable at par at the end of 546 days from the date of allotment	**500.00**	500.00
3,000 (Previous Year: NIL) (payable monthly) 9.00% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First ranking exclusive charge by way of hypothecation over the receivables ,to be created by its affliates. The Company shall maintain security cover of at least one times of the entire redemption amount throughout the tenure of the NCDs.	The amount of ₹ 300 Crores is redeemable at par at the end of 836 days from the date of allotment	**300.00**	-
7,500 (Previous Year: NIL) (payable quarterly) 10.25% Secured Rated UnListed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by (i) A first ranking exclusive charge by way of hypothecation over the receivables ,to be created by its affiliates and (ii) A first ranking charge by way of hypothecation over (i) the Designated Account and monies in it ,to be created by the Company. (iii) any other security specified from time to time under the debenture trust deed.	The amount of ₹ 750 Crores is redeemable at par at the end of 457 days from the date of allotment	**750.00**	-

(₹ in Crores)

Particulars	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
16,000 (Previous Year: NIL) (payable quarterly) 10.25% Secured Rated Unlisted Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by: (i) a first ranking exclusive charge by way of hypothecation over the Hypothecated Assets ,to be created by PHL Fininvest ,so as to ensure compliance with the Security Cover Ratio at all times in accordance with clause 6.2 of this Deed (ii) a first ranking exclusive charge by way of hypothecation over the Designated Account Assets, to be created by the Company; and (iii) a first ranking exlusive pledge over the Pledged Shares to be created by the Pledgors, in favour of the Debenture Trustee for the benefit of the Secured Parties,in form and substance satisfactory to the Debenture Trustee.	The amount of ₹ 910 Crores is redeemable at par at the end of 548 days from the date of allotment	**910.00**	-
1,500 (Previous Year: NIL) (payable quarterly) 10.25% Secured Rated Unlisted Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by: (i) a first ranking exclusive charge by way of hypothecation over the Hypothecated Assets ,to be created by PHL Fininvest ,so as to ensure compliance with the Security Cover Ratio at all times in accordance with clause 6.2 of this Deed (ii) a first ranking exclusive charge by way of hypothecation over the Designated Account Assets, to be created by the Company; and (iii) a first ranking exlusive pledge over the Pledged Shares to be created by the Pledgors, in favour of the Debenture Trustee for the benefit of the Secured Parties,in form and substance satisfactory to the Debenture Trustee.	The amount of ₹ 90 Crores is redeemable at par at the end of 531 days from the date of allotment	**90.00**	-
6,900 (Previous Year: NIL) (payable at maturity) 10.00% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by (a) a first ranking exclusive pledge to be created by PHL FinInvest over such number of the ReNew NCDs held by it, constituting the Collateral Securities;(b) a first ranking exclusive pledge to be created by PFMPL over such number of the ReNew NCDs held by it, constituting the Collateral Securities;(c) a first ranking pledge to be created by the Company over such number of the WGHPL NCDs held by it, constituting the Collateral WGHPL Securities with a first priority of payment in respect of the Existing Debentures and a second priority of payment in respect of the Common Secured Obligations provided after the Step Up Date the priority of payment in relation to the Common Secured Obligations will step up to first priority;(d) A first ranking pledge to be created by PHL FinInvest over such number of the WGHPL NCDs held by it, constituting the Collateral WGHPL Securities with a first priority of payment in respect of the Existing Debentures and a second priority of payment in respect of the Common Secured Obligations provided after the Step Up Date the priority of payment in relation to the Common Secured Obligations will step up to first priority;(e) a second ranking exclusive fixed charge over all its present and future rights, titles, interests, benefits, claims, demands of the Company in the Designated Account Assets (PEL) which upon occurrence of the Step Up Date shall stand automatically converted to a first ranking exclusive charge (excluding in respect of the Securities Receivables whether or not deposited in the Designated Account (PEL) the charge in relation to which will have the ranking set out in paragraph (h) below);(f) a first ranking exclusive fixed charge over all its present and future rights, titles, interests, benefits, claims, demands of PHL FinInvest in the Designated Account Assets (PHL FinInvest);(g) a second ranking exclusive fixed charge over all rights, title, interest, benefits, claims and demands whatsoever of the Company or PHL FinInvest, whether presently in existence or acquired hereafter in, to, under and/or in respect of the WGHPL Securities Receivables, whether or not deposited in the Designated Accounts, both present and future which upon occurrence of the Step Up Date shall stand automatically converted to a first ranking exclusive charge;(h) a first ranking	The amount of ₹ 399.40 Crores is redeemable at par at the end of 368 days from the date of allotment	**399.40**	-

(₹ in Crores)

Particulars	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
	exclusive fixed charge over all rights, title, interest, benefits, claims and demands whatsoever of PHL FinInvest and PFMPL, whether presently in existence or acquired hereafter in, to, under and/or in respect of the Securities Receivables, whether or not deposited in the Designated Accounts, both present and future; and (i) a first ranking exclusive charge over all present and future rights, title, interest, benefit, claims, demands of PHL FinInvest and PFMPL in, to and under the Underlying Securities Documents to the fullest extent permitted under the Applicable Law and terms of the Underlying Securities Documents (but to the extent of the Securities),			
NIL (Previous Year: 9,000) (payable monthly) 9.70% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by (i) a first ranking pledge over some of the Securities held by the Company and its affiliates ; and (ii) a first ranking charge by way of hypothecation over the receivables from such securities held by the Company and its affiliates.	The amount of ₹ 900 Crores is redeemable at par at the end of 729 days from the date of allotment	-	900.00
NIL (Previous Year: 1,500) (payable at maturity) 10.1383% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 150 Crores is redeemable at par at the end of 390 days from the date of allotment	-	150.00
NIL (Previous Year: 2,500) (payable monthly) 9.50% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of the Company).	The amount of ₹ 250 Crores is redeemable at par at the end of 372 days from the date of allotment	-	250.00
NIL (Previous Year: 7,500) (payable monthly) 9.50% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of the Company).	The amount of ₹ 750 Crores is redeemable at par at the end of 371 days from the date of allotment	-	750.00
NIL (Previous Year: 5,000) (payable monthly) 9.50% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of the Company).	The amount of ₹ 500 Crores is redeemable at par at the end of 371 days from the date of allotment	-	500.00
NIL (Previous Year: 1,500) (payable monthly) 9.50% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of the Company).	The amount of ₹ 150 Crores is redeemable at par at the end of 368 days from the date of allotment	-	150.00
NIL (Previous Year: 577) (payable monthly) 9.30% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by (i) a first ranking pledge over some of the Securities held by the Company and its affiliates ; and (ii) a first ranking charge by way of hypothecation over the receivables from such securities held by the Company and its affiliates.	The amount of ₹ 57.70 Crores is redeemable at par at the end of 365 days from the date of allotment	-	57.70
NIL (Previous Year: 150) (payable annually) 9.38% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 15 Crores is redeemable at par at the end of 1109 days from the date of allotment.	-	15.00

(₹ in Crores)

Particulars	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
NIL (Previous Year: 2,000) (payable annually) 9.38% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 200 Crores is redeemable at par at the end of 1095 days from the date of allotment .	-	200.00
NIL (Previous Year: 1,500) (payable annually) 9.45% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each *	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 150 Crores is redeemable at the end of 1090 days from the date of allotment.	-	150.00
NIL (Previous Year: 500) (payable annually) 9.45% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	Option I - ₹ 50 Crores is redeemable at par at the end of 1092 days from the date of allotment and Option II - ₹ 100 Crores is redeemable at par at the end of 1107 days from the date of allotment.	-	50.00
NIL (Previous Year: 2,000) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 200 Crores is redeemable at par at the end of 730 days from the date of allotment	-	200.00
NIL (Previous Year: 1,000) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 100 Crores is redeemable at par at the end of 730 days from the date of allotment	-	100.00
NIL (Previous Year: 900) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 90 Crores is redeemable at par at the end of 730 days from the date of allotment	-	90.00
NIL (Previous Year: 700) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 70 Crores is redeemable at par at the end of 730 days from the date of allotment	-	70.00
NIL (Previous Year: 400) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures (8.13%) of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 40 Crores is redeemable at par at the end of 730 days from the date of allotment	-	40.00
NIL (Previous Year: 400) (payable annually) 9.57% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 40 Crores is redeemable at par at the end of 1093 days from the date of allotment	-	40.00
NIL (Previous Year: 250) (payable annually) 9.57% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 25 Crores is redeemable at par at the end of 1093 days from the date of allotment	-	25.00

Piramal

(₹ in Crores)

Particulars	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
NIL (Previous Year: 3,000) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each **	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 300 Crores is redeemable at par at the end of 730 days from the date of allotment	-	300.00
NIL (Previous Year: 2,000) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 200 Crores is redeemable at par at the end of 730 days from the date of allotment	-	200.00
NIL (Previous Year: 1,000) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 100 Crores is redeemable at par at the end of 730 days from the date of allotment	-	100.00
NIL (Previous Year: 2,000) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each **	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 200 Crores is redeemable at par at the end of 729 days from the date of allotment	-	200.00
NIL (Previous Year: 1,350) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 135 Crores is redeemable at par at the end of 729 days from the date of allotment	-	135.00
NIL (Previous Year: 850) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 85 Crores is redeemable at par at the end of 729 days from the date of allotment	-	85.00
NIL (Previous Year: 500) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 50 Crores is redeemable at par at the end of 729 days from the date of allotment	-	50.00
NIL (Previous Year: 500) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 50 Crores is redeemable at par at the end of 729 days from the date of allotment	-	50.00
NIL (Previous Year: 250) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 25 Crores is redeemable at par at the end of 729 days from the date of allotment	-	25.00
NIL (Previous Year: 150) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 15 Crores is redeemable at par at the end of 729 days from the date of allotment	-	15.00
NIL (Previous Year: 1,500) (payable annually) 9.45% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	Series I - The amount of ₹ 150 Crores is redeemable at par at the end of 1050 days from the date of allotment.	-	150.00

(₹ in Crores)

Particulars	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
5,900 (Previous Year: NIL) (payable monthly) 9.70% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by (i) A first ranking exclusive pledge over the securities held by the security provider.(ii) A first ranking pari-passu charge by way of hypothecation over the Hypothecated properties of the Company (iii) A first ranking exclusive charge by way of hypothecation over the hypothecated properties of the Security provider.Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of the Company).	The amount of ₹ 161.97 Crores is redeemable at par within the first year in different tranches ,the amount of ₹ 13.78 Crores is redeemable at par in the second year in different tranches the amount of ₹ 405.45 Crores is redeemable at par in the third year in different tranches from the date of allotment.	-	581.19
NIL (Previous Year: 1,000) (payable at maturity) 9.264% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over specific identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 100 Crores is redeemable at par at the end of 970 days from the date of allotment	-	100.00
NIL (Previous Year: 200) (payable annually) 9.267% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over specific identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 20 Crores is redeemable at par at the end of 962 days from the date of allotment	-	20.00
NIL (Previous Year: 100) (payable annually) 9.267% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over specific identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 10 Crores is redeemable at par at the end of 963 days from the date of allotment	-	10.00

The coupon rate for the above debentures are in the range of 7.90 % to 10.25 % per annum (Previous Year: 7.90 % to 10.18 % per annum).

Refer Note 40 for assets hypothecated/mortgaged as securities against the Secured Borrowings.

A. Term Loan from Banks - Rupee Loans

(₹ in Crores)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
Long term Unsecured rupee loans from banks	Repayment on February 07, 2020 for an amount of ₹ 200 Crores	-	200.00
	Repayment on January 24, 2020 for an amount of ₹ 250 Crores	-	250.00

The coupon rate for the above loans is NIL (Previous Year: 9.25 % to 10.00 % per annum)

B. Term Loan from Banks - FCNR

(₹ in Crores)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
Long term Unsecured foreign currency Non Repatriable loans from banks	Loan shall be repaid by 18 EMI's starting from month following the end of moratorium period of 18 months	**240.22**	231.84

The coupon rate for the above loans is 6.00 % per annum (Previous Year: 5.28 % per annum)

C. Redeemable Non Convertible Debentures

(₹ in Crores)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
1,000 (Previous Year: 1,000) 8.20% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹ 1,000,000 each	The amount of ₹ 100 Crores redeemable at par at the end of 1130 days from the date of allotment.	**100.00**	100.00
250 (Previous Year: 250) 8.20% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹ 1,000,000 each	The amount of ₹ 25 Crores redeemable at par at the end of 1130 days from the date of allotment.	**25.00**	25.00

The coupon rate for the above debentures is 8.20 % per annum (Previous Year: 8.20 % per annum)

Terms and Description of Compulsorily Convertible Debentures:

Compulsorily Convertible Debentures (CCD) outstanding as at 31st March 2020 is ₹ 1,749.99 Crores. Each CCD has a par value of ₹ 151,000 and is convertible at the option of the CCD holder into Equity shares of the Company starting from December 19, 2019 in the ratio of hundred equity shares of ₹ 2 each for every one CCD held. Any CCD not converted will be compulsorily converted into equity shares on June 12, 2021 at a price of ₹ 1,510 per share. The CCD carry a coupon of 9.28% per annum, payable in 3 half-yearly installments. The basis of presentation of the liability and equity portions of these shares is explained in the summary of significant accounting policies. The CCDs allotted and the equity shares arising out of conversion of such CCDs shall not be disposed off for a period of 18 months from the date of trading approval.

During the previous year ended March 31, 2019, outstanding CCD were ₹ 3,816.09 Crores.

Refer Note 52(a) for movement in CCDs.

19. OTHER FINANCIAL LIABILITIES - NON-CURRENT

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Lease Equalisation Liability	-	0.74
TOTAL	**-**	**0.74**

20. NON-CURRENT PROVISIONS

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits	**47.24**	36.66
TOTAL	**47.24**	**36.66**

21. OTHER NON CURRENT LIABILITIES

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Deferred Revenue (Refer note 39)	**141.75**	125.16
	141.75	**125.16**

(Note: Deferred Revenue is related to Facility Fees Income)

22. BORROWINGS - CURRENT

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Secured - At Amortised Cost				
Loans from banks:				
- Working capital Demand Loan	**651.69**		875.09	
- Overdraft with banks (including PCFC)	**1,675.68**		139.33	
- Collaterized Debt Obligations	**33.55**		0.79	
		2,360.92		**1,015.21**
Unsecured - At Amortised Cost				
Loans from banks:				
- Repayable on demand	**400.11**		1,738.95	
- PCFC from banks	**230.66**		-	
Intercorporate Deposits	-		100.91	
Commercial Papers	**1,070.06**		3,773.46	
Loans from Related Parties	-		1.11	
		1,700.83		5,614.43
TOTAL		**4,061.75**		**6,629.64**

Note:

Description of loan	Terms of repayment	Rate of Interest
Secured Loans:		
Working capital Demand Loan*	At Call	8.40 % to 11.50 % per annum
Overdraft with banks*	At Call	9.00 % to 11.10 % per annum
Others (PCFC)*	At Call	3.93 % to 10.50 % per annum
Collaterized Debt Obligations*	By the end of credit period	3.93 % to 10.50 % per annum
Unsecured Loans:		
Commercial Papers	Repayable within 365 days from date of disbursement	8.57 % to 10.00 % per annum
Loans from Banks (Repayable on demand)	Repayable within 365 days from date of disbursement	8.30 % to 10.75 % per annum
Others (PCFC)*	At Call	10.10 % per annum

Terms of repayment, nature of security & rate of interest in case of Secured Loans:

Working capital Demand Loan

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari passu charge by way of hypothecation on receivables from PHL Fininvest Pvt Ltd (100% subsidiary of PEL) to PEL.	Bullet Repayment at the end of the tenor of 6 months from date of first drawdown .	**50.00**	-
First pari passu charge on the standard assets receivables arising out of financial services loan book of the Borrower along with other lenders with minimum asset cover of 1.1x	Bullet Repayment at the end of the tenor of 6 months from date of first drawdown .	**125.00**	-
First pari passu charge on the standard assets receivables arising out of financial services loan book of the Borrower along with other lenders with minimum asset cover of 1.1x	Bullet Repayment at the end of the tenor of 6 months from date of first drawdown .	**125.00**	-
First pari passu charge on the standard assets receivables arising out of financial services loan book of the Borrower along with other lenders with minimum asset cover of 1.1x	Bullet Repayment at the end of the tenor of 4 months from date of first drawdown .	**125.00**	-
First pari passu charge on the standard assets receivables arising out of financial services loan book of the Borrower along with other lenders with minimum asset cover of 1.1x	Bullet Repayment at the end of the tenor of 4 months from date of first drawdown .	**125.00**	-
Secured by hypothecation of inventories and book debts	Repayable on Sept 18, 2020	**10.00**	-
Secured by hypothecation of inventories and book debts	Repayable on July 31, 2020	**50.00**	-

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
Secured by hypothecation of inventories and book debts	Repayable on May 15, 2020	**15.00**	-
Secured by hypothecation of inventories and book debts	Repayable on Apr 22, 2020	**24.91**	-
Secured by hypothecation of inventories and book debts	Repayable on Apr 11, 2020	**1.66**	-
First pari passu charge on all the movable properties of the Company i.e Plant and Machinery (excluding Current Assets and Intangible Assets), both present and future , at the below locations:(a) Pithampur, Madhya Pradesh (b) Ennore,Chennai (c) Digwal Village ,Medak District, Telangana (d) Mahad,District Raigad,Maharashtra.First pari passu charge on Company s immovable properties at (a) Pithampur, Madhya Pradesh and (b) Mahad,District Raigad,Maharashtra. First pari passu charge by way of hypothecation of receivables from the loans extended for the financial services business ,minimum fixed asset Cover of 1.15 x.	Bullet Repayment at the end of the tenure of 12 months from date of first drawdown .	**-**	300.00
First pari -passu charge on the standard assets receivables arising out of financial services loan book of the borrower along with other lenders with minimum asset cover of 1.1 x where standard receivables constitute activities permitted by RBI/NHB	Bullet Repayment at the end of the tenure of 6 months from date of first drawdown .	**-**	500.00
Secured by hypothecation of inventories and book debts	Repayable on June 17, 2019	**-**	30.00
Secured by hypothecation of inventories and book debts	Repayable on April 26, 2019	**-**	15.00
Secured by hypothecation of inventories and book debts	Repayable on April 02, 2019	**-**	30.00

*These are secured by hypothecation of inventories and book debts except as mentioned above separately.

Refer Note 40 for assets hypothecated/mortgaged as securities against the Secured Borrowings.

Terms of repayment & rate of interest in case of Unsecured Loans:

Inter Corporate Deposits

(₹ in Crores)

Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
Inter Corporate Deposit	Repayment on April 05, 2019 for an amount of ₹ 50 Crores	**-**	50.00
Inter Corporate Deposit	Repayment on April 04, 2019 for an amount of ₹ 50 Crores	**-**	50.00

The coupon rate for the above instruments is NIL (Previous Year: 9.25 % per annum).

23. OTHER FINANCIAL LIABILITIES - CURRENT

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term debt (Refer note 18 & 39)	**4,123.99**	6,238.07
Unclaimed Dividend (Refer note below)	**21.68**	21.64
Employee related liabilities	**58.27**	65.13
Capital Creditors	**3.12**	4.75
Derivative Financial Liability	**17.66**	-
Lease Equalisation	**-**	2.80
Security Deposits Received	**3.18**	3.33
Other payables	**0.53**	0.54
TOTAL	**4,228.43**	**6,336.26**

Note: There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at the current and previous year end.

24. OTHER CURRENT LIABILITIES

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Advances from Customers #	**30.44**	19.01
Statutory Dues	**2.25**	2.69
Deferred Revenue (Refer note 39)	**92.72**	43.17
TOTAL	**125.41**	**64.87**

#During the current year ended March 31, 2020, the Company has recognized revenue of ₹ 9.69 Crores (Previous year: ₹ 22.67 Crores) arising from opening advance from customers as of April 01, 2019.

Note: Out of total Deferred Revenue, ₹ 92.72 Crores (Previous year ₹ 42.16 Crores) is related to Facility Fees Income.

25. CURRENT PROVISIONS

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits	**42.67**	38.90
Provision for Expected Credit Loss on Loan Commitments (Including revocable commitments)#	-	1.61
Provision for Wealth Tax	-	0.21
Provision For Litigations & Disputes +	**3.50**	3.50
TOTAL	**46.17**	**44.22**

+ Refer Note 49 for movements during the year

Refer Note 47(f) for movements during the year

26. CURRENT TAX LIABILITIES (NET)

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Provision for Income Tax [Net of Advance Tax of ₹ 389.73 Crores (Previous year ₹ 72.02 Crores)]	**146.74**	70.76
TOTAL	**146.74**	**70.76**

27. REVENUE FROM OPERATIONS

(₹ in Crores)

	Year Ended March 31, 2020		Year Ended March 31, 2019	
A. REVENUE FROM CONTRACTS WITH CUSTOMERS				
Sale of products	**2,035.65**		1,819.37	
Sale of Services	**296.83**	**2,332.48**	292.15	2,111.52
B. INCOME OF FINANCING ACTIVITIES				
Income of financing activities:				
-Interest income on instruments measured at amortised cost	**1,033.46**		1,315.73	
-Facility Fees Income from group companies	**62.86**		18.92	
-Income on instruments mandatorily measured at FVTPL	**79.83**		94.07	
-Dividend income on instruments designated at FVTOCI (Refer note below)	**14.48**		36.70	
-Dividend income from Subsidiary	**542.44**		-	
-Dividend income from Associate / JV	**78.73**		23.34	
-Others	**0.04**		0.90	
		1,811.84		1,489.66
		4,144.32		**3,601.18**
Other operating revenues:				
-Processing Charges Received	-		0.21	
-Miscellaneous Income	**74.87**		69.46	
		74.87		69.67
TOTAL		**4,219.19**		**3,670.85**

Note:
All dividends from equity investments designated as at FVTOCI recognised for both the years relate to investments held at the end of each reporting period. There was no dividend income relating to investments derecognized during the reporting period.

Disaggregate Revenue Information

The table below presents disaggregated revenues from contracts with customers by major product and timing of transfer of goods or services for each of our business segments. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

For the year ended March 31, 2020:

Pharmaceuticals

Revenue by product line/ timing of transfer of goods/ services

(₹ in Crores)

	Year Ended March 31, 2020		Year Ended March 31, 2019	
	At Point in time	**Over time**	**At Point in time**	**Over time**
Pharma	**1,617.65**	**296.83**	1,485.37	292.15
Over the counter products	**418.00**	**-**	334.00	-
Total	**2,035.65**	**296.83**	**1,819.37**	**292.15**

Reconciliation of revenue recognised with contract price

(₹ in Crores)

Particulars	**March 31, 2020**	**March 31, 2019**
Sale of products and services at transaction price	**2,398.17**	2,157.35
Less: Discounts	**(65.69)**	(45.83)
Revenue recognised on sale of products and services	**2,332.48**	**2,111.52**

28. OTHER INCOME

(₹ in Crores)

	Year Ended March 31, 2020		Year Ended March 31, 2019	
Interest Income on Financial Assets (at amortized costs)	**264.99**		256.59	
		264.99		256.59
Dividend Income				
- On Non-current Equity Instruments in Subsidiaries/JVs/Associates	**-**		61.25	
- On Current Investments at FVTPL	**2.33**		8.51	
		2.33		69.76
Other Gains & Losses:				
- Foreign Exchange Gain (Net)		**236.80**		80.01
Income on instruments mandatorily measured at FVTPL		**3.65**		(10.07)
Profit on Sale of Investment (Net) (Refer note 4)		**18.31**		0.13
Provision written back		**125.29**		14.63
Miscellaneous Income		**47.69**		35.26
TOTAL		**699.06**		**446.31**

Provision written back relates to write back of provisions for various expenses created in earlier years that is no longer required.

29. COST OF MATERIALS CONSUMED

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening Inventory	**139.26**	148.66
Add: Acquired on Merger with Piramal Phytocare Limited	**-**	0.26
Add: Purchases	**925.97**	758.49
Less: Closing Inventory	**187.05**	139.26
TOTAL	**878.18**	**768.15**

30. PURCHASES OF STOCK-IN-TRADE

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Traded Goods	**75.92**	79.24
TOTAL	**75.92**	**79.24**

31. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crores)

	Year Ended March 31, 2020		Year Ended March 31, 2019	
OPENING STOCKS:				
Work-in-Progress	**142.56**		128.11	
Finished Goods	**33.51**		56.81	
Stock-in-trade	**26.21**		25.58	
		202.28		210.50
CLOSING STOCKS:				
Work-in-Progress	**141.24**		142.56	
Finished Goods	**46.77**		33.51	
Stock-in-trade	**25.00**		26.21	
		213.01		202.28
TOTAL		**(10.73)**		**8.22**

32. EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries and Wages	**403.81**	351.12
Contribution to Provident and Other Funds (Refer Note 38)	**20.02**	18.57
Gratuity Expenses (Refer Note 38)	**6.58**	4.70
Staff Welfare	**32.74**	36.71
TOTAL	**463.15**	**411.10**

33. FINANCE COSTS

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Finance Charge on financial liabilities measured at amortised cost	**1,620.15**	1,463.03
Other borrowing costs	**89.91**	34.24
TOTAL	**1,710.06**	**1,497.27**

34. OTHER EXPENSES

(₹ in Crores)

	Year Ended March 31, 2020		Year Ended March 31, 2019	
Processing Charges		**9.09**		3.47
Consumption of Stores and Spares Parts		**43.71**		42.48
Consumption of Laboratory materials		**29.37**		28.86
Power, Fuel and Water Charges		**72.20**		67.69
Repairs and Maintenance				
Buildings	**26.23**		21.42	
Plant and Machinery	**32.16**		27.55	
Others	**0.20**		0.10	
		58.59		49.07
Rent				
Premises	**3.10**		19.60	
Leasehold Land	**0.07**		0.07	
Other Assets	**17.53**		14.15	
		20.70		33.82
Rates & Taxes		**24.45**		16.75
Insurance		**17.30**		10.75
Travelling Expenses		**40.00**		38.13
Directors' Commission		**-**		2.70
Directors' Sitting Fees		**1.09**		0.64
Bad Debts written off during the period	**9.35**		-	
Less: Bad Debts written off out of Provision for Doubtful Debts	**(9.24)**	**0.11**	-	-
Expected Credit Loss on Trade Receivables		**7.97**		0.66
Loss on Derecognition of Financial Assets		**5.05**		-
Loss on Sale of Property Plant & Equipment (Net)		**(0.25)**		0.33
Advertisement and Business Promotion Expenses		**87.88**		83.00
Expenditure towards Corporate Social Responsibility activities		**19.55**		31.20
Donations		**1.47**		4.38
Contribution to Electoral Trust		**10.00**		-
Freight		**37.78**		27.17
Export Expenses		**2.23**		1.69
Clearing and Forwarding Expenses		**10.11**		10.07
Communication and Postage		**9.97**		10.62
Printing and Stationery		**7.38**		5.45
Claims		**5.88**		30.92
Legal Charges		**7.57**		6.54
Professional Charges		**66.97**		59.32
Royalty Expense		**18.52**		17.87
Service Charges		**54.37**		67.51
Information Technology Costs		**13.62**		18.98
R & D Expenses (net)		**47.49**		54.69
Miscellaneous Expenses		**28.32**		22.11
TOTAL		**758.49**		**746.87**

Note:

Details in respect of Corporate Social Responsibility Expenditure:

- Gross amount required to be spent during the year – ₹ 8.68 Crores (Previous year ₹ 16.24 Crores)
- Amount spent during the year on Revenue Expenditure – ₹ 19.55 Crores (Previous year ₹ 31.20 Crores)
- Amount spent during the year on Capital Expenditure - ₹ Nil (Previous year ₹ Nil)

35. EXCEPTIONAL ITEMS

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Provision against cost of equity investment in Piramal Holdings (Suisse) SA	-	(1,287.96)
TOTAL	**-**	**(1,287.96)**

In June 2018, the Company's wholly owned subsidiary, Piramal Holdings (Suisse) SA (referred to as "PHSA") sold its entire ownership interest in its wholly owned subsidiary Piramal Imaging SA. Consequently, the Company's cost of equity investment in PHSA amounting to ₹ 1,287.96 Crores have been provided for.

36. OTHER COMPREHENSIVE INCOME / (EXPENSE) (NET OF TAXES)

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Fair Valuation of Equity Investments	**(1,359.46)**	(528.74)
Remeasurement of post-employment benefit obligations	**(2.40)**	(1.84)
Deferred gains / (losses) on cash flow hedge	**(17.97)**	3.65
TOTAL	**(1,379.83)**	**(526.93)**

37. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crores)

			As at March 31, 2020	As at March 31, 2019
A	**CONTINGENT LIABILITIES:**			
1	**Claims against the Company not acknowledged as debt:**			
	Vide Demand dated June 5, 1984, the Government has asked for payment to the credit of the Drugs Prices Equalisation Account, the difference between the common sale price and the retention price on production of Vitamin 'A' Palmitate (Oily Form) from January 28, 1981 to March 31, 1985 which is not accepted by the Company. The Company has been legally advised that the demand is untenable.		**0.61**	0.61
2	**Others**			
	i.	Appeals filed in respect of disputed demands:		
		Income Tax		
		- where the Company is in appeal	**475.12**	624.79
		- where the Department is in appeal	**243.97**	225.30
		Sales Tax	**16.71**	16.11
		Central / State Excise / Service Tax / Custom	**73.88**	33.50
		Labour Matters	**0.29**	0.29
		Stamp Duty	**4.00**	4.00
		Legal Cases	**6.94**	8.97
	ii.	Unexpired Letters of Credit	**14.23**	3.92
	Note: Future cash outflows in respect of 1 and 2(i) above are determinable only on receipt of judgments/decisions pending with various forums/authorities.			
	Refer note 39 in case of performance guarantees			
B	**COMMITMENTS:**			
	a.	Estimated amount of contracts remaining to be executed on capital account and not provided for	**35.07**	25.44
	b.	The Company has imported raw materials at concessional rates, under the Advance License Scheme of the Government of India, to fulfil conditions related to quantified exports in stipulated period	**16.07**	4.46
	Refer note 47 a in case of loan commitments			

38. EMPLOYEE BENEFITS:

Brief description of the Plans:

Other Long Term Employee Benefit Obligations:

Leave Encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Long Term Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

Defined Contribution plans:

The Company's defined contribution plans are Provident Fund (in case of certain employees), Superannuation, Employees State Insurance Fund and Employees' Pension Scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions to such plans.

Post-employment benefit plans:

Gratuity for employees in India is as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

The Company's Gratuity Plan is administered by an insurer and the Investments are made in various schemes of the trust. The Company funds the plan on a periodical basis.

In case of certain employees, Provident fund is administered through an in-house trust. Periodic contributions to the trust are invested in various instruments considering the return, maturity, safety, etc., within the overall ambit of the Provident Fund Trust Rules and investment pattern notified through the Ministry of Labour investment guidelines for exempted provident funds.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, equity, mutual funds and other debt instruments.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The gratuity plan is a funded plan and the Company makes contributions to trust administered by the Company. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The contributions made to the trust are recognised as plan assets. Plan assets in the Provident fund trust are governed by local regulations, including limits on contributions in each class of investments.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations, with the objective that assets of the gratuity / provident fund obligations match the benefit payments as they fall due. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets consists of government and corporate bonds, although the Company also invests in equities, cash and mutual funds. The plan asset mix is in compliance with the requirements of the regulations in case of Provident fund.

I. Charge to the Statement of Profit and Loss based on Defined Contribution Plans:

(₹ in Crores)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Employer's contribution to Regional Provident Fund Office	**1.48**	1.30
Employer's contribution to Superannuation Fund	**0.26**	0.30
Employer's contribution to Employees' State Insurance	**0.70**	1.02
Employer's contribution to Employees' Pension Scheme 1995	**5.42**	4.64
Employer's contribution to National Pension Scheme	**0.85**	0.03

Included in Contribution to Provident and Other Funds and R&D Expenses (Refer Note 32 and 34)

II. Disclosures for defined benefit plans based on actuarial valuation reports:

A. Change in Defined Benefit Obligation

(₹ in Crores)

Particulars	(Funded)			
	Gratuity		Provident Fund	
	Year Ended March 31,		Year Ended March 31,	
	2020	2019	2020	2019
Present Value of Defined Benefit Obligation as at beginning of the year	**59.99**	52.58	**233.66**	211.59
Interest Cost	**4.57**	4.15	**20.78**	18.04
Current Service Cost	**4.23**	3.93	**12.22**	11.35
Past Contributions from employer	**-**	-	**-**	-
Contributions from plan participants	**-**	-	**20.81**	17.57
Liability Transferred In for Employees Joined	**0.24**	0.61	**8.60**	5.60
Liability Transferred Out for Employees left	**(0.25)**	(0.69)	**-**	-
Benefits Paid from the fund	**(3.50)**	(3.38)	**(25.30)**	(30.49)
Actuarial (Gains)/loss - due to change in Demographic Assumptions	**-**	-	**-**	-
Actuarial (Gains)/loss - due to change in Financial Assumptions	**2.32**	0.45	**-**	-
Actuarial (Gains)/loss - due to experience adjustments	**0.29**	2.34	**-**	-
Present Value of Defined Benefit Obligation as at the end of the year	**67.89**	**59.99**	**270.77**	**233.66**

B. Changes in the Fair Value of Plan Assets

(₹ in Crores)

Particulars	(Funded)			
	Gratuity		Provident Fund	
	Year Ended March 31,		Year Ended March 31,	
	2020	2019	2020	2019
Fair Value of Plan Assets as at beginning of the year	**25.18**	26.34	**233.66**	211.59
Interest Income	**1.93**	2.06	**20.78**	18.04
Contributions from employer	**-**	0.18	**33.03**	11.35
Contributions from plan participants	**-**	-		17.57
Assets Transferred In for Employees joined	**-**	0.08	**8.60**	5.60
Assets Transferred out for Employees left	**-**	-		-
Benefits Paid from the fund	**(3.50)**	(3.38)	**(25.30)**	(30.49)
Return on Plan Assets, Excluding Interest Income	**(0.60)**	(0.10)		-
Fair Value of Plan Assets as at the end of the year	**23.01**	**25.18**	**270.77**	**233.66**

C. Amount recognised in the Balance Sheet

(₹ in Crores)

Particulars	(Funded)			
	Gratuity		Provident Fund	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Present Value of Defined Benefit Obligation as at the end of the year	**67.89**	59.99	**270.77**	233.66
Fair Value of Plan Assets as at end of the year	**23.01**	25.18	**270.77**	233.66
Net Liability recognised in the Balance Sheet (Refer Note 20)	**44.88**	**34.81**	**-**	**-**
Recognised under:				
Non Current provision (Refer Note 20)	**44.88**	**34.81**	**-**	**-**

The Provident Fund has a surplus that is not recognised on the basis that future economic benefits are not available to the Company in the form of a reduction in future contributions or a cash refund due to local regulations.

The Company has no legal obligation to settle the deficit in the funded plan (Gratuity), if any, with an immediate contribution or additional one off contributions.

D. Expenses recognised in Statement of Profit and Loss

(₹ in Crores)

Particulars	(Funded)			
	Gratuity		Provident Fund	
	Year Ended March 31,		Year Ended March 31,	
	2020	2019	2020	2019
Current Service Cost	**4.23**	3.93	**12.22**	11.35
Past Service Cost	**-**	-	**-**	-
Net interest Cost	**2.64**	2.09	**-**	-
Curtailments Cost / (Credit)	**-**	-	**-**	-
Settlements Cost / (Credit)	**-**	-	**-**	-
Net Actuarial (gain) / loss	**-**	-	**-**	-
Total Expenses / (Income) recognised in the Statement of Profit And Loss*	**6.87**	**6.02**	**12.22**	**11.35**

*Included in Salaries and Wages, Contribution to Provident and Other Funds, Gratuity Fund and R&D Expenses (Refer Note 32 and 34)

E. Expenses Recognized in the Other Comprehensive Income (OCI) for Current Year

(₹ in Crores)

Particulars	Gratuity	
	Year Ended March 31,	
	2020	2019
Actuarial (Gains)/Losses on Obligation for the Period - Due to changes in demographic assumptions	**-**	-
Actuarial (Gains)/Losses on Obligation for the Period - Due to changes in financial assumptions	**2.32**	0.45
Actuarial (Gains)/Losses on Obligation for the Period - Due to experience adjustment	**0.29**	2.34
Return on Plan Assets, Excluding Interest Income	**0.60**	0.10
Change in Asset Ceiling	**-**	-
Net (Income)/Expense for the Period Recognized in OCI	**3.21**	**2.89**

F. Significant Actuarial Assumptions

(%)

Particulars	(Funded)			
	Gratuity		Provident Fund	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Discount Rate (per annum)	**6.56**	7.64	**6.56**	7.64
Expected Rate of return on Plan Assets (per annum)	**6.56**	7.64	**6.56**	7.64
Salary escalation rate	**9% for 3 years then 6%**	10% for 3 years then 6%	**N.A**	N.A

The expected rate of return on plan assets is based on market expectations at the closing of the year. The rate of return on long-term government bonds is taken as reference for this purpose.

In case of certain employees, the Provident Fund contribution is made to a Trust administered by the Company. In terms of the Guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of Provident fund liability based on the assumptions listed above and determined that there is no shortfall at the end of each reporting period.

G. Movements in the present value of net defined benefit obligation are as follows:

(₹ in Crores)

Particulars	Gratuity As at March 31, 2020	Gratuity As at March 31, 2019
Opening Net Liability	**34.81**	26.24
Expenses Recognized in Statement of Profit or Loss	**6.87**	6.02
Expenses Recognized in OCI	**3.21**	2.89
Net Liability/(Asset) Transfer In	**0.24**	0.53
Net (Liability)/Asset Transfer Out	**(0.25)**	(0.69)
Benefit Paid Directly by the Employer	**-**	-
Employer's Contribution	**-**	(0.18)
Net Liability/(Asset) Recognized in the Balance Sheet	**44.88**	**34.81**

H. Category of Assets

(₹ in Crores)

Particulars	Gratuity		Provident Fund	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Government of India Assets (Central & State)	**9.44**	6.58	**113.45**	95.29
Public Sector Unit Bonds		-	**18.33**	23.96
Corporate Bonds	**9.85**	14.61	**87.29**	66.24
Fixed Deposits under Special Deposit Schemes of Central Government*	**1.29**	1.40	**28.22**	27.99
Equity Shares of Listed Entities / Mutual Funds	**2.35**	2.53	**20.43**	16.03
Others*	**0.08**	0.06	**3.05**	4.15
Total	**23.01**	**25.18**	**270.77**	**233.66**

* Except these, all the other investments are quoted.

I. Other Details

Particulars	Gratuity As at March 31, 2020	Gratuity As at March 31, 2019
No of Active Members	**4,122**	4,049
Per Month Salary For Active Members (₹ in Crores)	**12.45**	11.81
Average Expected Future Service (Years)	**8.00**	8.00
Projected Benefit Obligation (PBO) (₹ in Crores)	**67.89**	59.99
Prescribed Contribution For Next Year (12 Months) (₹ in Crores)	**12.45**	**11.81**

J. Cash Flow Projection: From the Fund

(₹ in Crores)

Projected Benefits Payable in Future Years From the Date of Reporting	Gratuity Estimated for the year ended March 31, 2020	Gratuity Estimated for the year ended March 31, 2019
1st Following Year	**20.96**	19.32
2nd Following Year	**4.52**	3.60
3rd Following Year	**4.52**	4.61
4th Following Year	**4.77**	4.71
5th Following Year	**5.28**	4.35
Sum of Years 6 To 10	**24.53**	23.39

The Company's Gratuity Plan is administered by an insurer and the Investments are made in various schemes of the trust. The Company funds the plan on a periodical basis.

In case of certain employees, Provident fund is administered through an in-house trust. Periodic contributions to the trust are invested in various instruments considering the return, maturity, safety, etc., within the overall ambit of the Provident Fund Trust Rules and investment pattern notified through the Ministry of Labour investment guidelines for exempted provident funds.

Weighted average duration of the defined benefit obligation is 7 years (Previous year 7 years)

K. Sensitivity Analysis

(₹ in Crores)

Projected Benefit Obligation	Gratuity As at March 31, 2020	Gratuity As at March 31, 2019
Impact of +1% Change in Rate of Discounting	**(3.17)**	(2.67)
Impact of -1% Change in Rate of Discounting	**3.57**	3.00
Impact of +1% Change in Rate of Salary Increase	**3.52**	2.97
Impact of -1% Change in Rate of Salary Increase	**(3.19)**	(2.70)

The above sensitivity analysis are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The liability for Leave Encashment (Non – Funded) as at year end is ₹ 42.30 Crores (Previous year ₹ 38.26 Crores)

The liability for Long term Service Awards (Non – Funded) as at year end is ₹ 2.73 Crores (Previous year ₹ 2.49 Crores)

39 RELATED PARTY DISCLOSURES

1. List of related parties

A. Controlling Entities

The Ajay G. Piramal Foundation @
Piramal Phytocare Limited Senior Employees Option Trust @*
The Sri Krishna Trust through its Trustees, Mr.Ajay Piramal and Dr.(Mrs.) Swati A. Piramal @
Aasan Info Solutions (India) Private Limited @
Piramal Welfare Trust through its Trustee, Piramal Corporate Services Limited @
PRL Realtors LLP @
Anand Piramal Trust@
Nandini Piramal Trust@
V3 Designs LLP @

@There are no transactions during the year.
*during the year it became non promoter- non public.

B. Subsidiaries

The Subsidiary companies including step down subsidiaries:

Name of the Company	Principal Place of Business	Proportion of Ownership interest held as at March 31, 2020
PHL Fininvest Private Limited (PHL Fininvest)	India	**100%**
Searchlight Health Private Limited #	India	**51%**
Piramal International	Mauritius	**100%**
Piramal Holdings (Suisse) SA (Piramal Holdings)	Switzerland	**100%**
Piramal Critical Care Italia, S.P.A**	Italy	**100%**
Piramal Critical Care Deutschland GmbH**	Germany	**100%**
Piramal Critical Care Limited **	U.K.	**100%**
Piramal Healthcare (Canada) Limited ** (Piramal Healthcare, Canada)	Canada	**100%**
Piramal Critical Care B.V. **	Netherlands	**100%**
Piramal Pharma Solutions (Dutch) B.V. **	Netherlands	**100%**
Piramal Critical Care Pty. Ltd. **	Australia	**100%**
Piramal Healthcare UK Limited ** (Piramal Healthcare UK)	U.K.	**100%**

Name of the Company	Principal Place of Business	Proportion of Ownership interest held as at March 31, 2020
Piramal Healthcare Pension Trustees Limited**	U.K.	**100%**
Piramal Critical Care South Africa (Pty) Ltd **	South Africa	**100%**
Piramal Dutch Holdings N.V.	Netherlands	**100%**
Piramal Healthcare Inc. **	U.S.A	**100%**
Piramal Critical Care, Inc. ** (PCCI)	U.S.A	**100%**
Piramal Pharma Inc.**	U.S.A	**100%**
Piramal Pharma Solutions Inc.** (Piramal Pharma Solutions)	U.S.A	**100%**
PEL Pharma Inc.**	U.S.A	**100%**
Ash Stevens LLC ** (Ash Stevens)	U.S.A	**100%**
DRG Holdco Inc. #	U.S.A	**-**
Piramal IPP Holdings LLC (liquidated w.e.f. 30.12.2019)	U.S.A	**-**
Decision Resources Inc. #	U.S.A	**-**
Decision Resources International, Inc. #	U.S.A	**-**
DR/Decision Resources, LLC #	U.S.A	**-**
Millennium Research Group Inc. #	Canada	**-**
Decision Resources Group Asia Ltd #	Hong Kong	**-**
DRG UK Holdco Limited #	U.K.	**-**
Decision Resources Group UK Limited #	U.K.	**-**
Sigmatic Limited #	U.K.	**-**
DRG Analytics & Insights Private Limited #	India	**-**
DRG Singapore Pte Ltd #	Singapore	**-**
Sharp Insight Limited #	U.K.	**-**
Decision Resources Japan K.K. #	Japan	**-**
Piramal Dutch IM Holdco B.V.	Netherlands	**100%**
PEL-DRG Dutch Holdco B.V.	Netherlands	**100%**
Piramal Capital and Housing Finance Limited	India	**100%**
Piramal Fund Management Private Limited (Piramal Fund)	India	**100%**
Piramal Asset Management Private Limited $$	India	**100%**
Piramal Investment Advisory Services Private Limited (PIASPL)	India	**100%**
Piramal Investment Opportunities Fund (PIOF)	India	**100%**
INDIAREIT Investment Management Co. $$	Mauritius	**100%**
Piramal Asset Management Private Limited $$	Singapore	**100%**
Piramal Capital International Limited $$	Mauritius	**100%**
Piramal Securities Limited	India	**100%**
Piramal Systems & Technologies Private Limited (Piramal System)	India	**100%**
Piramal Technologies SA @	Switzerland	**100%**
PEL Finhold Private Limited	India	**100%**
Piramal Consumer Products Private Limited	India	**100%**
Piramal Pharma Limited (w.e.f. March 04, 2020)	India	**100%**

** held through Piramal Dutch Holdings N.V.

@ held through Piramal Systems & Technologies Private Limited

Refer Note 4

$$ held through Piramal Fund Management Private Limited

Name of the Company	Principal Place of Business	Proportion of Ownership interest held as at March 31, 2019
PHL Fininvest Private Limited (PHL Fininvest)	India	100%
Searchlight Health Private Limited	India	51%
Piramal International	Mauritius	100%
Piramal Holdings (Suisse) SA (Piramal Holdings)	Switzerland	100%
Piramal Imaging SA@@	Switzerland	-
Piramal Imaging GmbH @@	Germany	-
Piramal Imaging Limited@@	U.K.	-
Piramal Critical Care Italia, S.P.A**	Italy	100%
Piramal Critical Care Deutschland GmbH**	Germany	100%
Piramal Critical Care Limited **	U.K.	100%
Piramal Healthcare (Canada) Limited ** (Piramal Healthcare, Canada)	Canada	100%
Piramal Critical Care B.V. **	Netherlands	100%
Piramal Pharma Solutions (Dutch) B.V. ** (w.e.f. from October 26, 2018)	Netherlands	100%
Piramal Critical Care Pty. Ltd. **	Australia	100%
Piramal Healthcare UK Limited ** (Piramal Healthcare UK)	U.K.	100%
Piramal Healthcare Pension Trustees Limited**	U.K.	100%
Piramal Critical Care South Africa (Pty) Ltd **	South Africa	100%
Piramal Dutch Holdings N.V.	Netherlands	100%
Piramal Healthcare Inc. **	U.S.A	100%
Piramal Critical Care, Inc. ** (PCCI)	U.S.A	100%
Piramal Pharma Inc.**	U.S.A	100%
Piramal Pharma Solutions Inc.** (Piramal Pharma Solutions)	U.S.A	100%
PEL Pharma Inc.**	U.S.A	100%
Ash Stevens LLC ** (Ash Stevens)	U.S.A	100%
DRG Holdco Inc. $	U.S.A	100%
Piramal IPP Holdings LLC $	U.S.A	100%
Decision Resources Inc. $	U.S.A	100%
Decision Resources International, Inc. $	U.S.A	100%
DR/Decision Resources, LLC $	U.S.A	100%
Millennium Research Group Inc. $	Canada	100%
Decision Resources Group Asia Ltd $	Hong Kong	100%
DRG UK Holdco Limited $	U.K.	100%
Decision Resources Group UK Limited $	U.K.	100%
Sigmatic Limited $	U.K.	100%
Activate Networks Inc. $ (merged with Decision resources Inc. w.e.f. February 15, 2019)	U.S.A	100%
DRG Analytics & Insights Private Limited	India	100%
DRG Singapore Pte Ltd $	Singapore	100%
Sharp Insight Limited $	U.K.	100%
Context Matters Inc $ (merged with Decision resources Inc. w.e.f. February 15, 2019)	U.S.A	100%
Decision Resources Japan K.K. $ (w.e.f. February 5, 2019)	Japan	100%
Piramal Dutch IM Holdco B.V.	Netherlands	100%
PEL-DRG Dutch Holdco B.V.$	Netherlands	100%
Piramal Capital and Housing Finance Limited (formerly known as Piramal Housing Finance Limited) (Piramal Capital and Housing Finance)	India	100%
Piramal Fund Management Private Limited (Piramal Fund)	India	100%
Piramal Asset Management Private Limited $$ (w.e.f June 14, 2018)	India	100%
Piramal Investment Advisory Services Private Limited (PIASPL)	India	100%
Piramal Investment Opportunities Fund (PIOF)	India	100%
INDIAREIT Investment Management Co. $$	Mauritius	100%
Piramal Asset Management Private Limited $$	Singapore	100%

Name of the Company	Principal Place of Business	Proportion of Ownership interest held as at March 31, 2019
Piramal Capital International Limited $$ (w.e.f. October 5, 2018)	Mauritius	100%
Piramal Securities Limited (w.e.f June 07, 2018)	India	100%
Piramal Systems & Technologies Private Limited (Piramal System)	India	100%
Piramal Technologies SA @	Switzerland	100%
PEL Finhold Private Limited	India	100%
Piramal Consumer Products Private Limited	India	100%

** held through Piramal Dutch Holdings N.V.

@ held through Piramal Systems & Technologies Private Limited

$ held through Piramal Dutch IM Holdco B.V.

$$ held through Piramal Fund Management Private Limited

@@ On June 25, 2018, Piramal Holdings (Suisse) SA, sold its entire ownership in these subsidiaries (Refer Note 35)

C. Associates and Joint Ventures

Name of the Entity	Principal Place of business	% voting power held as at March 31, 2020	% voting power held as at March 31, 2019	Relationship as at March 31, 2020	Relationship as at March 31, 2019
Convergence Chemicals Private Limited (Convergence)	India	**51.00%**	51.00%	**Joint Venture**	Joint Venture
Shrilekha Business Consultancy Private Limited (Shrilekha Business Consultancy)	India	**74.95%**	74.95%	**Joint Venture**	Joint Venture
Shriram Capital Limited (Shriram Capital) (through Shrilekha Business Consultancy Private Limited)	India	**20.00%**	20.00%	**Associate**	Associate
Allergan India Private Limited (Allergan)	India	**49.00%**	49.00%	**Associate**	Associate
Piramal Phytocare Limited (PPL) (merged in to PEL w.e.f. November 04, 2019)	India	**-**	17.53%	**-**	Associate
Bluebird Aero Systems Limited	Israel	**27.83%**	27.83%	**Associate**	Associate
India Resurgence ARC Private Limited (Formerly known as Piramal Assets Reconstruction Private Limited) (Ceased to be a subsidiary w.e.f. July 19, 2017) (IRAPL)	India	**50.00%**	50.00%	**Joint Venture**	Joint Venture
India Resurgence Asset Management Business Private Limited (Formerly known as PEL Asset Resurgence Advisory Private Limited) (Ceased to be a subsidiary w.e.f. February 7, 2018) (IRAMBPL)	India	**50.00%**	50.00%	**Joint Venture**	Joint Venture
India Resurgence Fund - Scheme - 2	India	**50.00%**	50.00%	**Joint Venture**	Joint Venture
India Resurgence ARC Trust I (w.e.f 03.05.2019)	India	**50.00%**	0.00%	**Joint Venture**	-
Piramal Ivanhoe Residential Equity Fund 1	India	**50.00%**	50.00%	**Joint Venture**	Joint Venture
Asset Resurgence Mauritius Manager	Mauritius	**50.00%**	50.00%	**Joint Venture**	Joint Venture
Piramal Structured Credit Opportunities Fund (w.e.f. 26.02.20) (PSCOF)	India	**25.00%**	0.00%	**Joint Venture**	-

Other Intermediaries:
Shriram Transport Finance Company Limited (Shriram Transport) (upto June 17, 2019)
Shriram City Union Finance Limited (Shriram City Union)

D. Other related parties

Entities controlled by Key Management Personnel*:
Aasan Corporate Solutions Private Limited (Aasan Corporate Solutions)
Gopikrishna Piramal Memorial Hospital (GPMH)
Piramal Corporate Services Limited (PCSL)
Piramal Glass Limited (PGL)
PRL Developers Private Limited (PRL)
PRL Agastya Private Limited
Piramal Water Private Limited
Piramal Estates Private Limited
Glider Buildcon Realtors Private Limited
Ansa Deco Glass Private Limited
Piramal Glass Ceylon Limited

*where there are transactions during the current or previous year

Employee Benefit Trusts:
Staff Provident Fund of Piramal Healthcare Limited (PPFT)

E. Key Management Personnel

Mr. Ajay G. Piramal
Dr. (Mrs.) Swati A. Piramal
Ms. Nandini Piramal
Mr. Vijay Shah (resigned from being a Whole-Time Director and continued as Non-Executive Non-Independent Director of the Company w.e.f. 11th May, 2020')

F. Relatives of Key Management Personnel

Mr. Anand Piramal [Son of Mr. Ajay G. Piramal and Dr. (Mrs.) Swati A. Piramal]
Mr. Peter De Young [husband of Ms. Nandini Piramal]

G. Non Executive/Independent Directors

Dr. R. A. Mashelkar
Mr. Gautam Banerjee
Mr. Goverdhan Mehta
Mr. N. Vaghul
Mr. S. Ramadorai
Mr. Deepak Satwalekar
Mr. Keki Dadiseth
Mr. Siddharth N Mehta (Resigned w.e.f. 4th February, 2020)
Ms. Arundhati Bhattacharya (w.e.f. October 25, 2018 and Resigned w.e.f. 16th April, 2020)

2. Details of transactions with related parties.

(₹ in Crores)

Details of Transactions**	Subsidiaries		Jointly Controlled Entities		Associates & its intermediates		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Purchase of Goods										
- PGL	-	-	-	-	-	-	5.43	3.13	5.43	3.13
- PCCI	27.40	14.21	-	-	-	-	-	-	27.40	14.21
- Piramal Healthcare UK	-	0.83	-	-	-	-	-	-	-	0.83
- Others	-	-	-	-	-		0.02	-	0.02	-
TOTAL	**27.40**	**15.04**	**-**	**-**	**-**	**-**	**5.45**	**3.13**	**32.85**	**18.17**
Sale of Goods										
- Allergan	-	-	-	-	80.33	74.35	-	-	80.33	74.35
- Piramal Healthcare UK	37.08	43.75	-	-	-	-	-	-	37.08	43.75
- PCCI	98.98	59.92	-	-	-	-	-	-	98.98	59.92
- Piramal Healthcare, Canada	19.54	13.15	-	-	-	-	-	-	19.54	13.15
- Piramal Critical Care Limited	11.27	11.76	-	-	-	-	-	-	11.27	11.76
- Piramal Critical Care BV	16.23	-							16.23	-

(₹ in Crores)

Details of Transactions**	Subsidiaries		Jointly Controlled Entities		Associates & its intermediates		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
- Ash Stevens	4.32	-							4.32	-
- Others	0.46	1.02	-	-	-	-	-	-	0.46	1.02
TOTAL	**187.88**	**129.60**	-	-	**80.33**	**74.35**	-	-	**268.21**	**203.95**
Rendering of Services										
- Allergan	-	-	-	-	1.50	1.67	-	-	1.50	1.67
- Piramal Healthcare UK	38.04	52.37	-	-	-	-	-	-	38.04	52.37
- Piramal Critical Care Limited	-	46.61	-	-	-	-	-	-	-	46.61
- PCCI	5.38	-	-	-	-	-	-	-	5.38	-
- PGL	-	-	-	-	-	-	0.27	0.32	0.27	0.32
- Piramal Healthcare, Canada	-	0.70	-	-	-	-	-	-	-	0.70
- Ash Stevens	0.23	0.21	-	-	-	-	-	-	0.23	0.21
TOTAL	**43.65**	**99.89**	-	-	**1.50**	**1.67**	**0.27**	**0.32**	**45.42**	**101.88**
Guarantee commission income										
- Piramal Healthcare UK	0.63	0.88	-	-	-	-	-	-	0.63	0.88
- PHL Fininvest	13.64	-	-	-	-	-	-	-	13.64	-
- Piramal Healthcare, Canada	0.11	0.07	-	-	-	-	-	-	0.11	0.07
- DRG Holdco Inc.	4.32	5.24	-	-	-	-	-	-	4.32	5.24
- PEL Pharma Inc.	1.43	1.64	-	-	-	-	-	-	1.43	1.64
- Piramal Critical Care Limited	3.36	5.52	-	-	-	-	-	-	3.36	5.52
- Convergence	-	-	0.26	0.30	-	-	-	-	0.26	0.30
- Others	0.01	0.05	-	-	-	-	-	-	0.01	0.05
TOTAL	**23.50**	**13.40**	**0.26**	**0.30**	-	-	-	-	**23.76**	**13.70**
Receiving of Services										
- Piramal Pharma Inc	37.79	50.31	-	-	-	-	-	-	37.79	50.31
- Piramal Healthcare UK	17.31	17.18	-	-	-	-	-	-	17.31	17.18
- PRL Agastya Private Limited	-	-					6.04	6.75	6.04	6.75
TOTAL	55.10	67.49	-	-	-	-	6.04	6.75	61.14	74.24
Royalty Expense										
- PCSL	-	-	-	-	-	-	9.92	11.78	9.92	11.78
TOTAL	-	-	-	-	-	-	**9.92**	**11.78**	**9.92**	**11.78**
Rent Expense										
- Aasan Corporate Solutions Private Limited	-	-	-	-	-	-	11.04	11.28	11.04	11.28
- Gopikrishna Piramal Memorial Hospital (GPMH)	-	-	-	-	-	-	0.70	0.82	0.70	0.82
TOTAL	-	-	-	-	-	-	**11.74**	**12.10**	**11.74**	**12.10**
Rent Income										
- Piramal Capital and Housing Finance	0.01	0.01	-	-	-	-	-	-	0.01	0.01
TOTAL	**0.01**	**0.01**	-	-	-	-	-	-	**0.01**	**0.01**
Reimbursement of expenses recovered										
- PCCI	3.72	1.17	-	-	-	-	-	-	3.72	1.17
- Piramal Healthcare UK	0.96	0.71	-	-	-	-	-	-	0.96	0.71
- Piramal Capital and Housing Finance	0.36	0.21	-	-	-	-	-	-	0.36	0.21
- Piramal Healthcare, Canada	0.07	0.21	-	-	-	-	-	-	0.07	0.21
- DRG Holdco	0.22	0.22	-	-	-	-	-	-	0.22	0.22
- IRAMBPL	-	-	2.40	21.80	-	-	-	-	2.40	21.80
- PRL	-	-	-	-	-	-	0.15	0.15	0.15	0.15
- Ansa Decoglass Private Limited	-	-	-	-	-	-	0.07	-	0.07	-
- Glider Buildcon Realtors Private Limited	-	-	-	-	-	-	0.14	-	0.14	-
- Piramal Critical Care Limited	0.21	0.20	-	-	-	-	-	-	0.21	0.20
- PGL	-	-	-	-	-	-	0.82	0.61	0.82	0.61
- Others	0.51	0.68	0.12	0.08	-	-	0.43	0.01	1.06	0.77
TOTAL	**6.05**	**3.40**	**2.52**	**21.88**	-	-	**1.61**	**0.77**	**10.18**	**26.05**

(₹ in Crores)

Details of Transactions**	Subsidiaries		Jointly Controlled Entities		Associates & its intermediates		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Reimbursement of expenses paid										
- PCCI	**0.47**	0.86	**-**	-	**-**	-	**-**	-	**0.47**	0.86
- Piramal Healthcare UK	**3.91**	0.01	**-**	-	**-**	-	**-**	-	**3.91**	0.01
- IRAMBPL	**-**	-	**1.91**	8.00	**-**	-	**-**	-	**1.91**	8.00
- Aasan Corporate Solutions Private Limited	**-**	-	**-**	-	**-**	-	**0.52**	0.91	**0.52**	0.91
- Ash Stevens	**0.49**	-	**-**	-	**-**	-	**-**	-	**0.49**	-
- Others	**-**	-	**-**	-	**-**	-	**0.05**	-	**0.05**	-
TOTAL	**4.87**	**0.87**	**1.91**	**8.00**	**-**	**-**	**0.57**	**0.91**	**7.35**	**9.78**
Sale of Land										
- Ansa Decoglass Private Limited	**-**	-	**-**	-	**-**	-	**0.02**	-	**0.02**	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**0.02**	**-**	**0.02**	**-**
Contribution to Funds										
- PPFT	**-**	-	**-**	-	**-**	-	**32.41**	28.92	**32.41**	28.92
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**32.41**	**28.92**	**32.41**	**28.92**
Donation										
- Piramal Water Private Limited	**-**	-	**-**	-	**-**	-	**-**	0.31	**-**	0.31
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.31**	**-**	**0.31**
Dividend Income/Distribution										
- Piramal Capital and Housing Finance	**412.00**	-	**-**	-	**-**	-	**-**	-	**412.00**	-
- PHL Fininvest	**130.00**	-	**-**	-	**-**	-	**-**	-	**130.00**	-
- Shriram Transport	**-**	-	**-**	-	**-**	24.86	**-**	-	**-**	24.86
- Shrilekha Business Consultancy	**-**	-	**-**	-	**78.73**	23.34	**-**	-	**78.73**	23.34
- India Resurgence Fund - Scheme 2	**-**	-	**-**	-	**18.23**	4.94	**-**	-	**18.23**	4.94
- Shriram City Union	**-**	-	**-**	-	**14.48**	11.84	**-**	-	**14.48**	11.84
- Allergan	**-**	-	**-**	-	**-**	61.25	**-**	-	**-**	61.25
- PIOF	**0.44**	0.79	**-**	-	**-**	-	**-**	-	**0.44**	0.79
TOTAL	**542.44**	**0.79**	**-**	**-**	**111.44**	**126.23**	**-**	**-**	**653.88**	**127.02**
Finance granted /(repayments) - Net (including loans and Equity contribution / Investments in cash or in kind) #										
- Piramal Healthcare Inc.	**-**	(1,578.49)	**-**	-	**-**	-	**-**	-	**-**	(1,578.49)
- Piramal Dutch Holdings	**62.70**	(79.39)	**-**	-	**-**	-	**-**	-	**62.70**	(79.39)
- DRG Holdco	**(47.85)**	(303.22)	**-**	-	**-**	-	**-**	-	**(47.85)**	(303.22)
- Piramal Dutch IM Holdco B.V.	**(2,070.42)**	2,596.66	**-**	-	**-**	-	**-**	-	**(2,070.42)**	2,596.66
- Convergence	**-**	-	**(4.50)**	(3.56)	**-**	-	**-**	-	**(4.50)**	(3.56)
- Piramal Fund	**187.11**	15.50	**-**	-	**-**	-	**-**	-	**187.11**	15.50
- Piramal Capital and Housing Finance (refer note below)	**3,151.74**	(750.00)	**-**	-	**-**	-	**-**	-	**3,151.74**	(750.00)
- Piramal Holdings	**-**	81.20	**-**	-	**-**	-	**-**	-	**-**	81.20
- PHL Fininvest (refer note below)	**2,518.67**	8,815.62	**-**	-	**-**	-	**-**	-	**2,518.67**	8,815.62
- IRAMBPL	**-**	-	**27.50**	4.75	**-**	-	**-**	-	**27.50**	4.75
- IRAPL	**-**	-	**3.00**	50.00	**-**	-	**-**	-	**3.00**	50.00
- Piramal Ivanhoe Residential Equity Fund 1	**-**	-	**(6.78)**	122.07	**-**	-	**-**	-	**(6.78)**	122.07
- India Resurgence Fund - Scheme 2	**-**	-	**29.13**	158.07	**-**	-	**-**	-	**29.13**	158.07
- PEL Pharma Inc.	**-**	(49.21)	**-**	-	**-**	-	**-**	-	**-**	(49.21)
- PIASPL	**247.90**								**247.90**	-
- Others	**(8.58)**	38.05	**-**	-	**-**	-	**-**	-	**(8.58)**	38.05
TOTAL	**4,041.27**	**8,786.72**	**48.35**	**331.33**	**-**	**-**	**-**	**-**	**4,089.62**	**9,118.05**
Processing fees charged on debentures										
- Piramal Finance	**12.08**	7.27	**-**	-	**-**	-	**-**	-	**12.08**	7.27
- PHL Fininvest	**50.77**	11.65	**-**	-	**-**	-	**-**	-	**50.77**	11.65
TOTAL	**62.85**	**18.92**	**-**	**-**	**-**	**-**	**-**	**-**	**62.85**	**18.92**

(₹ in Crores)

Details of Transactions**	Subsidiaries		Jointly Controlled Entities		Associates & its intermediates		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Interest Received on Loans/Investments										
- Piramal Holdings	-	39.78	-	-	-	-	-	-	-	39.78
- Piramal Healthcare Inc.	-	39.11	-	-	-	-	-	-	-	39.11
- Convergence	-	-	2.70	3.28	-	-	-	-	2.70	3.28
- Piramal Fund	29.15	6.22	-	-	-	-	-	-	29.15	6.22
- PHL Fininvest	666.02	257.51	-	-	-	-	-	-	666.02	257.51
- Piramal Dutch Holdings N.V.	25.72	24.73	-	-	-	-	-	-	25.72	24.73
- DRG Holdco Inc.	-	9.06	-	-	-	-	-	-	-	9.06
- Piramal Finance	36.36	176.98	-	-	-	-	-	-	36.36	176.98
- Piramal Dutch IM Holdco B.V.	175.43	120.18	-	-	-	-	-	-	175.43	120.18
- Others	3.03	4.42	-	-	-	-	-	-	3.03	4.42
TOTAL	**935.71**	**677.99**	**2.70**	**3.28**	-	-	-	-	**938.41**	**681.27**
Interest Income on debentures / commercial paper										
- Piramal Finance	4.98	2.11	-	-	-	-	-	-	4.98	2.11
- Piramal System	2.16	2.16	-	-	-	-	-	-	2.16	2.16
TOTAL	**7.14**	**4.27**	-	-	-	-	-	-	**7.14**	**4.27**
Interest Expense on loans										
- Piramal Capital and Housing Finance	69.07	5.17	-	-	-	-	-	-	69.07	5.17
TOTAL	**69.07**	**5.17**	-	-	-	-	-	-	**69.07**	**5.17**
Interest Expense on debentures										
- Piramal Capital and Housing Finance	3.32	2.42	-	-	-	-	-	-	3.32	2.42
- PHL Fininvest	1.42	1.09	-	-	-	-	-	-	1.42	1.09
TOTAL	**4.74**	**3.51**	-	-	-	-	-	-	**4.74**	**3.51**

* Amounts are below the rounding off norms adopted by the Company

Interest rates charged to subsidiaries are made at market rates comparable with prevailing rates in the respective geographies. All other transactions were made on normal commercial terms and conditions and at market rates.

During the year ended March 31, 2020, the Company transferred certain financial assets of ₹ 1,897.09 crores (Previous Year: ₹ 2,207.72 crores) to Piramal Capital and Housing Finance Limited and financial assets of ₹ 198.18 crores (Previous Year: ₹ 694.41crores) to PHL Fininvest Private Limited, both wholly owned subsidiaries, for an aggregate consideration of ₹ 2,095.27 crores (Previous Year: ₹ 2,902.13 crores). Accordingly the financial statements for the year ended March 31, 2020 are not comparable with the financial statements of the previous year.

During the year, the company had converted ₹ 1,900 crores (Previous year ₹ 1,100 Crores) and ₹ 900 crores (Previous year ₹ 1,700 Crores) of loan given to its wholly owned subsidiaries, PHL Fininvest Private Limited and Piramal Capital and Housing Finance Limited respectively into equity shares

**Excludes transactions with related parties in their capacity as shareholders.

#These loans are usually granted for general corporate purposes

Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

(₹ in Crores)

Particulars	2020	2019
Short-term employee benefits	33.04	31.84
Post-employment benefits	3.13	3.08
Other long-term benefits	0.53	0.75
Commission and other benefits to non-executive/independent directors	1.09	3.30
Total	**37.79**	**38.97**

Payments made to the directors and other members of key managerial personnel are approved by the Nomination & Remuneration Committee.

Piramal

3. Balances of related parties.

(₹ in Crores)

Account Balances	Subsidiaries		Jointly Controlled Entities		Associates & its subsidiaries		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Loans to related parties - Unsecured (at amortised cost)										
- Piramal Fund	**284.51**	71.16	-	-	-	-	-	-	**284.51**	71.16
- Piramal Dutch Holdings N.V.	**561.53**	498.36	-	-	-	-	-	-	**561.53**	498.36
- Piramal Dutch IM Holdco B.V.	**1,464.41**	3,663.07	-	-	-	-	-	-	**1,464.41**	3,663.07
- Piramal Capital and Housing Finance	**1,600.00**	-	-	-	-	-	-	-	**1,600.00**	-
- PHL Fininvest	**6,674.29**	6,215.62	-	-	-	-	-	-	**6,674.29**	6,215.62
- Convergence	-	-	**24.50**	33.08	-	-	-	-	**24.50**	33.08
- PIASPL	**248.37**	-	-	-	-	-	-	-	**248.37**	-
- Others	**34.07**	20.97	-	-	-	-	-	-	**34.07**	20.97
TOTAL	**10,867.18**	**10,469.18**	**24.50**	**33.08**	-	-	-	-	**10,891.68**	**10,502.26**
Interest payable on loans from related parties										
- Piramal Capital and Housing Finance	-	1.11	-	-	-	-	-	-	-	1.11
TOTAL	-	**1.11**	-	-	-	-	-	-	-	**1.11**
Current Account balances with related parties										
- Piramal Healthcare UK	**1.28**	0.71	-	-	-	-	-	-	**1.28**	0.71
- IRAMBPL	-	-	**(0.04)**	42.39	-	-	-	-	**(0.04)**	42.39
- Piramal Capital and Housing Finance	**29.14**	39.15	-	-	-	-	-	-	**29.14**	39.15
- PHL Fininvest	-	162.00	-	-	-	-	-	-	-	162.00
- Piramal Pharma Solutions	-	0.12	-	-	-	-	-	-	-	0.12
- Ash Stevens	-	0.17	-	-	-	-	-	-	-	0.17
- PGL	-	-	-	-	-	-	**(0.59)**	1.36	**(0.59)**	1.36
- Convergence	-	-	**0.07**	0.03	-	-	-	-	**0.07**	0.03
- PRL	-	-	-	-	-	-	**0.24**	0.18	**0.24**	0.18
- Glider Buildcon Realtors Private Limited	-	-	-	-	-	-	**0.17**	-	**0.17**	-
- Others	**0.08**	0.85	-	-	-	-	**0.06**	-	**0.14**	0.85
TOTAL	**30.50**	**203.00**	**0.03**	**42.42**	-	-	**(0.12)**	**1.54**	**30.41**	**246.96**
Income Receivable										
- PIOF	**0.05**	4.25	-	-	-	-	-	-	**0.05**	4.25
TOTAL	**0.05**	**4.25**	-	-	-	-	-	-	**0.05**	**4.25**
Trade Receivables										
- Piramal Healthcare UK	**38.99**	90.01	-	-	-	-	-	-	**38.99**	90.01
- PCCI	**2.74**	(0.36)	-	-	-	-	-	-	**2.74**	(0.36)
- Piramal Critical Care Limited	**34.23**	33.98	-	-	-	-	-	-	**34.23**	33.98
- Piramal Critical Care BV	**17.02**	-	-	-	-	-	-	-	**17.02**	-
- Ash Stevens	**0.99**	0.64	-	-	-	-	-	-	**0.99**	0.64
- Piramal Healthcare, Canada	**3.47**	4.89	-	-	-	-	-	-	**3.47**	4.89
- PRL Agastya Private Limited	-	-	-	-	-	-	**0.38**	-	**0.38**	-
- Allergan	-	-	-	-	**9.44**	13.50	-	-	**9.44**	13.50
- Others	-	-	-	-	-	-	**0.08**	-	**0.08**	-
TOTAL	**97.44**	**129.16**	-	-	**9.44**	**13.50**	**0.46**	-	**107.34**	**142.66**
Unbilled Revenue										
- Piramal Healthcare UK	**14.08**	8.07	-	-	-	-	-	-	**14.08**	8.07
- Piramal Critical Care Inc	**9.44**	-							**9.44**	-
- Piramal Critical Care Limited	-	5.54	-	-	-	-	-	-	-	5.54
TOTAL	**23.52**	**13.61**	-	-	-	-	-	-	**23.52**	**13.61**
Deferred Income										
- Piramal Capital and Housing Finance	**46.89**	28.98	-	-	-	-	-	-	**46.89**	28.98
- PHL Fininvest	**187.58**	138.34	-	-	-	-	-	-	**187.58**	138.34
TOTAL	**234.47**	**167.32**	-	-	-	-	-	-	**234.47**	**167.32**

(₹ in Crores)

Account Balances	Subsidiaries		Jointly Controlled Entities		Associates & its subsidiaries		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Advance to Vendor										
- PGL	-	-	-	-	-	-	1.72	1.78	1.72	1.78
- Piramal Healthcare UK	-	0.38	-	-	-	-	-	-	-	0.38
TOTAL	-	0.38	-	-	-	-	1.72	1.78	1.72	2.16
Long-Term Financial Assets										
- Aasan Corporate Solutions Private Limited	-	-	-	-	-	-	7.28	7.28	7.28	7.28
TOTAL	-	-	-	-	-	-	7.28	7.28	7.28	7.28
Trade Payable										
- Piramal Pharma Inc.	29.03	29.71	-	-	-	-	-	-	29.03	29.71
- Piramal Healthcare UK	1.69	3.68	-	-	-	-	-	-	1.69	3.68
- PCCI	25.54	1.76	-	-	-	-	-	-	25.54	1.76
- PCSL	-	-	-	-	-	-	2.13	2.70	2.13	2.70
- PGL	-	-	-	-	-	-	0.36	0.38	0.36	0.38
- Piramal Pharma Solutions Inc	(0.06)	0.67	-	-	-	-	-	-	(0.06)	0.67
- Piramal Capital and Housing Finance	5.81	6.14	-	-	-	-	-	-	5.81	6.14
- PHL Fininvest	-	5.54	-	-	-	-	-	-	-	5.54
- PRL Agastya Private Limited	-	-	-	-	-	-	-	0.56	-	0.56
- IRAMBPL	-	-	-	8.00	-	-	-	-	-	8.00
- Others	0.31	-	-	-	-	-	0.02	0.04	0.33	0.04
TOTAL	62.32	47.50	-	8.00	-	-	2.51	3.68	64.83	59.18
Payable for purchase of debentures										
- Piramal Capital and Housing Finance	152.30	387.94	-	-	-	-	-	-	152.30	387.94
- PHL Fininvest	-	144.28	-	-	-	-	-	-	-	144.28
TOTAL	152.30	532.22	-	-	-	-	-	-	152.30	532.22
Guarantee Commission Receivable / (Payable)										
- Piramal Healthcare UK	0.62	0.30	-	-	-	-	-	-	0.62	0.30
- Piramal Healthcare Inc.	(0.13)	(0.13)	-	-	-	-	-	-	(0.13)	(0.13)
- Piramal Healthcare, Canada	0.04	0.03	-	-	-	-	-	-	0.04	0.03
- DRG Holdco Inc.	-	5.23	-	-	-	-	-	-	-	5.23
- PEL Pharma Inc.	1.12	0.40	-	-	-	-	-	-	1.12	0.40
- PHL Fininvest	3.40	-	-	-	-	-	-	-	3.40	-
- Piramal Critical Care Limited	0.76	(1.30)	-	-	-	-	-	-	0.76	(1.30)
- Piramal Capital and Housing Finance	6.04	6.04	-	-	-	-	-	-	6.04	6.04
- Piramal Critical Care Deutschland GmbH	-	(0.01)	-	-	-	-	-	-	-	(0.01)
- Piramal Critical Care Italia, SPA	-	(0.01)	-	-	-	-	-	-	-	(0.01)
TOTAL	11.85	10.55	-	-	-	-	-	-	11.85	10.55

(₹ in Crores)

Contingent Liabilities	Subsidiaries		Jointly Controlled Entities		Associates and intermediates		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Guarantees Outstanding										
- Piramal Healthcare UK	457.24	418.10	-	-	-	-	-	-	457.24	418.10
TOTAL	457.24	418.10	-	-	-	-	-	-	457.24	418.10

All outstanding balances are unsecured and are repayable in cash.

40. Property, Plant & Equipment, Brands and Trademarks, Investment in Non Convertible Debentures, Inter Corporate Deposits, Other Financial Assets and specified receivables relating to a wholly owned subsidiary are mortgaged / hypothecated to the extent of ₹ 6,136.40 Crores (As on March 31, 2019: ₹ 10,002.70 Crores) as a security against long term secured borrowings as at March 31, 2020.

Plant & Equipment, Inventories, Trade receivables, Investment in Non Convertible Debentures and Inter Corporate Deposits are hypothecated as a security to the extent of ₹ 2410.78 Crores (As on March 31, 2019 ₹ 1,096.67 Crores) against short term secured borrowings as at March 31, 2020.

(₹ in Crores)

41.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Miscellaneous Expenses in Note 34 includes Auditors' Remuneration in respect of:		
A) Statutory Auditors:		
a) Audit Fees	**1.00**	0.72
b) GST Audit Fees	**0.15**	-
c) Other Services	**0.16**	0.21
d) Reimbursement of Out of pocket Expenses	**0.13**	0.07
B) Audit fees of erstwhile Auditors of Piramal Phytocare Limited (Refer note 52 d):		
a) Audit Fees	**0.02**	0.07
b) Other Services	**-**	0.02
c) Reimbursement of Out of pocket Expenses	**0.00**	0.01
Expenditure considered in other equity includes Statutory Auditors' remuneration in respect of:		
Expenses in relation to Rights Issue	**0.50**	-

42. Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") are as under:

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**11.86**	11.30
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**7.70**	6.23
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	**151.20**	115.79
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	**3.24**	2.15
Further interest remaining due and payable for earlier years	**4.46**	4.08

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

43. The Company has advanced loans to its subsidiary companies. The disclosures pursuant to Regulation 34(3) read with para A of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Principal amounts outstanding as at the year-end were:

(₹ in Crores)

Subsidiary Companies	As at March 31, 2020	As at March 31, 2019
Piramal Systems & Technologies Private Limited	**16.08**	15.68
Piramal Dutch Holdings N.V.	**543.37**	480.67
Piramal Dutch IM Holdco B.V.	**1,461.96**	3,532.38
Piramal Fund Management Private Limited	**253.86**	66.75
Piramal Capital & Housing Finance Limited (Refer Note 4)	**1,600.00**	-
PHL Fininvest Private Limited	**6,674.29**	6,215.62
Piramal Consumer Products Private Limited	**-**	0.05
Piramal Asset Management Private Limited	**10.40**	-
Piramal Investment Advisory Services Private Limited	**247.90**	-

The maximum amounts due during the year were:

(₹ in Crores)

Subsidiary Companies	2019-20	2018-19
PHL Fininvest Private Limited	8,742.26	7,376.85
Piramal Healthcare Inc.	-	1,762.93
Piramal Holdings (Suisse) SA	-	1,227.49
Piramal Fund Management Private Limited	890.90	66.75
Piramal Capital & Housing Finance Limited (Refer Note 4)	2,500.00	5,314.00
Piramal Systems & Technologies Private Limited	16.08	15.68
Piramal Dutch Holdings N.V.	543.37	549.78
DRG Holdco Inc.	-	369.34
Piramal Dutch IM Holdco B.V.	3,781.84	3,692.16
PEL Pharma Inc.	-	54.66
DRG Analytics & Insights Private Ltd	-	25.00
Piramal Consumer Products Private Limited	0.27	0.05
Piramal Asset Management Private Limited	10.40	-
Piramal Investment Advisory Services Private Limited	247.90	-

44. Earnings Per Share (EPS) – EPS is calculated by dividing the profit/ (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The earnings and weighted average numbers of equity shares used in calculating basic and diluted earnings per equity share are as follows:

(₹ in Crores)

	Particulars	For the year ended	
		March 31, 2020	March 31, 2019
1.	Profit/ (Loss) after tax (₹ in Crores)	144.85	(868.01)
2.	Weighted Average Number of Equity Shares for calculating Basic EPS (nos.)	210,772,008	203,205,439
3.	Weighted Average Potential Equity Shares in respect of right shares reserved for CCD holders and right shares held in abeyance (nos.)	892,700	#
4.	Total Weighted Average Number of Equity Shares for calculating Diluted EPS (nos.)	211,664,708	#
5.	Earnings Per Share - Basic attributable to Equity Shareholders (₹) (1/2)	6.87	(42.72)
6.	Earnings Per Share - Diluted attributable to Equity Shareholders (₹) (1/4) #	6.84	(42.72)
7.	Face value per share (₹)	2.00	2.00

Basic and Diluted EPS for the year ended March 31, 2019, presented above have been retrospectively adjusted for the bonus element in rights issue (Refer Note 52(b)) and on account of merger with Piramal Phytocare Limited (Refer Note 52(d)).

Since there is a loss, after exceptional item, for the year ended March 31, 2019 , potential equity shares are not considered as dilutive and hence Diluted EPS is same as Basic EPS.

Following information is presented to disclose the effect on net profit after tax, Basic and Diluted EPS, without the effect of exceptional item and tax adjustment of prior years (Refer Note 35 & 50):

(₹ in Crores)

	For the year ended March 31, 2020	Previous Year ended March 31, 2019
Profit/ (Loss) After Tax As reported in the standalone financial statements	144.85	(868.01)
Add: Impact of Tax adjustment of prior years (Refer Note 50)	385.62	-
Add: Impact of Exceptional item	-	1,287.96
Adjusted Profit After Tax	**530.47**	**419.95**
Basic EPS for the period (₹)		
As reported in the standalone financial statements	6.87	(42.72)
Add: Impact of Tax adjustment of prior years	18.30	-
Add: Impact of Exceptional item	-	63.39
Adjusted Basic EPS	**25.17**	**20.67**
Diluted EPS for the period (₹)		
As reported in the standalone financial statements	6.84	(42.72)
Add: Impact of Tax adjustment of prior years	18.22	-
Add: Impact of Exceptional item	-	63.30
Adjusted Diluted EPS	**25.06**	**20.58**

45. (i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

Right-of-use assets

(₹ in crores)

Category of Asset	Opening as on 1st April, 2019	Additions during 2019-20	Deductions during 2019-20	Depreciation for 2019-20	Closing as on 31st March, 2020
Building	49.09	7.22	-	23.97	32.34
Leasehold Land	5.85	-	-	0.07	5.78
Storage unit	1.08	-	-	0.60	0.48
Guest House	0.68	-	-	0.38	0.30
IT Assets	12.37	-	-	4.34	8.03
Total	**69.07**	**7.22**	-	**29.36**	**46.93**
Lease liabilities as on 1st April, 2019	63.22				

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases

Interest expense on lease liabilities (included in finance cost) -Refer note 33	4.81
Expense relating to short-term leases (included in Other Expenses) -Refer note 34	13.68
Expense relating to leases of low-value assets (other than short term leases as disclosed above) (included in Other expenses) -Refer note 34	7.02

The difference between the lease obligation recorded as of March 31,2019 under IndAS 17 disclosed under note 44 of Annual report 2019 and the value of the lease liability as of April 1, 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised, in measuring the lease liability in accordance with IndAS 116 and discounting the lease liabilities to the present value under IndAS 116.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8.91%.

The bifurcation below provides details regarding the contractual maturities of lease liabilities as of March 31, 2020 on an undiscounted basis:

1 year	21.35
1-3 years	22.93
3-5 years	3.92
More than 5 years	0.11

46. The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 18, 22 and 23 offset by cash and bank balances) and total equity of the Company.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through non convertible debt securities or other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The capital components of the Company are as given below:

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Equity	22,627.98	19,491.93
Total Equity	**22,627.98**	**19,491.93**
Borrowings - Non Current	2,389.78	4,619.83
Borrowings - Current	4,061.75	6,629.64
Current Maturities of Long Term Debt	4,123.99	6,238.07
Total Debt	**10,575.52**	**17,487.54**
Cash & Cash equivalents	(43.66)	(24.45)
Net Debt	**10,531.86**	**17,463.09**
Debt/Equity Ratio	**0.47**	**0.90**

The terms of the Secured and unsecured loans and borrowings contain certain financial covenants primarily requiring the Company to maintain certain financial ratios like Total Debt to Total Net Worth, Interest Coverage Ratio, Fixed Asset Cover ratio, Minimum net worth conditions, etc. The Company is broadly in compliance with the said covenants and the banks have generally waived / condoned such covenants.

47. RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk.

The Company has an independent and dedicated Enterprise Risk Management (ERM) system to identify, manage and mitigate business risks. The Senior Mangaement along with a centralized treasury manages the liquidity and interest rate risk on the balance sheet.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Management
Liquidity risk	Borrowings and other liabilities	The Senior Management along with centralized treasury deliberates on the static liquidity gap statement, future asset growth plans, tenor of assets, market liquidity and pricing of various sources of funds. It decides on the optimal funding mix taking into consideration the asset strategy and a focus on diversifying sources of funds.
Market risk - Interest rate	Long-term borrowings at variable rates	The Senior Management along with centralized treasury reviews the interest rate gap statement and the mix of floating and fixed rate assets and liabilities.
Market risk - Securities price risks	Equity Investment	The Company continue to effectively evaluate various risks involved in underlying assets, before and after making any such strategic investments.
Market risk - Foreign exchange	Transactions denominated in foreign currency	The centralised treasury function aggregates the foreign exchange exposure and takes measures to hedge the exposure based on prevalent macroeconomic conditions.
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Diversification of bank deposits, credit limits and letters of credit Each investment in financial services is assessed by the investment team as well as independent risk team on the risk-return framework. The combined analysis of these teams is presented to the Investment Committee for investment decision. The risk is being partly mitigated by setting up a concentration risk framework, which incentivises business units to diversify portfolio across counterparties, sectors and geographies.

a. Liquidity Risk Management

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Senior Management along with centralized treasury is responsible for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities. The Company has access to undrawn borrowing facilities at the end of each reporting period, as detailed below:

The Company has the following undrawn credit lines available as at the end of the reporting period.

(₹ in Crores)

	March 31, 2020	March 31, 2019
Undrawn credit lines	**11,169.00**	11,069.56
	11,169.00	**11,069.56**

Note: This includes Non-Convertible Debentures, Inter Corporate Deposits and Commercial Papers where only credit rating has been obtained and which can be issued, if required, within a short period of time.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of reporting period ends respectively has been considered.

(₹ in Crores)

Maturities of Financial Liabilities	March 31, 2020			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Borrowings	**8,762.84**	**2,597.32**	**7.81**	**47.78**
Trade Payables	**617.82**	**-**	**-**	**-**
Lease liability	**21.35**	**22.93**	**3.92**	**0.11**
Other Financial Liabilities	**104.44**	**-**	**-**	**-**
	9,506.45	**2,620.25**	**11.73**	**47.89**

(₹ in Crores)

Maturities of Financial Liabilities	March 31, 2019			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Borrowings	13,463.43	5,339.30	7.80	51.68
Trade Payables	568.42	-	-	-
Other Financial Liabilities	98.19	0.74	-	-
	14,130.04	**5,340.04**	**7.80**	**51.68**

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis. Hence, maturities of the relevant assets have been considered below.

(₹ in Crores)

Maturities of Financial Assets	March 31, 2020			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Investments & Loans	**1,186.02**	**74.99**	**608.94**	**343.81**
Loans to related parties	**972.74**	**3,957.67**	**7,675.40**	**2,324.30**
Trade Receivables	**683.79**	**-**	**-**	**-**
	2,842.55	**4,032.66**	**8,284.34**	**2,668.11**

(₹ in Crores)

Maturities of Financial Assets	March 31, 2019			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Investments & Loans	1,153.94	2,933.61	899.69	2,554.89
Loans to related parties	1,020.76	1,533.59	7,471.97	4,932.15
Trade Receivables	644.10	-	-	-
	2,818.80	**4,467.20**	**8,371.66**	**7,487.04**

In assessing whether the going concern assumption is appropriate, the Company has considered a range of factors relating to current and expected profitability, debt repayment schedule and potential sources of replacement financing. The Company has performed sensitivity analysis on such factors considered and based on current indicators of future economic conditions; there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Because of the uncertainties resulting from COVID-19, the impact of this pandemic may be different from those estimated as on the date of approval of these financial statements and the Company will continue to monitor any changes to the future economic conditions.

The balances disclosed in the table above are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

In case of loan commitments, the expected maturities are as under:

(₹ in Crores)

Particulars	March 31, 2020		March 31, 2019	
	Upto 3 year	Upto 5 year	Upto 3 year	Upto 5 year
Commitment to invest in ICDs of Piramal Capital & Housing Finance Limited	**5,650.00**	**-**	7,250.00	-
Commitment to invest in ICDs of PHL Fininvest Private Limited	**-**	**3,325.71**	-	3,784.38
Total	**5,650.00**	**3,325.71**	**7,250.00**	**3,784.38**

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
	1 to 3 years	1 to 3 years
Commitment to invest in AIF	**19.75**	54.62
Total	**19.75**	**54.62**

Company has below commitments to invest in AIF in addition to above which will be invested as and when suitable investment opportunity arises:

Commitment as on March 31, 2020

Fund Name	Total Commitment (USD Million)	Balance Commitment (USD Million)	Total Commitment (₹ Crores)	Balance Commitment (₹ Crores)
India Resurgence Fund - Scheme 2	**100.00**	**75.26**	**756.70**	**569.48**
Piramal Ivanhoe Residential Equity Fund 1	**250.00**	**234.76**	**1,891.75**	**1,776.46**

Commitment as on March 31, 2019

Fund Name	Total Commitment (USD Million)	Balance Commitment (USD Million)	Total Commitment (₹ Crores)	Balance Commitment (₹ Crores)
India Resurgence Fund - Scheme 2	100.00	77.14	691.63	533.56
Piramal Ivanhoe Residential Equity Fund 1	250.00	232.35	1,729.08	1,607.01

b. Interest Rate Risk Management

The Company is exposed to interest rate risk as it has assets and liabilities based on floating interest rates as well. Senior Management along with centralised treasury assess the interest rate risk run by it and provide appropriate guidelines to the treasury to manage the risk. The Senior Management along with centralised treasury reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The Senior Management along with centralised treasury reviews the interest rate gap statement and the interest rate sensitivity analysis.

The exposure of the Company's borrowings to the interest rate risk at the end of the reporting period is mentioned below:

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings	**3,825.11**	3,293.95
Fixed rate borrowings	**6,759.64**	14,082.80
	10,584.75	**17,376.75**

The sensitivity analysis below have been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liabilities/assets outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates. The basis risk between various benchmarks used to reset the floating rate assets and liabilities has been considered to be insignificant.

If interest rates related to FCNR borrowings had been 25 basis points higher/lower and all other variables were held constant,and other borrowings had been 100 basis points higher /lower and all other variables were held constant, the Company's Profit before tax for the year ended/Other Equity (pre-tax) as on March 31, 2020 would decrease/increase by ₹ 0.60 Crores for FCNR Borrowing and ₹ 35.85 Crores for other borrowings totalling to ₹ 36.45 Crores (Previous year ₹ 26.97 Crores) respectively. This is attributable to the Company's exposure to borrowings at floating interest rates.

If interest rates related to loans given / debentures invested had been 100 basis points higher/lower and all other variables were held constant, the Company's Profit before tax for the year ended/Other Equity (pre-tax) as on March 31, 2020 would increase/decrease by ₹ 108.77 Crores (Previous year ₹ 117.42 Crores). This is attributable to the Company's exposure to lendings at floating interest rates.

c. Other price risks

The Company is exposed to equity price risks arising from equity investments and classified in the balance sheet at fair value through Other Comprehensive Income.

Equity price sensitivity analysis (Refer note 4):

The table below summarises the impact of increases/decreases (pre-tax) on the Company's Equity and OCI for the period. Analysis is based on the assumption that equity index had increased/decreased by 5% with all the other variables held constant, and these investments moved in the line with the index.

(₹ in Crores)

Particulars	Impact on OCI	
	March 31, 2020	March 31, 2019
NSE Nifty 100, Increase by 5%	**24.62**	205.22
NSE Nifty 100, Decrease by 5%	**(24.62)**	(205.22)

The Company has designated the following securities as FVTOCI Investments (Refer note 4):
Shriram City Union Finance Limited

The Company chose this presentation alternative because the investment were made for strategic purposes rather than with a view to make profit on subsequent sale.

d. Foreign Currency Risk Management

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

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

a) Derivatives outstanding as at the reporting date

Firm commitment and highly probable forecast transaction	As at March 31, 2020		As at March 31, 2019	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
Forward contracts to sell USD / INR	**76.00**	**587.31**	45.00	320.44
Forward contracts to sell EUR / USD	-	-	9.00	71.92

b) Particulars of foreign currency exposures as at the reporting date

Currencies	As at March 31, 2020		As at March 31, 2019	
	Trade receivables		Trade receivables	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
AUD	**0.05**	**0.23**	0.07	0.35
EUR	**6.86**	**56.81**	6.44	50.02
GBP	**0.16**	**1.49**	0.86	7.77
USD	**46.93**	**355.11**	46.99	325.00
SGD	**0.01**	**0.04**	0.02	0.09
CAD	**5.00**	**26.55**	0.41	2.11

Currencies	As at March 31, 2020		As at March 31, 2019	
	Trade payables		Trade payables	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
AUD	**0.01**	**0.05**	*	*
CAD	**0.04**	**0.21**	*	*
CHF	**1.33**	**9.55**	0.39	2.72
EUR	**1.03**	**8.05**	1.35	10.47
GBP	**0.07**	**0.64**	0.19	1.68
THB	**0.45**	**0.08**	0.29	0.06
SEK	**0.03**	**0.02**	0.03	0.02
USD	**16.55**	**117.39**	7.55	52.19
NZD	*	*	*	0.01
JPY	**0.44**	**0.03**	0.30	0.02
SGD	*	*	*	*
AED	**0.03**	**0.06**	-	-

Currencies	As at March 31, 2020		As at March 31, 2019	
	Loan from Banks		Loan from Banks	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
USD	**32.38**	**245.05**	121.02	836.95

Currencies	As at March 31, 2020				As at March 31, 2019			
	Loans to Related Parties		Current Account Balances receivable (payable)		Loans to Related Parties		Current Account Balances receivable (payable)	
	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores	FC in Millions	₹ in Crores
USD	**235.45**	**1,781.68**	**2.67**	**20.22**	507.68	3,511.10	20.54	142.06
GBP	**11.64**	**108.67**	**0.39**	**3.67**	11.64	105.34	0.17	1.54
EUR	**9.58**	**79.26**	**1.75**	**14.51**	46.99	364.89	7.34	57.03
CHF	**4.57**	**35.73**	**0.16**	**1.22**	4.57	31.72	0.18	1.23

* Amounts are below the rounding off norms adopted by the Company

c) Sensitivity Analysis:

Of the above, the Company is mainly exposed to USD, GBP & EUR. Hence the following table analyses the Company's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against INR.

(₹ in Crores)

Particulars		For the year ended March 31, 2020				For the year ended March 31, 2019			
Currencies	Increase /Decrease	Total Assets in FC (in Millions)	Total Liabilities in FC (In Millions)	Change in exchange rate (in ₹)	Impact on Profit or Loss before tax/ Other Equity (pre-tax) for the year (in ₹ Crores)	Total Assets in FC (in Millions)	Total Liabilities in FC (In Millions)	Change in exchange rate (in ₹)	Impact on Profit or Loss before tax/ Other Equity (pre-tax) for the year (in ₹ Crores)
USD	Increase by 5%**	**285.05**	**48.93**	**3.78**	**89.34**	575.21	128.56	3.46	154.45
USD	Decrease by 5%**	**285.05**	**48.93**	**(3.78)**	**(89.34)**	575.21	128.56	(3.46)	(154.45)
GBP	Increase by 5%**	**12.19**	**0.07**	**4.67**	**5.66**	12.67	0.19	4.53	5.65
GBP	Decrease by 5%**	**12.19**	**0.07**	**(4.67)**	**(5.66)**	12.67	0.19	(4.53)	(5.65)
EUR	Increase by 5%**	**18.19**	**1.03**	**4.14**	**7.10**	60.77	1.35	3.88	23.07
EUR	Decrease by 5%**	**18.19**	**1.03**	**(4.14)**	**(7.10)**	60.77	1.35	(3.88)	(23.07)

** Holding all the other variables constant

e. Accounting for cash flow hedge

The objective of hedge accounting is to represent, in the Company's financial statements, the effect of the Company's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Company makes use of financial derivative instruments, such as foreign currency range forwards and forward exchange contracts for hedging the risk arising on account of highly probable foreign currency forecast sales.

The Company has a Board approved policy on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective in offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

For derivative contracts designated as hedge, the Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The derivative contracts have been taken to hedge foreign currency fluctuations risk arising on account of highly probable foreign currency forecast sales.

The Company applies cash flow hedge to hedge the variability arising out of foreign exchange currency fluctuations on account of highly probable forecast sales. Such contracts are generally designated as cash flow hedges.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The forward exchange forward contracts are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1. Further, the entity has excluded the foreign currency basis spread and takes such excluded element through the income statement. Accordingly, the Company designates only the spot rate in the hedging relationship.

Hedge effectiveness is assessed through the application of dollar offset method and designation of spot rate as the hedging instrument. The excluded portion of the foreign currency basis spread is taken directly through income statement.

The table below enumerates the Company's hedging strategy, typical composition of the Company's hedge portfolio, the instruments used to hedge risk exposures and the type of hedging relationship for the year ended March 31, 2020:

Sr No	Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Foreign Currency hedge	Highly probable forecast sales	Foreign currency denominated highly probable forecast sales is converted into functional currency using a forward contract.	Foreign exchange forward contracts	Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over–the–counter market. Further, the foreign currency basis spread is separated and accounted for at FVTPL. Accordingly, only the spot rate has been designated in the hedging relationship.	Cash flow hedge

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at March 31, 2020

(₹ in Crores)

	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffective-ness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item in profit or loss affected by the reclassifica-tion
Foreign exchange forward contracts	**7.60 (USD)**	-	**(17.66)**	**(22.96)**	-	**Not applicable**	**4.99**	**Revenue**

As at March 31, 2019

(₹ in Crores)

	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffective-ness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item in profit or loss affected by the reclassifica-tion
Foreign exchange forward contracts	4.50 (USD)	11.61	-	3.33	-	Not applicable	-	Not applicable
Foreign exchange forward contracts	0.90 (Euro)	0.88	-	0.32	-	Not applicable	-	Not applicable

The table below provides a profile of the timing of the notional amounts of the Company's hedging instruments (based on residual tenor) along with the average price or rate as applicable by risk category:

	As at March 31, 2020				As at 31 March 2019			
	Total	Upto 1 year	1-5 years	Over 5 years	Total	Upto 1 year	1-5 years	Over 5 years
Foreign currency risk:								
Forward exchange contracts	**7.60 Crores (USD)**	**7.60 Crores (USD)**	-	-	4.50 Crores (USD)	4.50 Crores (USD)	-	-
Average INR:USD forward contract rate	**77.28**	**77.28**	-	-	70.83	70.83	-	-

(iii) The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

(₹ in Crores)

Movement in Cash flow hedge reserve for the years ended	March 31, 2020
As on April 1, 2018	
Effective portion of changes in fair value:	
Foreign exchange forward contracts	5.61
Deferred taxes related to above	(1.96)
As on March 31, 2019	**3.65**
Effective portion of changes in fair value:	
Foreign exchange forward contracts	(30.68)
Tax on movements on reserves during the year	7.72
Net amount reclassified to profit or loss:	-
Foreign exchange forward contracts	6.67
Tax on movements on reserves during the year	(1.68)
Closing balance	**(14.32)**

f. Credit Risk

Typically, the receivables of the Company can be classified in 2 categories:

1. Pharma Trade Receivables

2. Financial Services business -
   i) Loan Book primarily comprising of Real estate developers, Infrastructure Companies and Others ; and
   ii) Strategic Investment made in other corporate bodies.

Please refer Note 10 for risk mitigation techniques followed for Pharma Trade Receivables. Risk mitigation measures for Financial Services business primarily comprising of Real Estate Developers and Corporate Finance Groups are explained in the note below.

The credit risk on liquid funds and other financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies or mutual funds.

Financial Services Business

The Company is exposed to Credit Risk through its lending activity. Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Wholesale lending:

The Company's Risk management team has developed proprietary internal rating models to evaluate risk return trade-off for the loans and investments made by the Company. The output of traditional credit rating model is an estimate of probability of default. These models are different from the traditional credit rating models as they integrate both probability of default and loss given default into a single model.

The lending exposure includes lending to the below sectors:

Sectors	Exposure as at	
	March 31, 2020	**March 31, 2019**
Real Estate	**77.34%**	90.32%
Infrastructure	**21.13%**	9.18%
Others	**1.53%**	0.50%

Credit Risk Management

For wholesale lending business, credit risk management is achieved by considering various factors like:

- Cash flow at risk – This is an assessment of the standalone project or business from which interest servicing and principal repayment is expected to be done.
- Security cover – This is an assessment of the value of the security under stress scenario which is further adjusted for factors like liquidity, enforceability, transparency in valuation etc. of the collateral.
- Promoter strength – This is an assessment of the promoter from financial, management and performance perspective.
- Exit – This is an assessment of the liquidity of the loan or investment.

The output from each of the analysis is converted to a risk weight equivalent. Each of the four components of the risk analysis are assigned a specific weight which differ based on type of investment. The risk weight is then converted into capital requirement. The required capital and the return is combined to create a metric which is used for deal assessment.

Based on the above assessment the risk team categorises the deals in to the below Risk Grades

Risk Grading	Description
I	Extremely good loan
II	Good loan
III	Moderate loan
IV	Weak loan
V	Extremely weak loan

Further, a periodic review of the performance of the portfolio is also carried out by the Risk Group. The Risk Group adjusts the stress case considered during the initial approval based on actual performance of the deal, developments in the sector, regulatory changes etc. The deal level output is combined to form a portfolio snapshot. The trends from portfolio are used to provide strategic inputs to the management.

The credit risk on liquid funds and other financial instruments is limited because the counterparties are banks with high credit-ratings assigned credit-rating agencies or mutual funds.

Provision for Expected Credit Loss

The Company has assessed the credit risk associated with its financial assets for provision of Expected Credit Loss (ECL) as at the reporting dates. The Company makes use of various reasonable supportive forward looking parameters which are both qualitative as well as quantitative while determining the change in credit risk and the probability of default. These parameters have been detailed out in Note No.vi of Significant Accounting Policies. Based on the result yielded by the above assessment the Financial assets are classified into (1) Standard (Performing) Asset, (2) Significant Credit Deteriorated (Under-Performing) Asset (3) Default (Non-Performing) Asset (Credit Impaired). For the purpose of expected credit loss analysis the Company defines default as any asset with more than 90 days overdues. This is also as per the rebuttable presumption provided by the standard.

The Company provides for expected credit loss based on the following:

Category - Description	Stages	Basis for Recognition of Expected Credit Loss
Assets for which credit risk has not significantly increased from initial recognition	Stage 1	12 month ECL
Assets for which credit risk has increased significantly but not credit impaired	Stage 2	Life time ECL
Assets for which credit risk has increased significantly and credit impaired	Stage 3	Loss Given Default (LGD)

For the year ended March 31, 2020 and March 31, 2019 the Company has developed a PD Matrix after considering some parameters as stated below:

The key parameters for various scorecards are highlighted as follows -Real Estate products (Construction Finance, Structured Debt, LRD) - (1) Developer Grade (2) Past Overdue History (3) Tenant profile (4) Status from monthly Asset Monitoring report (5) Stage of the project (6) Geography etc. . Some of the Parameters for Non Real Estate products (Senior lending, mezzanine, project fiancé etc.) - (1) Sponsor strength (2) Overdues (3) Average Debt service coverage ratio (4) Regulatory Risk (5) Stability of EBITDA (6) Quality of underlying assets etc. Based on these parameters the Company has computed the PD. The Company has also built in model scorecards to determine the internal LGD. However, due to lack of default history to statistically substantiate the internal LGD, the Company has made use of a combination of both internal as well as external LGD. The Company also maintains Expected Credit Loss for undisbursed limits after applying the Credit conversion factor (CCF). CCF for these limits is computed based on historical disbursement trends observed across various products.

Impact of Covid -19 pandemic on the credit risk

The outbreak of Covid-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The Company through it's financial services segment offers long term and short term wholesale lending primarily to the real estate and infrastructure sector. In accordance with Reserve Bank of India (RBI) guidelines, the Group has proposed a moratorium benefit on the payment of all principal instalments and / or interest, to all eligible borrowers classified as standard, even if overdue as on February 29, 2020 excluding the collections already made in the month of March 2020 and which shall be subject to approval by the management on a case to case basis. Accordingly, for all such accounts where the moratorium is granted, the asset classification will remain standstill during the moratorium period. (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the company's policy).

The company ran a scenario analysis using proprietary algorithm-based risk models on the portfolio taking into account the current Covid-19 related impact.

Further the Company has, based on current available information estimated and applied management overlays, for the purpose of determination of the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts up to the date of approval of these financial results.

Accordingly, the Company has estimated and recognised an additional expected credit loss of Rs. 303 Crores on certain financial assets, on account of the anticipated effect of the global health pandemic. As a result of uncertainties resulting from COVID-19, the impact of this pandemic may be different from those estimated as on the date of approval of these financial results and the Company will continue to monitor any changes to the future economic conditions.

Expected Credit Loss as at end of the Reporting period:

As at March 31, 2020

(₹ in Crores)

Particulars	Asset Group	Gross Carrying Amount (Exposure)	Expected Credit Loss	Carrying Amount net of impairment provision
Very High quality liquid assets/Related party loans	Receivable from Related Parties	10,933.94	-	10,933.94
	Investments at amortised cost	176.85	-	176.85
	Other Financial Assets & Loans	76.60	-	76.60
Assets for which credit risk has not significantly increased from initial recognition	Investments at amortised cost	992.99	188.09	804.90
	Loans at amortised cost	18.69	-	18.69
Assets for which credit risk has increased significantly and assets which are credit impaired	Investments at amortised cost	288.96	138.15	150.81
	Loans at amortised cost	121.68	82.68	39.00
Total		**12,609.71**	**408.92**	**12,200.79**

Charge for Expected Credit Loss provision on Financial Assets (including Commitments) of Rs. 327.88 Crores for the year ended March 31, 2020 includes provision on account of expected credit loss made on investment in optionally fully convertible debentures of wholly owned subsidiary Piramal Systems and Technolgies Pvt Ltd of Rs. 33.63 crores and Rs. 24.38 crores on Investment in wholly owned subsidiary Piramal Holdings (Suisse) SA.

As at March 31, 2019

(₹ in Crores)

Particulars	Asset Group	Gross Carrying Amount (Exposure)	Expected Credit Loss	Carrying Amount net of impairment provision
Very High quality liquid assets/Related party loans	Receivable from Related Parties	10,757.61	-	10,757.61
	Other Financial Assets & Loans	102.09	-	102.09
Assets for which credit risk has not significantly increased from initial recognition	Investments at amortised cost	4,112.35	51.74	4,060.61
	Loans at amortised cost	21.07	-	21.07
Assets for which credit risk has increased significantly and assets which are credit impaired	Investments at amortised cost	324.64	39.65	284.99
	Loans at amortised cost	121.68	46.03	75.65
Total		**15,439.44**	**137.42**	**15,302.02**

i) Reconciliation of Loss Allowance

For the year ended March 31, 2020

(₹ in Crores)

Investments and Loans	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time expected losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets which are credit-impaired
Balance at the beginning of the year	51.74	4.67	81.01
Transferred to Lifetime ECL not credit impaired	-	-	-
Transferred to Lifetime ECL credit impaired - collective provision	-	-	-
Transferred to Lifetime ECL credit impaired - specific provision	-	(4.56)	4.56
Charge to Statement of Profit and Loss			
On Account of Rate Change	182.87	1.46	135.26
On Account of Disbursements	-	-	-
On Account of Repayments/Transfers *	(46.52)	(1.57)	-
Balance at the end of the year	**188.09**	**-**	**220.83**

For the year ended March 31, 2019

(₹ in Crores)

Investments and Loans	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time expected losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets which are credit-impaired
Balance at the beginning of the year	111.47	10.07	32.67
Transferred to Lifetime ECL not credit impaired	(1.70)	1.70	-
Transferred to Lifetime ECL credit impaired - collective provision	(1.78)	-	1.78
Transferred to Lifetime ECL credit impaired - specific provision		(9.91)	9.91
Charge to Statement of Profit and Loss			
On Account of Rate Change	0.39	2.81	36.65
On Account of Disbursements	37.69	-	-
On Account of Repayments/Transfers *	(94.33)	-	-
Balance at the end of the year	**51.74**	**4.67**	**81.01**

* The reduction in provision is on account of repayments and transfer of portfolio during the year (Refer Note 39(2)).

ii) Movement in Expected Credit Loss on undrawn loan commitments (including revocable commitments):

(₹ in Crores)

Particulars	Expected Credit Loss on Loan Commitments as at March 31,	
	2020	2019
Balances as at the beginning of the year	**1.61**	0.08
Additions	-	1.61
Amount used/reversed	**(1.61)**	(0.08)
Balances as at the end of the year	-	**1.61**
Classified as Non-current	-	-
Classified as Current (Refer Note 25)	-	1.61
Total	-	**1.61**

iii) The amounts of Financial Assets outstanding in the Balance Sheet along with the undrawn loan commitments (Refer Note 47(a)) as at the end of the reporting period represent the maximum exposure to credit risk.

Description of Collateral held as security and other credit enhancements

The Company generally ensures a security cover of 100-200% of the proposed facility amount. The Company periodically monitors the quality as well as the value of the security to meet the prescribed limits. The collateral held by the Company varies on case to case basis and includes:

i) First / Subservient charge on the Land and / or Building of the project or other projects

ii) First / Subservient charge on the fixed and current assets of the borrower

iii) Hypothecation over receivables from funded project or other projects of the borrower

iv) Pledge on Shares of the borrower or their related parties

v) Guarantees of Promoters / Promoter Undertakings

vi) Post dated / Undated cheques

vii) Pledge on investment in shares made by borrower entity

As at the reporting date, the ratio of value of the collateral held as security for the credit impaired financial assets to the exposure at default for these assets ranges from 0% to 82.40%.

iv) The credit impaired assets as at the reporting dates were secured by charge on land and building and project receivables amounting to:

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Value of Security	192.55	273.85

48 The Company conducts research and development to find new sustainable chemical routes for pharmaceutical & herbal products. The company is undertaking development activities for Oral Solids and Sterile Injectables, apart from other Active Pharmaceutical Ingredients.

The Company has research and development centers in Mumbai, Ennore and Ahmedabad.

Details of additions to Property Plant & Equipments, Intangibles under Development and Revenue Expenditure for Department of Scientific & Industrial Research (DSIR) Recognised research and development facilities / division of the Company at Mumbai, Ennore and Ahmedabad for the year are as follows:

(₹ in Crores)

Description	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue Expenditure*	112.42	96.01
TOTAL	**112.42**	**96.01**
Capital Expenditure, Net		
Additions to Property Plant & Equipment	4.27	9.66
Additions to Intangibles under Development	7.30	16.50
TOTAL	**11.57**	**26.16**

*The amount included in Note 34, under R&D Expenses (net) does not include ₹ 81.54 Crores (Previous Year ₹ 68.09 Crores) relating to Ahmedabad locations.

49. MOVEMENT IN PROVISIONS:

(₹ in Crores)

Particulars	Litigations / Disputes		Provisions for Grants - Committed	
	2020	2019	2020	2019
Balances as at the beginning of the year	3.50	3.50	-	6.34
Additions	-	-	-	-
Unwinding of Discount	-	-	-	0.19
Revaluation of closing balances	-	-	-	-
Amount used	-	-	-	(6.53)
Unused amounts reversed	-	-	-	-
Balances as at the end of the year	**3.50**	**3.50**	**-**	**-**
Classified as Non-current (Refer Note 20)	-	-	-	-
Classified as Current (Refer Note 25)	3.50	3.50	-	-
TOTAL	**3.50**	**3.50**	**-**	**-**

Provision for litigation / disputes represents claims against the Company not acknowledged as debts that are expected to materialise in respect of matters under litigation. Future cash outflows are determinable only on receipt of judgments/decisions pending with various forums/authorities.

50. INCOME TAXES RELATING TO OPERATIONS

a) Tax expense recognised in statement of profit and loss

(₹ in Crores)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax:		
In respect of the current year	130.42	71.57
	130.42	71.57
Deferred tax:		
In respect of the current year	(121.05)	(1.17)
Tax adjustment for earlier years (Refer note h)	385.62	-
	264.57	(1.17)
Total tax expense recognised	**394.99**	**70.40**

b) Tax (expense)/ benefits recognised in other comprehensive income

(₹ in Crores)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax:	-	-
Deferred tax:		
Arising on income and expenses recognised in other comprehensive income:		
Fair value Remeasurement of hedging instruments entered into for cash flow hedges	**(6.04)**	1.96
Changes in fair values of equity instruments	-	(22.95)
Remeasurement of defined benefit obligation	**(0.81)**	(1.05)
Total tax expense recognised	**(6.85)**	**(22.04)**

c) Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the separate statement of financial position:

(₹ in Crores)

	March 31, 2020	March 31, 2019
Deferred tax assets	**229.69**	594.75
Deferred tax liabilities	**(194.81)**	(302.16)
	34.88	**292.59**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

d) Movement of Deferred Tax during the year ended March 31, 2020

(₹ in Crores)

Particulars	Opening balance	Recognised in profit or loss	Utilized during the year	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:					
Measurement of financial liabilities at amortised cost	**(62.99)**	**43.35**	-	-	**(19.64)**
Measurement of financial assets at amortised cost/fair value	**0.83**	**24.93**	-	-	**25.76**
Provision for assets of financial services	**45.67**	**55.15**	-	-	**100.83**
Fair value measurement of derivative contracts	**(4.36)**	**2.76**	-	**6.04**	**4.44**
Other Provisions	**7.96**	**(2.73)**	-	-	**5.23**
Property, Plant and Equipment and Intangible Assets	**(234.81)**	**59.64**	-	-	**(175.17)**
Deferred Revenue	**58.47**	**0.55**	-	-	**59.02**
Amortisation of expenses which are allowed in current year	**0.32**	**(0.09)**	-	-	**0.23**
Expenses that are allowed on payment basis	**58.52**	**(26.46)**	-	**0.81**	**32.87**
Unused tax credit (MAT credit entitlement)	**421.74**	**(421.74)**	-	-	-
Recognition of lease rent expense	**1.24**	**0.07**	-	-	**1.31**
Total	**292.59**	**(264.57)**	-	**6.85**	**34.88**

Movement of Deferred Tax during the year ended March 31, 2019

(₹ in Crores)

Particulars	Opening balance	Recognised in profit or loss	Utilized during the year	Recognised in Other Comprehensive Income	Closing balance
Deferred tax (liabilities)/assets in relation to:					
Measurement of financial liabilities at amortised cost	(6.25)	(56.74)	-	-	(62.99)
Measurement of financial assets at amortised cost/fair value	(15.85)	(6.27)	-	22.95	0.83
Provision for assets of financial services	51.01	(5.34)	-	-	45.67
Fair value measurement of derivative contracts	(6.13)	3.73	-	(1.96)	(4.36)
Other Provisions	7.34	0.62	-	-	7.96
Property, Plant and Equipment and Intangible Assets	(205.43)	(29.38)	-	-	(234.81)
Deferred Revenue	-	58.47	-	-	58.47
Amortisation of expenses which are allowed in current year	1.45	(1.13)	-	-	0.32
Expenses that are allowed on payment basis	49.78	7.69	-	1.05	58.52
Unused tax credit (MAT credit entitlement)	391.47	30.27	-	-	421.74
Recognition of lease rent expense using straight line method	1.99	(0.75)	-	-	1.24
Total	**269.38**	**1.17**	**-**	**22.04**	**292.59**

e) The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax from continuing operations	**539.84**	(797.61)
Income tax expense calculated at 25.17% (2018-19: 34.944%)	**135.88**	**(278.72)**
Effect of expenses that are not deductible in determining taxable profit	**42.93**	54.07
Effect of incomes which are exempt from tax	**(160.47)**	(58.77)
Effect of expenses for which weighted deduction under tax laws is allowed	**-**	(6.01)
Effect of deduction in tax for interest on Compulsorily Convertible Debentures	**(13.03)**	(110.09)
Effect of transfer of Loan book assets	**-**	13.00
Tax adjustment for earlier years on account of new tax regime being opted (refer note h)	**385.62**	-
Unrecognised deferred tax on provision on cost of investment in subsidiary	**-**	450.07
Others	**4.06**	6.85
Income tax expense recognised in profit or loss	**394.99**	**70.40**

* Unrecognized Deferred tax of ₹ 450.07 Crores as at March 31, 2019 is attributable to provision on cost of equity investment in Company's wholly owned subsidiary Piramal Holdings (Suisse) SA. This will have an expiry of 8 years from the date of realised capital loss.

f) The tax rate used for the reconciliations above is the corporate tax rate of 25.17% for the year 2019-20 and 34.944% for the year 2018-19 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

g) In assessing the realizability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on this, the Company believes that it is probable that the Company will realize the benefits of these deductible differences. The amount of deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry-forward period are reduced.

h) The Company has exercised the option of lower tax permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act'). Accordingly, the Company has recognised provision for income tax for the year ended March 31, 2020 basis the rate provided in the said Amendment Act. The Company has re-measured the opening balance of Deferred Tax Assets (net) including Minimum Alternate Tax (MAT) as at April 1, 2019 and accounted net tax expense of ₹ 385.62 crores relating to the same in the current year.

51. FAIR VALUE MEASUREMENT

a) Financial Instruments by category (net of ECL provision):

(₹ in Crores)

Particulars	March 31, 2020			March 31, 2019		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Investments	858.76	492.47	1,132.56	975.11	4,104.34	4,345.60
Loans	-	-	10,949.37	-	-	10,598.98
Cash & Bank Balances	-	-	78.74	-	-	66.14
Trade Receivables	-	-	657.10	-	-	616.14
Other Financial Assets	-	-	118.86	12.49	-	344.95
	858.76	492.47	12,936.63	987.60	4,104.34	15,971.81
Financial liabilities						
Borrowings (including current maturities of Long Term Borrowings)	-	-	10,575.52	-	-	17,487.54
Trade Payables	-	-	617.82	-	-	568.42
Other Financial Liabilities	17.66	-	129.58	-	-	98.93
	17.66	-	11,322.92	-	-	18,154.89

b) Fair Value Hierarchy and Method of Valuation

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Crores)

Financial Assets	March 31, 2020					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTPL - Recurring Fair Value Measurements						
Investments						
Investments in Preference Shares	i.	105.00	-	-	105.00	105.00
Investments in debentures or bonds:						
Redeemable Optionally Convertible Debentures	ii.	23.13	-	-	23.13	23.13
Redeemable Non-Convertible Debentures	iii.	650.37	-	-	650.37	650.37
Investments in Share warrants	iii.	1.48			1.48	1.48
Investment in Alternative Investment Fund	iii.	78.77	-	-	78.77	78.77
Measured at FVTOCI						
Investments in Equity Instruments	iv.	492.47	492.47	-	-	492.47
Measured at Amortised Cost for which fair values are disclosed						
Investments						
Investments in debentures or bonds (Gross of adjustment for Expected Credit Loss allowance)	vi.	1,458.80	152.30	-	1,335.21	1,487.51
Loans						
Term Loans (Gross of adjustment for Expected Credit Loss allowance)	vi.	32.68	-	-	-	-
Intercorporate Deposits (Gross of adjustment for Expected Credit Loss allowance)	vi.	107.69	-	-	106.95	106.95

(₹ in Crores)

Financial Liabilities	March 31, 2020					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at Amortised Cost for which fair values are disclosed						
Borrowings (including Current Maturities of Long -Term Borrowings) (Gross)	**vii.**	**10,575.52**	**-**	**-**	**10,742.86**	**10,742.86**
Measured at FVTPL						
Derivative Financial Liabilities	**v.**	**17.66**	**-**	**17.66**	**-**	**17.66**

(₹ in Crores)

Financial Assets	March 31, 2019					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTPL - Recurring Fair Value Measurements						
Investments						
Investments in Preference Shares	i.	115.00	-	-	115.00	115.00
Investments in debentures or bonds:						
Redeemable Optionally Convertible Debentures	ii.	54.80	-	-	54.80	54.80
Redeemable Non-Convertible Debentures	iii.	761.41	-	-	761.41	761.41
Investment in Alternative Investment Fund		43.90			43.90	43.90
Other Financial Assets						
Derivative Financial Assets	v.	12.49	-	12.49	-	12.49
Measured at FVTOCI						
Investments in Equity Instruments	iv.	4,104.34	4,104.34	-	-	4,104.34
Measured at Amortised Cost for which fair values are disclosed						
Investments						
Investments in debentures or bonds (Gross of Expected Credit Loss allowance)	vi.	4,436.99	-	-	4,429.07	4,429.07
Loans						
Term Loans (Gross of Expected Credit Loss allowance)	vi.	32.68	-	-	-	-
Intercorporate Deposits (Gross of Expected Credit Loss allowance)	vi.	110.07	-	-	110.07	110.07

(₹ in Crores)

Financial Liabilities	March 31, 2019					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at Amortised Cost for which fair values are disclosed						
Borrowings (including Current Maturities of Long-Term Borrowings) (Gross)	vii.	17,487.54	-	-	17,535.21	17,535.21

Except for those financial instruments for which the carrying amounts are mentioned in the above table, the Company considers that the carrying amounts recognised in the financial statements approximate their fair values.

For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for Investment in Preference Shares, Alternative Investment Funds, Debentures, Term Loans and Inter Corporate Deposits.

Valuation techniques used to determine the fair values:

i. The fair value of the preference shares has been calculated by using price to earnings method.

ii. The fair value of the optionally convertible debentures has been calculated by using price to earnings method observed for comparable peers in the industry.

iii. Discounted cash flow method has been used to determine the fair value. The yield used for discounting has been determined based on trades, market polls, levels for similar issuer with same maturity, spread over matrices, etc. For instruments where the returns are linked to the share price of the investee company the equity price has been derived using Monte Carlo simulation and local volatility model using the inputs like spot rate, volatility surface, term structures and risk free rates from globally accepted 3rd party vendor for these data.

iv. This includes listed equity instruments and mutual funds which are fair valued using quoted prices and closing NAV in the market.

v. This includes forward exchange contracts, cross currency interest rate swap, etc. The fair value of the forward exchange contract is determined using forward exchange rate at the balance sheet date. The fair value of cross currency interest rate swap is calculated as the present value of future cash flow based on observable yield curves and forward exchange rates.

vi. Discounted cash flow method has been used to determine the fair value. The discounting factor used has been arrived at after adjusting the rate of interest for the financial assets by the difference in the Government Securities rates from date of initial recognition to the reporting dates.

vii. Fair values of borrowings are based on discounted cash flow using a current borrowing rate. They are classified as Level 3 values hierarchy due to the use of unobservable inputs, including own credit risk. The discounting factor used has been arrived at after adjusting the rate of interest for the financial liabilities by the difference in the Government Securities rates from date of initial recognition to the reporting dates.

c) Fair value measurements for financial assets measured at FVTPL using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2020 and March 31, 2019.

(₹ in Crores)

Particulars	Debentures (NCDs & OCDs)	Preference shares	Alternative Investment Fund	Share Warrants	Total
As at April 01, 2018	729.62	129.83	25.00	-	884.45
Acquisitions	-	-	20.38	-	20.38
Gains / (Losses) recognised in profit or loss	100.31	(14.83)	(1.48)	-	84.00
Transfer out during the year	-	-	-	-	-
Realisations	(13.72)	-	-	-	(13.72)
As at March 31, 2019	816.21	115.00	43.90	-	975.11
Acquisitions	-	-	30.00	4.48	34.48
Gains / (Losses) recognised in profit or loss	57.86	(10.00)	4.87	(3.00)	49.73
Transfer out during the year	-	-	-	-	-
Realisations	(200.56)	-	-	-	(200.56)
As at March 31, 2020	**673.51**	**105.00**	**78.77**	**1.48**	**858.76**

d) Valuation Process

The Company engages external valuation consultants to fair value below mentioned financial instruments measured at FVTPL . The main level 3 inputs used for preference shares and debentures are as follows:

1) For Non Convertible Debentures, Waterfall approach has been used to arrive at the yields for securities held by the Company. For determining the equity prices Monte Carlo simulations and local volatility model using the inputs like spot rate, volatility surface, term structures and risk free rates from globally accepted 3rd party vendor for these data have been used.

2) For Preference Shares and Optionally Convertible Debentures, considered the value as maximum of debt value or equity value as on valuation date. For computation of debt value, discounted cash flow method has been used. For computation of equity value, market approach - comparable company multiple approach, the price to earnings multiple of peer companies in particular has been used.

e) Sensitivity for instruments measured at FVTPL:

(₹ in Crores)

Nature of the instrument	Fair value As on March 31, 2020	Fair value As on March 31, 2019	Significant unobservable inputs*	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2020		Sensitivity Impact for the year ended March 31, 2019	
					FV Increase	FV Decrease	FV Increase	FV Decrease
Non Convertible Debentures	**650.37**	761.41	Discount rate	0.7% (0.5% for March 19)	**1.25**	**(1.26)**	1.22	(1.21)
			Equity component (projections)	10%	-	-	0.11	(0.06)
Optionally Convertible Debentures	**23.13**	54.80	Discount rate	1%	-	-	-	-
			Equity valuation	10%	**6.00**	**(6.00)**	4.70	(4.70)
Preference Shares	**105.00**	115.00	Discount rate	0.7%	**(1.06)**	**1.07**	-	-
			Equity valuation	10%	-	-	-	-

* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

f) Management uses its best judgment in estimating the fair value of its financial instruments (including impact on account of Covid-19). However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

52(a) (i) On December 19, 2019, 115,894 Compulsorily Convertible Debentures ("CCD") having face value of ₹ 151,000 per CCD were allotted to Caisse de dépôt et placement du Québec for an aggregate amount of ₹ 1,749.99 crores. Each CCD is convertible into 100 equity shares having face value of ₹ 2 each.

(ii) During the three months ended June 30, 2019, 548,120 equity shares were allotted by the Company pursuant to optional conversion of 13,703 CCDs and 13,638,080 Equity shares were allotted pursuant to compulsory conversion of outstanding 340,952 CCDs on maturity, respectively.

On October 25, 2017, 464,330 Compulsorily Convertible Debentures ("CCD") having face value of ₹ 107,600 per CCD were allotted to the CCD holders for an aggregate amount of ₹ 4,996.19 crores. Each CCD was convertible into 40 equity shares of ₹ 2 each. 225,000 equity shares were allotted by the Company pursuant to optional conversion of 5,625 CCDs by the CCD holders and 4,162,000 equity shares were allotted by the Company pursuant to optional conversion of 104,050 CCDs by the CCD holders during the year ended March 31, 2018 and March 31, 2019, respectively.

52(b) (i) On December 24, 2019, the Company offered 27,929,649 equity shares under Rights Issue at a price of ₹ 1,300 per share (including premium of ₹ 1,298 per share). Out of the aforesaid issue, 26,385,861 equity shares were allotted by the Company on January 29, 2020 and 1,535,944 Rights Equity shares have been reserved for the CCD Holder (as per regulation 74(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018) and 7,844 Rights Equity Shares have been kept in abeyance.

Accordingly, basic and diluted EPS for the year ended March 31,2019 has been retrospectively adjusted for the bonus element in rights issue.

(ii) On March 8, 2018, the Company had issued 8,310,275 equity shares under Rights Issue at a price of ₹ 2,380 per share (including premium of ₹ 2,378 per share). Out of this rights issue, 11,298 and 7,485,574 equity shares were allotted by the Company during the year ended March 31, 2019 and year ended March 31, 2018, respectively.

During the three months ended June 30, 2019 and September 30, 2019, 213,392 and 66 equity shares, respectively, were allotted by the Company under Rights Issue at a price of ₹ 2,380 per share (including premium of ₹ 2,378 per share) to the CCD holders out of the Right Equity shares reserved for them (as per regulation 53 of erstwhile Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009) and shares held in abeyance.

As on March 31, 2020, 24,573 Rights equity shares have been kept in abeyance. 575,372 Rights equity shares reserved for the CCD holders (as per regulation 53 of erstwhile Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009) have not been subscribed by them and these unsubscribed rights shall be dealt with by the Board of Directors of the Company, in accordance with the law and hence are considered to be dilutive in nature.

52(c) Proceeds from the rights issue have been utilised upto March 31, 2020 in the following manner:

In case of rights issue of equity shares during the year [Refer Note 52b(i)]:

(₹ in Crores)

Particulars	Planned	Actual till 31/03/2020
a) Repayment or prepayment, in full or in part, of certain borrowings in Piramal Enterprises Ltd & Piramal Capital Housing Finance Ltd	2,900.00	**2,900.00**
b) General Corporate Purposes	718.31	**517.62**
Add: Issue related expenses #	12.54	**12.54**
Total	**3,630.85**	**3,430.16**
Less: Rights Shares held in Abeyance (Refer note 52 (b))	(1.02)	-
Less: Rights Shares reserved in favour of Compulsorily Convertible Debenture Holders (Refer note 52 (b))	(199.67)	-
Total	**3,430.16**	**3,430.16**

Issue expenses of ₹ 14.77 Crores were incurred as against the estimated expenses of ₹ 12.54 Crores. This is pending withdrawal from monitoring bank account.

In case of rights issue of equity shares made in financial year 2017-18 [Refer Note 52b(ii)]:

(₹ in Crores)

Particulars	Planned	Actual till 31/03/2020
a) Investment in Piramal Capital and Housing Finance Limited (formerly known as Piramal Housing Finance Limited) (wholly owned subsidiary)	750.00	**750.00**
b) Repayment or pre-payment, in full or part, of certain borrowings availed by the Company	1,000.00	**1,000.00**
c) General Corporate Purposes	216.22	**79.32**
Add: Issue related expenses	11.63	**8.65**
Total	**1,977.85**	**1,837.97**
Less: Rights Shares held in Abeyance (Refer note 52 (b))	(5.85)	-
Less: Rights Shares reserved in favour of Compulsorily Convertible Debenture Holders (Refer note 52 (b))	(136.95)	-
Less: Interest Income received from Fixed Deposits placed with Banks from Rights Issue Proceeds	-	**(2.92)**
Total	**1,835.05**	**1,835.05**

52(d) The National Company Law Tribunal had approved a "Scheme of Amalgamation" ("Scheme") of Piramal Phytocare Limited ("Transferor company"), an associate of the Company, with the Company and its respective shareholders vide it's order dated November 4, 2019. Pursuant to the necessary filings with Registrar of Companies, Mumbai, the Scheme has become effective from December 2, 2019 with the appointed date of April 1, 2018. As prescribed by the Scheme, 305,865 equity shares of the Company of ₹ 2/- each were issued to the shareholders of Transferor Company on December 13, 2019, as a consideration in the ratio of 1 fully paid up equity share of ₹ 2 each of the Company for every 70 equity shares of ₹ 10 each held in transferor Company.

The amalgamation has been accounted for under the "pooling of interest" method referred to in Appendix C of Ind AS 103 - Business Combinations of Entities under Common Control, as prescribed by the Scheme. Accordingly, all the assets, liabilities and reserves of transferor company as on April 01, 2018 have been aggregated with those of the Company at their respective book values. The comparative financial information in the financial statements of the Company have been restated for the accounting impact of merger, as if the merger had occurred from the beginning of the comparative period. The difference of ₹ 21.35 Crores between the net value of assets, liabilities and reserves of the transferor company acquired and the sum of (a) the face value of new shares issued and allotted pursuant to merger and (b) the carrying value of investment of the Company in equity shares of transferor Company being cancelled has been transferred to capital reserve of the Company, as prescribed by the Scheme. The impact of merger is not significant on the financial statements and EPS of the Company.

The book value of assets, liabilities and reserves taken over from the transferor companies as on the appointed date were transferred to the Company as mentioned below:

Particulars			(₹ In Crores)
Assets			
Non-Current Assets			
Property, Plant & Equipment		0.31	
Other Non Current Assets		0.31	0.62
Current Assets			
Inventories		0.32	
Financial Assets:			
Trade Receivables		1.00	
Cash & Cash equivalents		1.98	
Bank balances other than above		0.00	
Other Financial Assets		0.21	
Other Current Assets		3.96	7.47
Total Assets	(I)		**8.09**
Liabilities			
Non-Current Liabilities			
Provisions		0.45	0.45
Current Liabilities			
Financial Liabilities:			
Trade payables		2.90	
Other Financial Liabilities		1.18	
Other Current Liabilities		19.94	
Provisions		1.05	25.07
Total Liabilities	(II)		**25.52**
Reserves			
Securities Premium		2.50	
Surplus in Statement of Profit and Loss		(45.89)	(43.39)
Total Reserves	(III)		**(43.39)**
Net value of Assets, liabilities and reserves (I-II-III)			25.96
Less: Carrying value of investment of the Company in equity shares of transferor Company being cancelled			(4.55)
Less: Face value of new shares issued and allotted pursuant to merger			(0.06)
Amount Credited to Capital Reserve (Refer Note 17)			**21.35**

53 In accordance with Ind AS 108 'Operating Segments', segment information has been given in the consolidated financial statements of the Company, which are presented in the same Annual Report and therefore, no separate disclosure on segment information is given in these financial statements.

54 The financial statements have been approved for issue by Company's Board of Directors on May 11, 2020.

Signature to note 1 to 54 of financial statements.

For and on behalf of the Board of Directors

Ajay G. Piramal
Chairman

Vivek Valsaraj
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 11,2020

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/JOINT VENTURES

PART "A": SUBSIDIARIES

Name of the Subsidiary Company	PHL Fininvest Private Limited	Searchlight Health Private Limited	Piramal International	Piramal Asset Management Pvt. Ltd.	Piramal Holdings (Suisse) SA	Piramal Critical Care Deutschland GmbH	Piramal Critical Care Italia, S.P.A	Piramal Critical Care Limited	Piramal Healthcare (Canada) Limited	Piramal Healthcare (UK) Limited	Piramal Healthcare Pension Trustees Limited	Piramal Critical Care South Africa (Pty) Ltd
Reporting period for the subsidiary	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	December 31, 2019*	December 31, 2019*	December 31, 2019*	December 31, 2019*	December 31, 2019*	December 31, 2019*	December 31, 2019*	December 31, 2019*
Reporting currency	INR	INR	INR	USD	CHF	EUR	EUR	USD	CAD	GBP	GBP	ZAR
Average rate	-	-	-	70.91	71.91	78.78	78.78	70.91	53.31	90.16	90.16	4.82
Closing rate				75.67	78.18	82.77	82.77	75.67	53.06	93.36	93.36	4.23
Share capital (Including Additional Paid In Capital)	628.68	22.07	3.68	8.45	1,525.85	52.04	20.69	90.08	171.84	216.90	1.00	4.12
Reserves & Surplus	4,086.76	(9.82)	(3.68)	(4.96)	(1,511.75)	(50.50)	(6.16)	154.35	205.40	360.58	-	1.40
Total assets	15,419.33	14.24	-	3.77	35.42	21.28	33.00	1,307.51	410.97	1,045.12	1.00	26.75
Total liabilities	10,703.89	1.99	-	0.28	21.32	19.74	18.47	1,063.08	33.72	467.64	-	21.22
Investments	4,521.15	0.10	-	-	-	-	-	8.19	-	-	-	-
Turnover	1,894.34	3.63	-	3.49	6.06	30.84	38.20	592.45	254.11	862.14	-	24.41
Profit/ (Loss) before taxation	153.76	(5.99)	-	1.78	(11.62)	(13.84)	(4.03)	38.85	98.96	164.45	-	3.69
Provision for taxation	64.41	-	-	-	-	-	-	20.00	(55.43)	23.90	-	0.83
Profit/ (Loss) after taxation	89.35	(5.99)	-	1.78	(11.62)	(13.84)	(4.03)	18.85	154.39	140.56	-	2.85
Other Comprehensive Income	(0.58)	-	-	-	-	-	-	(15.25)	-	-	-	-
Proposed dividend	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100.00	51.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Name of the Subsidiary Company	Piramal Dutch Holdings N.V.	Piramal Healthcare Inc.	Piramal Critical Care, Inc.	Piramal Pharma Inc.	Piramal Pharma Solutions Inc.	PEL Pharma Inc.	Ash Stevens LLC	Piramal Fund Management Private Limited	INDIAREIT Investment Management Co.	Piramal Asset Management Private Limited	Piramal Capital and Housing Finance Limited	Piramal Investment Advisory Services Private Limited
Reporting period for the subsidiary	December 31, 2019*	December 31, 2019*	December 31, 2019*	December 31, 2019*	December 31, 2019*	December 31, 2019*	December 31, 2019*	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020
Reporting currency	USD	USD	USD	USD	USD	USD	USD	INR	USD	INR	INR	INR
Average rate	70.91	70.91	70.91	70.91	70.91	70.91	70.91		70.91			
Closing rate	75.67	75.67	75.67	75.67	75.67	75.67	75.67		75.67			
Share capital (Including Additional Paid In Capital)	1,715.12	2,057.40	123.37	63.19	101.64	76.05	338.93	0.19	0.32	1.00	19,283.72	2.70
Reserves & Surplus	384.46	(853.86)	522.43	(48.34)	(299.03)	(79.05)	94.38	180.41	101.84	(5.23)	1,167.83	(2.29)
Total assets	2,767.53	1,205.39	2,311.41	116.13	423.94	587.80	505.62	613.15	102.55	7.71	50,264.32	249.19
Total liabilities	667.95	1.85	1,665.60	101.29	621.32	590.79	72.30	432.55	0.38	11.94	29,812.77	248.77
Investments	2,736.35	168.32	-	-	-	408.55	-	55.88	0.08	6.00	8,063.37	246.73
Turnover	-	36.72	1,195.38	116.13	96.52	8.60	297.13	71.05	12.70	0.09	5,468.42	1.61
Profit/ (Loss) before taxation	(32.18)	35.27	242.98	1.16	(129.83)	(18.53)	55.18	(40.12)	1,250.03	(5.09)	601.87	(3.55)
Provision for taxation	-	2.38	35.93	0.04	0.39	0.02	-	(6.02)	0.39	-	571.40	(0.90)
Profit/ (Loss) after taxation	(32.18)	32.90	207.05	1.11	(130.22)	(18.55)	55.18	(34.10)	1,249.64	(5.09)	30.47	(2.65)
Other Comprehensive Income	-	-	-	-	-	-	-	23.85	-	-	(14.53)	-
Proposed dividend	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Name of the Subsidiary Company	Piramal Investment Opportunities Fund	Piramal Systems and Technologies Private Limited	Piramal Technologies SA	Piramal Dutch IM Holdco B.V.	PEL-DRG Dutch Holdco B.V.	PEL Finhold Private Limited	Piramal Consumer Products Private Limited	Piramal Critical Care B.V. **	Piramal Securities Limited	Piramal Critical Care Pty Limited	Piramal Pharma Solutions (Dutch) BV
Reporting period for the subsidiary	**March 31, 2020**	**March 31, 2020**	**December 31, 2019***	**December 31, 2019***	**December 31, 2019***	**March 31, 2020**	**March 31, 2020**	**December 31, 2019***	**March 31, 2020**	**December 31, 2019***	**December 31, 2019***
Reporting currency	**INR**	**INR**	CHF	USD	USD	**INR**	**INR**	EUR	**INR**	USD	EUR
Average rate			71.91	70.91	70.91			78.78		70.91	78.78
Closing rate			78.18	75.67	75.67			82.77		75.67	82.77
Share capital (Including Additional Paid In Capital)	**5.00**	**4.50**	25.80	157.51	157.51	**0.03**	**0.02**	8.28	**37.00**	3.55	-
Reserves & Surplus	**-**	**(33.43)**	(32.42)	16.38	(346.63)	**(0.02)**	**(0.05)**	(2.20)	**(27.54)**	(0.15)	(0.85)
Total assets	**5.12**	**40.97**	41.50	4,445.76	4,099.27	**0.02**	**0.02**	44.33	**12.23**	3.66	0.05
Total liabilities	**0.12**	**69.91**	48.12	4,271.87	4,288.39	**0.00**	**0.05**	38.26	**2.78**	0.26	0.89
Investments	**4.45**	**39.99**	41.44	4,106.39	-	**-**	**-**		**2.23**	-	
Turnover	**-**	**-**	-	-	4.25	**-**	**-**	41.69	**0.02**	0.85	
Profit/ (Loss) before taxation	**0.00**	**(4.25)**	(12.40)	12.42	(195.92)	**(0.00)**	**-**	0.10	**(12.58)**	(0.17)	(0.89)
Provision for taxation	**-**	**0.29**	-	-	0.00	**-**	**-**	-	**-**	-	-
Profit/ (Loss) after taxation	**0.00**	**(4.54)**	(12.40)	12.42	(195.92)	**(0.00)**	**-**	0.10	**(12.58)**	(0.17)	(0.89)
Other Comprehensive Income	**-**	**-**	-	-	(0.65)	**-**	**-**		**-**		-
Proposed dividend	**-**	**-**	-	-	-	**-**	**-**		**-**		-
% of shareholding	**100.00**	**100.00**	100.00	100.00	100.00	**100.00**	**100.00**	100.00	**100.00**	100.00	100.00

* For the purposes of the Consolidated Financial Statements included in this annual report, the accounts of the Company have been rolled forward to March 31, 2020. The details provided herein, however, are based on the statutory financial year.

1. Name of the subsidiaries which are yet to commence operations-
   a) Piramal Pharma Solution B.V.
   b) Piramal Pharma Limited

2. Name of the subsidiaries which have been liquidated or sold or ceased to be subsidiary during the year-
   Sharp Insight Limited
   DRG Holdco Inc.
   Piramal IPP Holdings LLC
   Decision Resources Inc.
   Decision Resources International, Inc.
   DR/Decision Resources, LLC
   Millennium Research Group Inc.
   Decision Resources Group Asia Ltd
   DRG UK Holdco Limited
   Decision Resources Group UK Limited
   Sigmatic Limited
   DRG Analytics & Insights Private Limited
   DRG Singapore Pte Ltd

3. Following are new subsidiaries during the year-
   Piramal Pharma Limited (w.e.f. March 04, 2020)

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of the Associates / Joint Ventures	Convergence Chemicals Private Limited	India Resurgence ARC Private Limited	India Resurgence Asset Management Business Private Limited**	Shrilekha Business Consultancy Private Limited ##	Piramal Ivanhoe Residential Equity Fund 1	India Resurgence Fund Scheme II	India Resurgence ARC Trust I	Asset Resurgence Mauritius Manager	Piramal Structured Credit Opportunities Fund	Allergan India Private Limited	Bluebird Aero Systems Limited	Shriram Capital Limited ##
Latest Audited Balance Sheet Date	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020
Shares of Associates / Joint Ventures held by the Company on the year end												
- Number	35,705,100	54,000,000	20,000,000	62,234,605	1,152,880	18,720,819	539,500	95,445	3,579	3,920,000	67,137	1,000
- Amount of Investment in Associate / Joint Venture	35.71	54.00	20.00	2,146.16	115.28	187.20	53.95	0.62	36.01	3.92	43.95	0.01
- Extent of Holding %	51%	50%	50%	74.95%	50%	50%	50%	50%	25%	49%	27.83%	20%
Description of how there is significant influence	Not Applicable since it is an Associate	Not Applicable since it is an Associate	Not Applicable since it is an Associate	Based on shareholding	Not Applicable since it is an Associate	Not Applicable since it is an Associate	Not Applicable since it is an Associate	Not Applicable since it is an Associate	Not Applicable since it is an Associate	Based on shareholding	Based on shareholding	Not Applicable since it is an Associate
Reason why the associate / joint venture is not consolidated	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted	Not Applicable since Equity accounting has been adopted
Networth attributable to Shareholding as per latest audited Balance Sheet	37.53	51.36	5.00	3,461.34	139.82	193.75	53.95	5.11	36.01	194.37	39.99	0.01
Profit / Loss for the year												
i. Considered in Consolidation	7.14	(2.35)	-	391.33	24.01	13.14	-	4.49	-	51.80	-	-
ii. Not considered in Consolidation	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Piramal Enterprises Limited (PEL) holds 74.95% in Shrilekha Business Consultancy Private Limited, which holds 26.68% in Shriram Capital Limited (SCL), thereby giving PEL an effective interest of 20% in SCL.

1. Name of the associates / joint ventures which are yet to commence operations - NA
2. Name of the associates / joint ventures which have been liquidated or sold or ceased to be associate/ joint venture during the year - Piramal Phytocare Limited
3. Following Joint ventures were formed during the year
   a) India Resurgence ARC Trust I
   b) Piramal Structured Credit Opportunities Fund

INDEPENDENT AUDITOR'S REPORT

To The Members of

Piramal Enterprises Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Piramal Enterprises Limited ("the Company"/ "Parent Company") and its subsidiaries, (the Company and its subsidiaries together referred to as "the Group") which includes Group's share of profit in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements/financial information of the subsidiaries, associates and joint ventures referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2020, and their consolidated profit, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

As more fully described in Note no. 2b(i) to the Consolidated Financial statements, to assess the recoverability of certain assets, the Group has considered internal and external information in respect of the current and estimated future global including Indian economic indicators consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Impairment loss allowance of loans and advances to customers** **Charge: ₹ 1,874.72 Crores for year ended 31 March 2020** **Provision: ₹ 2,972.23 Crores at 31 March 2020 (including on loan commitments of ₹ 188.19 crores)** Refer to the accounting policies in "Note 2(a)(viii), "Note 2(b)(iv) and Note 49(f) to the consolidated financial statements"	
1(a)	Of ₹ 57,752.79 Crores carrying value of loans and advances to the customers and expected credit loss provisioning of ₹ 2,784.04 Crores, ₹ 35,239.45 Crores and ₹ 1928.69 Crores(including on loan commitment of ₹ 168.28 crores), respectively are audited by Other Auditors. The key audit matter provided below is as communicated by the Other Auditors:	As principal auditors, we had issued written communication to the auditor of the component ('Other Auditors') for key audit procedures to be performed by them. In accordance with such communication, the procedures performed by the Other Auditors, as reported by them, have been provided below. Design and Operating effectiveness and Controls Testing: • Evaluated the appropriateness of the impairment principles used by the management based on the requirements of Ind AS 109, our business understanding and industry practice.

Sr. No.	Key Audit Matter	Auditor's Response
	Subjective estimate Recognition and measurement of impairment of loans and advances involve significant management judgement. Under Ind AS 109, allowance for loan losses is based on expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. The most significant areas are: - Segmentation of loan book - Loan staging criteria - Calculation of probability of default / Loss given default - Consideration of forward looking macro-economic factors There are a number of data inputs required by the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. In some cases, data is unavailable and reasonable alternatives have been applied to allow calculations to be performed, for example using internal risk ratings of the customers in assessing the increase in credit risk. The Company has evaluated loans for impairment on a collective basis grouping loans by product into homogenous exposure groups. For collective impairment provisions we identified that the key judgment areas which could result in a material misstatement are the determination of probabilities of default ('PDs') and loss given default ('LGD'), the use of management overlays and the periods considered for capturing the underlying data as base to the PD and LGD calculations in calculating the provision. In some cases, where the Company has evaluated loans for impairment on an individual basis, we identified that key judgment areas which could result in a material misstatement are the assessed value of the underlying security, extension in expected timeframe for recovery, expected loss on realization of security. Impact of COVID-19 On 11 March 2020, the World Health Organisation declared the Novel Coronavirus (COVID-19) outbreak to be a pandemic. We have identified the impact of, and uncertainty related to the COVID 19 pandemic as a key element and consideration for recognition and measurement of impairment of loans and advances on account of: - Short and long term macroeconomic effect on businesses in the country and globally and its consequential first order and cascading negative impact on revenue and employment - generation opportunities; - impact of the pandemic on the Company's customers and their ability to repay dues; and - application of regulatory package announced by the Reserve Bank of India (RBI) on asset classification and provisioning. Management has conducted a qualitative assessment of significant increase in credit risk (SICR) of the loan portfolio with respect to the moratorium benefit to borrowers prescribed by the RBI and considered updated macroeconomic scenarios and the use of management overlays to reflect potential impact of COVID-19 on expected credit losses on its loan portfolio. As detailed in accounting policy 2(iv), the determination of loan impairment provisions is inherently judgmental and relies on management's best estimate of a variety of inputs. Given the size of loan book relative to the balance sheet and the impact of impairment provision, we have considered this as a key audit matter.	• Obtained an understanding of management's processes, systems and controls implemented in relation to Ind AS impairment allowance process, particularly in view of COVID-19 regulatory package. • Assessed the design and implementation of key internal financial controls over loan impairment process used to calculate the impairment charge • Used our modelling specialist to test the model methodology and reasonableness of assumptions used, including management overlays. • Tested management review controls over model development, governance and measurement of impairment allowances and disclosures. **Substantive procedures performed:** • Assessed the appropriateness of management rationale for determination of criteria for SICR considering both: adverse effects of COVID 19 and mitigants in the form of the RBI / Government financial relief package • Assessed the appropriateness of changes made in macroeconomic factors and management overlays to calibrate the risks that are not yet fully captured by the existing model. • Corroborated through independent check and enquiries the reasonableness of management's assessment of grading of severity of impact of COVID-19 on segments of its loan portfolio and the resultant impairment provision computed • Focused on appropriate application of accounting principles, validating completeness and accuracy of the data and reasonableness of assumptions used in the model • Test of details over calculation of impairment allowance for assessing the completeness, accuracy and relevance of data • Model calculations testing through re-performance where possible • Evaluated the appropriateness of management's judgments was also independently reconsidered in respect of calculation methodologies, segmentation, economic factors, the period of historical loss rates used and the valuation of assets and collateral • Assessed the factual accuracy and appropriateness of the additional financial statements disclosures made by the Company regarding impact of COVID-19 Additionally, audit oversight procedures carried out by us over the work performed by the Other Auditors consisted of: a) Reviewing a written summary of the audit procedures performed by the Other Auditors. b) Discussion with the Component's Management to understand the key assumptions (i.e., staging, EAD, PD and LGD rates) and other inputs, including macro-economic factors, used in the computation of ECL provision. c) Discussion with the Other Auditors on their assessment and conclusions relating to impact of COVID-19, macro-economic factors, triggers for significant increase in credit risk and other inputs used in computation of ECL provision. d) On a sample basis, independently retesting loan contracts and evaluating the key assumptions used in the computation of ECL provision. e) Independently performing a sensitivity analysis, based on current indicators of future economic conditions, considering internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of the audit report on the key assumptions used. f) Discussion with the Other Auditors on their evaluation of events upto the date of the audit report, and obtaining communication in this regard

Sr. No.	Key Audit Matter	Auditor's Response
1 (b)	Of ₹ 57,752.79 Crores carrying value of loans and advances to the customers and expected credit loss provisioning of ₹ 2,784.04 Crores, ₹ 14423.96 Crores and ₹ 611.82 Crores, respectively are audited by Other Auditors. The Subsidiary company offers long term and short term wholesale lending to various sectors. Loans and investment portfolio in the finance business are measured at amortised cost less impairment allowance for losses. The Company applies the expected credit loss model for recognising impairment loss. The Subsidiary Company's assessment of expected credit loss involves use of judgements and estimates relating to probability of default (PD) and loss given default (LGD) rates used in computing the expected credit losses (ECL) on loans and investments	As principal auditors, we had issued written communication to the auditor of the component ('Other Auditors') for key audit procedures to be performed. In accordance with such communication, the procedures performed by the Other Auditors, as reported by them, have been provided below. a) Performed walkthrough to understand the process followed by management for computing and recording the allowance for expected credit loss particularly in view of COVID-19 regulatory package. b) Evaluated the design and operating effectiveness of controls including of internal controls relating to the computation of ECL provision and the key assumptions (i.e. PD and LGD) rates and inputs used therein. c) Assessed the appropriateness of management rationale for determination of criteria for SICR considering both: adverse effects of COVID 19 and mitigants in the form of the RBI / Government financial relief package d) Assessed the appropriateness of changes made in macroeconomic factors and management overlays to calibrate the risks that are not yet fully captured by the existing model. e) Obtained the expected credit loss allowance working and validated the assumptions by testing the underlying data used by management for the loan loss allowance and evaluated contradictory evidence if any. f) Challenged completeness and validity of management overlays with assistance of internal experts by critically evaluating the risks that have been addressed by management through overlays and also considering whether there are other risks not captured which require additional overlays g) Tested management's workings supporting the overlay quantum h) Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the financial statements are appropriate and sufficient i) Assessed the factual accuracy and appropriateness of the additional financial statements disclosures made by the Company regarding impact of COVID-19 j) Assessed the impact of regulatory compliance Additionally, audit oversight procedures carried out by us over the work performed by the Other Auditors consisted of: a) Reviewing a written summary of the audit procedures performed by the Other Auditors. b) Discussion with the Component's Management to understand the key assumptions (i.e., staging, EAD, PD and LGD rates) and other inputs, including macro-economic factors, used in the computation of ECL provision. c) Discussion with the Other Auditors on their assessment and conclusions relating to impact of COVID-19, macro-economic factors, triggers for significant increase in credit risk and other inputs used in computation of ECL provision. d) On a sample basis, independently retesting loan contracts and evaluating the key assumptions used in the computation of ECL provision. e) Independently performing a sensitivity analysis, based on current indicators of future economic conditions, considering internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of the audit report on the key assumptions used. f) Discussion with the Other Auditors on their evaluation of events upto the date of the audit report, and obtaining communication in this regard
1 (c)	Of ₹ 57,752.79 Crores carrying value of loans and advances to the customers and expected credit loss provisioning of ₹ 2,784.04 Crores, ₹ 1422.32 Crores and ₹ 408.92 Crores, respectively are audited by us. The Parent Company as part of its financial services segment offers long term and short term wholesale lending primarily to the real estate and infrastructure sector. Loans and investment portfolio in the finance business are measured at amortised cost less impairment allowance for losses. The Company applies the expected credit loss (ECL) model for recognising impairment loss.	We performed the following key audit procedures: a) We held discussions with the Management and performed an overall assessment of the ECL provision at each stage including management's assessment of COVID-19 impact, to determine if the provision was reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment. b) We evaluated the design of internal controls relating to the computation of ECL provision, the key assumptions (i.e., staging, EAD, PD and LGD rates) and other inputs used therein, including macro-economic factors

Sr. No.	Key Audit Matter	Auditor's Response
	The Company's assessment of expected credit loss involves use of judgements and estimates, such as determination of probability of default (PD), determination of the staging, loss given default (LGD), exposure at default (EAD), estimating Management overlay for economic uncertainty expected to result from COVID 19 pandemic, forward looking information and macro-economic factors, in computing the ECL on loans and investments.	c) We selected a sample of loan contracts and tested the operating effectiveness of controls over computation of ECL provision, the key assumptions and inputs used therein, through inspection of evidence of performance of these controls or independently re-performing the control. d) Through a sample of loan contracts, we performed substantive procedures, including test of details to evaluate adequacy of ECL provisioning made. e) We independently performed a sensitivity analysis, based on current indicators of future economic conditions, considering internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of the audit report on the key assumptions used.
2	Existence of inventory of raw and packing materials, work in progress, finished goods (manufactured and traded) ₹ 423.56 crores of the Parent [Refer to Note 9 to the consolidated financial statements]	
	The Parent Company has its inventory located in various factories and clearing & forwarding agent (CFA) locations. The Parent Company has: a) a policy of performing monthly cycle counts of its inventory in factories, and b) appointed external chartered accountants for performing a monthly physical verification of inventory at the CFA locations. Prior to the travel restrictions imposed because of COVID-19, in the month of March 2020, we were able to visit a factory covering about 49% of the total inventory and performed a sample physical verification of inventory. For the other factories, due to the travel restrictions, we were unable to participate in the physical verification of inventory performed by the Management at the year-end. Similarly, for the CFA locations, the CFA agents performed the physical verification of inventory at the year-end as the external chartered accountants were not able to perform the monthly physical verification at the year-end due to travel restrictions, We were unable to participate in the physical verification of inventory performed by the CFA agents. We therefore performed alternate procedures to test existence of inventory as at year-end, in accordance with the requirements of the auditing standards; and hence identified as a key audit matter.	With respect to the factories and CFA locations of the Parent company not visited by us at the year-end, we performed the following key audit procedures: a) Understood and evaluated the management's internal controls process to establish the existence of inventory such as (a) the process of periodic physical verification carried out by the Management, the scope and coverage of the periodic verification programme, the results of such verification including analysis of discrepancies, if any; (b) reports of the independent chartered accountants appointed by the Management to physically verify the inventory of the Company located at the CFA locations; (c) maintenance of stock records at all locations; (d) the process for identifying expired, near-expiry items of inventory b) On a sample basis we obtained the cycle count inventory verification reports from the Management for inventory at factories and CFA locations performed during and at the year-end and traced to the inventory ledgers and performed roll forward procedures, where required, on a sample basis c) On a sample basis, we inspected documentation (including acknowledged copies of lorry receipts by customer / transporter, as applicable) supporting the sale of finished goods made subsequent to the year- end; determined whether such sale was made out of production upto the year-end based on batch number controls; tested purchase of inventory prior to the year end, and tested movement of raw materials to work in progress and work in progress to finished goods upto the year end d) With respect to inventory at CFA locations, on a sample basis, we obtained reports of physical verification of inventories as of February 29, 2020 performed by external Chartered Accountants appointed by the Company; and independently performed roll forward procedures to arrive at the balance of inventory as of March 31, 2020,. Additionally, on a sample basis we inspected documentation supporting the purchases made prior to the year end and sale made after the year end e) On a sample basis, we independently performed quantity reconciliation from April 1, 2019 to March 31, 2020 for key items of raw material and finished goods.
3	Evaluation of the appropriateness of going concern assumption and related disclosures [Refer to Note 49(a) to the consolidated financial statements]	
3 (a)	Evaluation of appropriateness of the going concern assumption at the Parent Company audited by us: The Parent Company has net current liability of ₹ 6515.33 crores as at 31 March 2020. Since the Company is the parent company and therefore responsible to provide continued financial and operational support to its subsidiaries which are in diversified businesses, the Company has considered a range of factors relating to profitability, debt repayment schedule and potential sources of replacement financing. The Company has performed sensitivity analysis on such factors considered to determine whether the Company has adequate resources to continue in operational existence for the foreseeable future. Because of the uncertainties resulting from COVID-19, the impact of this pandemic may be different from those estimated in these financial statements.	We performed the following key audit procedures: a) We evaluated the design and implementation of controls over evaluation of the appropriateness of going concern assumptions and tested the operating effectiveness of these controls b) We ascertained the net current liability position of the Company as at March 31, 2020 c) We obtained monthly cash flow projections covering twelve months April 2020 to March 2021 and understood the basis of preparation d) We tested the availability of unused bank lines, credit rating for commercial paper, non-convertible debentures with underlying evidences e) We verified underlying evidences on a sample basis to support the funding plans of the Management, including minutes of meetings of shareholders, board of directors and committees of the board of directors

Sr. No.	Key Audit Matter	Auditor's Response
	In response to the uncertainty surrounding the impact of COVID-19 pandemic, we performed enhanced risk assessment procedures, and increased audit effort to evaluate the Management's assessment of appropriateness of the going concern assumption; and hence identified as a key audit matter.	f) We inspected terms of debenture and loan agreements and determined if there has been a breach of interest and principal payments g) We tested whether effect of moratorium sought for repayments to lenders has been considered in the future projected cash flows only to the extent approved by the lenders h) We discussed with the Management and understood that: • no third party has invoked force majeure clause • there is no material dependency on any vendor or customer and hence no supply chain disruptions anticipated • no material modifications to contracts with customers have been made / anticipated i) We tested the sensitivity analysis made by the Management regarding expected cash inflows from borrowers which in turn is dependent on the quality of the financial assets including credit risk of the borrowers j) We additionally evaluated the appropriateness of going concern assumption at the group level (primarily represented by the Parent and the subsidiary referred to in paragraph 3 (b) below) k) We evaluated events subsequent to the balance sheet date upto the date of audit report to determine if there is any impact on the going concern assessment l) We evaluated adequacy of disclosures made in the financial statements
3 (b)	Evaluation of appropriateness of the going concern assumption at a Subsidiary Company audited by Other Auditors: The key audit matter related to going concern provided below is as communicated by the Other Auditors: The financial statements of the Company have been prepared on a Going Concern basis. Management's assessment of going concern is based on its evaluation of relevant conditions and events that may raise substantial doubt about the Company's ability to continue as a going concern. The following considerations are covered by management. - Current financial condition; including liquidity sources and profitability; - Conditional and unconditional obligations due or anticipated within one year; - Impact of COVID-19 and related uncertainties on the Company's performance. The uncertainties related to the COVID 19 pandemic is one of the most significant economic events for the Global and Indian economy and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown.	As principal auditors, we had issued written communication to the auditor of the component ('Other Auditors') for key audit procedures to be performed. In accordance with such communication, the procedures performed by the Other Auditors, as reported by them, have been provided below. a) Evaluated management's assessment of the use of going concern assumption including considering the capital position, credit rating and track record / projections of profitability b) Discussed with management and understood plans /strategies, the impact of COVID-19 pandemic leading to a revision of plans/strategies and assessed the viability of such revised strategies. c) Enquired whether there was any rejection on borrowings, or any other difficulties faced on drawing down sanctioned lines from financial institutions. d) For a selection of contractual repayment dates, verified that there were no repayment failures noted on repayment of borrowings. e) Tested financial covenants in loan documents for breaches and understand the revised forecast in a plausible downside scenario and whether it expects to remain in compliance with the covenants. f) Assessed management's liquidity projections over the next 12 months given the current economic environment from existing business together with liquid assets held by the Company as at 31 March 2020 will be sufficient to pay off Company's existing liabilities as well as those arising in the next 12 months. Additionally, audit oversight procedures carried out by us over the work performed by the Other Auditors consisted of: a) Reviewing a written summary of the audit procedures performed by the Other Auditors. b) Discussion with the Component's Management to understand the management's cash flow projections for the next 12 months from the date of the financial statements c) Discussion with the Other Auditors on their assessment and conclusions relating to appropriateness of the going concern assumption d) On a sample basis, independently retesting availability of unused bank lines, credit rating for commercial paper and non-convertible debentures, compliance with loan covenants, and whether contractual repayments were done in a timely manner e) Testing the sensitivity analysis made by the Management regarding expected cash inflows from borrowers which in turn is dependent on the quality of the financial assets including credit risk of the borrowers f) Evaluating events subsequent to the balance sheet date upto the date of audit report to determine if there is any impact on the going concern assessment g) Evaluating adequacy of disclosures made in the financial statements

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, joint ventures and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint ventures and associates, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements / financial information of 18 subsidiaries, whose financial statements / financial information reflect total assets of ₹ 72,648.48 crores as at March 31, 2020, total revenues of ₹ 10,183.71 crores and net cash inflows amounting to ₹ 3,673.77 crores for the year ended on that date, as considered in the consolidated financial statements. We did not audit financial information of 13 subsidiaries (relating to the discontinued operations) included in the consolidated financial statements, whose financial information reflects total assets of ₹ 6,058.65 crores as at the date of sale i.e. February 28, 2020. The consolidated financial statements also include the Group's share of net profit of ₹ 398.47 crores for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of one associates and two joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associate is based solely on the reports of the other auditors.

(b) We did not audit the financial statements / financial information of 19 subsidiaries, whose financial statements / financial information reflect total assets of ₹ 6,147.41 crores as at March 31, 2020, total revenues of ₹ 906.60 crores and net cash outflows amounting to ₹ 41.41 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 91.08 crores for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of two associates and seven joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements and other information of the subsidiaries, associates and joint ventures referred to in the Other Matters section above we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company, subsidiary companies, associate companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures;

   ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies, associate companies and joint venture companies incorporated in India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)
UDIN: 20046930AAAABY9241

Place: Mumbai
Mumbai, May 29, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Piramal Enterprises Limited (hereinafter referred to as "Company") and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies, associates companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to nine subsidiary companies, one associate company and two joint ventures, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)
UDIN: 20046930AAAABY9241

Place: Mumbai
Mumbai, May 29, 2020

CONSOLIDATED BALANCE SHEET

as at March 31, 2020

(₹ in Crores)

		Note No.	As at March 31, 2020		As at March 31, 2019	
	ASSETS					
	Non-Current Assets					
(a)	Property, Plant & Equipment	3		**2,432.90**		2,417.66
(b)	Capital Work in Progress			**266.12**		239.12
(c)	Goodwill	41		**1,139.07**		5,939.45
(d)	Other Intangible Assets	3		**2,661.85**		2,839.86
(e)	Intangible Assets under development			**250.99**		254.60
(f)	Right Of Use Assets	55		**181.65**		-
(g)	Financial Assets:					
	(i) Investments					
	- Investments accounted for using the equity method	4(a)	**4,218.24**		3,693.72	
	- Other Investments	4(b)	**12,274.16**		19,605.75	
	(ii) Loans	5	**31,304.48**		33,613.57	
	(iii) Other Financial Assets	6	**549.55**	**48,346.43**	47.54	56,960.58
(h)	Deferred tax assets (Net)	7		**2,372.32**		4,068.45
(i)	Other Non-Current Assets	8		**1,144.17**		632.71
	Total Non-Current Assets			**58,795.50**		**73,352.43**
	Current Assets					
(a)	Inventories	9		**1,061.17**		831.33
(b)	Financial Assets:					
	(i) Investments	4(b)	**2,950.39**		2,447.65	
	(ii) Trade Receivables	10	**1,324.39**		1,403.33	
	(iii) Cash & Cash equivalents	11	**4,340.94**		811.73	
	(iv) Bank balances other than (iii) above	12	**430.18**		106.84	
	(v) Loans	13	**4,075.79**		5,171.76	
	(vi) Other Financial Assets	14	**1,118.23**	**14,239.92**	985.07	10,926.38
(c)	Other Current Assets	15		**801.99**		503.31
(d)	Asset classified as held for sale	56		**10.00**		-
	Total Current Assets			**16,113.08**		**12,261.02**
	Total Assets			**74,908.58**		**85,613.45**
	EQUITY AND LIABILITIES					
	Equity					
(a)	Equity Share capital	16	**45.11**		36.89	
(b)	Other equity	17	**30,526.48**		27,187.38	
	Equity attributable to owners of Piramal Enterprises Limited			**30,571.59**		**27,224.27**
(c)	Non-controlling interests			**-**		9.03
	Total equity			**30,571.59**		**27,233.30**
	Liabilities					
	Non-current liabilities					
(a)	Financial Liabilities:					
	(i) Borrowings	18	**20,306.25**		27,033.07	
	(ii) Lease Liabilities	55	**144.20**		-	
	(iii) Other Financial Liabilities	19	**0.72**	**20,451.17**	77.98	27,111.05
(b)	Provisions	20		**65.21**		50.96
(c)	Deferred tax liabilities (Net)	21		**8.22**		19.47
(d)	Other Non-Current Liabilities	22		**139.39**		115.01
	Total Non-Current Liabilities			**20,663.99**		**27,296.49**
	Current liabilities					
(a)	Financial Liabilities:					
	(i) Borrowings	23	**7,949.91**		15,578.42	
	(ii) Trade payables					
	Total outstanding dues of Micro enterprises and small enterprises		**12.26**		11.13	
	Total outstanding dues of creditors other than Micro enterprises and small enterprises		**977.57**		949.74	
	(iii) Lease liabilities	55	**39.46**		-	
	(iv) Other Financial Liabilities	24	**14,077.00**	**23,056.20**	13,735.03	30,274.32
(b)	Other Current Liabilities	25		**159.54**		512.24
(c)	Provisions	26		**244.35**		160.29
(d)	Current Tax Liabilities (Net)	27		**212.91**		136.81
	Total Current Liabilities			**23,673.00**		**31,083.66**
	Total Liabilities			**44,336.99**		**58,380.15**
	Total Equity & Liabilities			**74,908.58**		**85,613.45**

The above Consolidated Balance Sheet should be read in conjuction with the accompanying notes

Contingent liabilities and commitments 28
Summary of significant accounting policies 2

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rupen K. Bhatt
Partner
Membership Number: 046930

Mumbai, May 29, 2020

For and on behalf of the Board of Directors

Ajay G. Piramal
Chairman

Vivek Valsaraj
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 11, 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the Year ended March 31, 2020

Piramal

(₹ in Crores)

	Note No.	Year Ended March 31, 2020		Year Ended March 31, 2019	
Revenue from operations	29		**13,068.29**		11,882.59
Other Income (Net)	30		**491.11**		309.61
Total Income			**13,559.40**		**12,192.20**
Expenses					
Cost of materials consumed	31	**1,377.19**		1,217.64	
Purchases of stock-in-trade	32	**473.45**		289.24	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	**(173.82)**		3.57	
Employee benefits expense	34	**1,610.20**		1,507.72	
Finance costs	35	**5,320.62**		4,100.26	
Depreciation and amortization expense	3 & 55	**520.30**		400.52	
Expected credit loss on financial assets (including commitments)	49 (f)	**1,874.72**		324.36	
Other expenses, (Net)	36	**1,639.18**		1,674.18	
Total Expenses			**12,641.84**		**9,517.49**
Profit before share of net profit of associates and joint ventures, exceptional items and tax			**917.56**		**2,674.71**
Share of net profit of associates and joint ventures	4 (a)		**489.56**		319.38
Profit after share of net profit of associates and joint ventures before exceptional items and tax			**1,407.12**		**2,994.09**
Exceptional Items	37		**-**		(452.25)
Profit after share of net profit of associates and joint ventures and before tax			**1,407.12**		**2,541.84**
Less: Income Tax Expense					
Current Tax (including tax expense of prior years)	52		**355.81**		711.50
Deferred Tax, Net	52		**(152.97)**		140.72
Tax adjustment of earlier years	52		**1,757.59**		-
			1,960.43		**852.22**
Profit/ (Loss) from continuing operations after tax and share of profit of associates and joint ventures			**(553.31)**		**1,689.62**
Profit / (loss) before tax from discontinued operations	56(a)		**(131.74)**		(216.62)
Gain on disposal of Healthcare Insights & Analytics group (net of transaction cost)	56(a)		**757.48**		-
Less:Tax expense on above	56(a)		**51.29**		8.91
Profit / (loss) from discontinued operations			**574.45**		**(225.53)**
Profit for the year			**21.14**		**1,464.09**
Other Comprehensive Income / (Expense) (OCI):					
A. Items that will not be reclassified to profit or loss					
(a) Changes in fair values of equity instruments through OCI		**(1,359.46)**		(551.69)	
(b) Remeasurement of Post Employment Benefit plans		**(4.20)**		(3.97)	
Less: Income Tax Impact on above		**1.05**		24.35	
			(1,362.61)		**(531.31)**
B. Items that will be reclassified to profit and loss					
(a) Deferred gains / (losses) on cash flow hedge		**(46.75)**		(0.86)	
(b) Deferred gains / (losses) on cash flow hedge of discontinued operations		**3.92**		(6.05)	
(c) Exchange differences on translation of financial statements of foreign operations		**372.97**		205.59	
(d) Exchange differences on translation of discontinued operation		**115.83**		30.59	
(e) Share of other comprehensive income/ (expense) of joint ventures accounted for using the equity method		**-**		(6.16)	
Less: Income Tax Impact on above		**(36.64)**	**409.33**	(49.06)	174.05
Other Comprehensive Income/(Expense), net of tax expense			**(953.28)**		**(357.26)**
Total Comprehensive Income/ (Loss) for the year, net of tax expense			**(932.14)**		**1,106.83**
Profit / (Loss) attributable to:					
Owners of Piramal Enterprises Limited			**24.03**		1,467.06
Non-Controlling interests			**(2.89)**		(2.97)
			21.14		**1,464.09**
Other comprehensive income/(expense) attributable to:					
Owners of Piramal Enterprises Limited			**(953.28)**		(357.26)
Non-Controlling interests			**-**		-
			(953.28)		**(357.26)**
Total comprehensive income/(loss) attributable to:					
Owners of Piramal Enterprises Limited			**(929.25)**		1,109.80
Non-Controlling interests			**(2.89)**		(2.97)
			(932.14)		**1,106.83**
Total comprehensive income/(loss) attributable to Owners of Piramal Enterprises Limited					
Continuing operations			**(1,626.34)**		1,307.82
Discontinued operations			**697.09**		(198.02)
			(929.25)		**1,109.80**
Earnings per equity share (for continuing operations):	45				
(a) Basic EPS (in ₹)			**(26.25)**		83.15
(b) Diluted EPS (in ₹)			**(26.25)**		82.81
Earnings per equity share (for discontinued operations):	45				
(a) Basic EPS (in ₹)			**27.39**		(10.95)
(b) Diluted EPS (in ₹)			**27.39**		(10.91)
Earnings per equity share (for continuing and discontinued operations):	45				
(a) Basic EPS (in ₹)			**1.14**		72.20
(b) Diluted EPS (in ₹)			**1.14**		71.90

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rupen K. Bhatt
Partner
Membership Number: 046930

Mumbai, May 29, 2020

For and on behalf of the Board of Directors

Ajay G. Piramal
Chairman

Vivek Valsaraj
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 11, 2020

CONSOLIDATED CASH FLOW STATEMENT
for the Year ended March 31, 2020

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before share of net profit of associates and joint ventures, exceptional items and tax	**917.56**	2,471.48
(Loss) before tax from discontinued operations	**(106.37)**	-
Adjustments for:		
Depreciation and amortisation expense	**659.04**	520.19
Provision written back	**(120.28)**	-
Amortisation of leasehold land	**-**	0.07
Finance Costs attributable to other than financial services operations	**766.24**	669.52
Interest Income on Current Investments, Loans and bank deposits	**(160.93)**	(149.46)
Measurement of financial assets at FVTPL	**126.86**	15.79
(Gain)/Loss on Sale of Property Plant and Equipment	**(2.40)**	0.82
Profit on Sale on Non - Current Investment	**(6.01)**	-
Amortisation of grants & Other deferred income	**(19.36)**	(5.79)
Fair Value gain on Contingent Consideration	**(8.38)**	-
Write back of contingent and deferred consideration	**(81.30)**	(53.34)
Accrued earn out for consideration payable	**-**	1.15
Write-down of Inventories	**74.58**	5.12
Expected Credit Loss on Financial Assets (including Commitments)	**1,874.72**	324.36
Trade Receivables written off and Expected Credit Loss on Trade Receivables	**9.82**	28.72
Recognition of lease rent expense on straight-line method	**-**	(1.02)
Unrealised foreign exchange (gain) / loss	**3.92**	50.99
Operating Profit Before Working Capital Changes	**3,927.71**	**3,878.60**
Adjustments For Changes In Working Capital:		
Adjustments for (increase) / decrease in operating assets		
- Trade receivables	**(159.02)**	(105.96)
- Other Current Assets	**(348.86)**	(104.71)
- Other Non Current Assets	**23.65**	(43.12)
- Other Financial Assets - Non Current	**(502.01)**	(6.73)
- Other Financial Assets - Loans - Non Current	**1,501.71**	(12,578.66)
- Inventories	**(304.42)**	(69.00)
- Other Financial Assets - Current	**178.76**	(829.72)
- Other Financial Assets - Loans - Current	**816.61**	(3,760.97)
- Amounts realised from Debentures and Alternate Investment Funds (Net)	**2,294.51**	1,310.12
- Mutual funds	**18.48**	1,226.39
- Proceeds of asset (held for sale)	**-**	15.91
Adjustments for increase / (decrease) in operating liabilities		
- Trade Payables	**171.26**	158.28
- Non - Current provisions	**10.05**	4.45
- Other Current Financial Liabilities	**79.68**	(17.56)
- Other Current Liabilities	**(42.20)**	52.13
- Current provisions	**(0.61)**	(20.27)
- Provisions for Grants - Committed	**-**	(5.78)
- Other Non-current Financial Liabilities	**(65.71)**	(0.64)
- Other Non-current Liabilities	**75.73**	10.04
- Interest accrued	**686.02**	195.21
Cash Generated from / (Used In) Operations	**8,361.34**	**(10,691.99)**
- Taxes Paid (Net of Refunds)	**(845.00)**	(876.04)
Net Cash Generated from / (Used in) Operating Activities *	**7,516.34**	(11,568.03)
Exceptional Items		
- Severance pay	**-**	(13.39)
- Transaction costs incurred towards Sale of Imaging Business (Net of sale proceeds)	**-**	(29.74)
Net Cash Generated from /(Used in) Operating Activities *	**7,516.34**	**(11,611.16)**

Note: * includes interest received ₹ 7,327.11 Crores (Previous year ₹ 6,438.73 Crores), Dividend Received ₹ 17.25 Crores (Previous year ₹ 69.43 Crores) and interest paid during the year ₹ 4,104.64 Crores (Previous year ₹ 3,398.23 Crores) pertaining to financial services operations.

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Purchase of Property Plant and Equipment / Intangible Assets	**(470.66)**	(691.90)
Proceeds from Sale of Property Plant and Equipment / Intangible Assets	**4.13**	0.55
Interest Received	**157.43**	162.38
Bank balances not considered as Cash and cash equivalents	**-**	
- Fixed deposits placed	**(1,975.90)**	(52.50)
- Matured	**1,617.01**	52.88
Other Bank Balances	**42.65**	(29.63)
Proceeds from sale of investment held at FVTOCI	**2,252.41**	-
Proceeds from sale of investment in subsidiary (Net)	**5,791.89**	-
Sale of investment measured at FVTPL	**7.80**	-
Purchase of investment measured at FVTPL	**(10.67)**	-
Dividend received from Associate	**78.73**	84.59
Investment in Associate / Joint Venture	**(34.97)**	(334.90)
Loan repaid by Joint Venture	**4.55**	3.56
Payment of Deferred consideration	**(6.42)**	-
Payment of Contingent consideration	**(2.09)**	(21.54)
Release of escrow deposit	**12.80**	-
Net Cash Generated from / (Used in) Investing Activities	**7,468.69**	**(826.51)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Non - Current Borrowings [Excludes Exchange Fluctuation Loss of ₹ 140.21 Crores (Previous Year Loss ₹ 275 Crores) on reinstatement of Foreign Currency Loan]		
- Receipts	**24,558.39**	27,366.27
- Payments	**(33,148.88)**	(13,160.17)
Proceeds from Current Borrowings [Excludes Exchange Fluctuation Gain of ₹ 15.09 Crores (Previous Year Loss ₹ 6.04 Crores) on reinstatement of Foreign Currency Loan]		
- Receipts	**67,752.23**	94,377.97
- Payments	**(75,739.41)**	(96,311.95)
Lease payments	**-**	-
- Principal	**(87.72)**	-
- Interest	**(27.06)**	-
Proceeds from Compulsorily Convertible Debentures Issue	**1,749.99**	-
Expenses incurred on conversion of Compulsorily Convertible Debentures	**(3.82)**	(1.27)
Expenses incurred on issue of Compulsorily Convertible Debentures	**(5.45)**	-
Coupon Payment on Compulsorily Convertible Debentures	**(150.67)**	(385.38)
Proceeds from Right Issue	**3,480.95**	6.87
Rights share issue expenses	**(14.77)**	-
Share issue expenses	**-**	(2.49)
Finance Costs Paid (other than those attributable to financial services operations)	**(714.38)**	(598.53)
Dividend Paid	**(556.73)**	(448.23)
Dividend Distribution Tax Paid	**(111.23)**	(91.27)
Net Cash (Used in) / Generated from Financing Activities	**(13,018.56)**	10,751.82
Net Increase/ (Decrease) in Cash & Cash Equivalents [(A)+(B)+(C)]	**1,966.47**	(1,685.85)
Cash and Cash Equivalents as at April 1	**623.24**	2,302.62
Add: Effect of exchange fluctuation on cash and cash equivalents	**21.87**	12.18
Less: Cash Balance transferred on sale of investment in subsidiary	**-**	(5.71)
Cash and Cash Equivalents as at March 31	**2,611.58**	623.24
Cash and Cash Equivalents Comprise of:		
Cash on Hand	**1,585.54**	0.09
Balance with Scheduled Banks in Current Accounts	**1,700.34**	798.41
Fixed Deposit with original maturity of less than 3 months	**1,055.06**	13.23
Bank Overdraft	**(1,729.36)**	(188.49)
	2,611.58	**623.24**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rupen K. Bhatt
Partner
Membership Number: 046930

Mumbai, May 29, 2020

For and on behalf of the Board of Directors

Ajay G. Piramal
Chairman

Vivek Valsaraj
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 11, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the Year ended March 31, 2020

A. Equity Share Capital (Refer Note 16):

(₹ in Crores)

Particulars	
Balance as at April 1, 2018	**36.05**
Changes in Equity Share Capital during the year (Refer note 58 (a) & 58 (b))	0.84
Balance as at March 31, 2019	**36.89**
Changes in Equity Share Capital during the year (Refer note 58 (a), 58(b) & 59)	8.22
Balance as at March 31, 2020	**45.11**

B. Other Equity (Excluding share application money pending allotment):

(₹ in Crores)

		Attributable to the owners of Piramal Enterprises Limited														
		Reserves & Surplus									Other Items in OCI					
Particulars	**Notes**	**Equity Component of Compulsorily Convertible Debentures**	**Securities Premium**	**Capital Reserve**	**Capital Redemption Reserve**	**Debenture Redemption Reserve**	**General Reserve**	**Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934**	**Reserve Fund u/s 29C of the NHB Act, 1987**	**Retained Earnings**	**Foreign Currency Translation Reserve**	**FVTOCI - Equity Instruments**	**FVTOCI - Debt Instruments**	**Cash Flow Hedging Reserve**	**Other equity**	**Non-controlling Interests**
Balance as at April 1, 2018		4,357.72	1,831.30	56.66	61.73	690.23	5,714.60	7.90	-	11,608.55	(25.36)	2,195.64	15.18	12.19	26,526.34	12.00
On account of merger with Piramal Phytocare Limited (Refer note 59)		-	2.50	21.35	-	-	-	-	-	(46.77)	-	-	-	-	(22.92)	-
Adjusted balance as at April 1, 2018		**4,357.72**	**1,833.80**	**78.01**	**61.73**	**690.23**	**5,714.60**	**7.90**	**-**	**11,561.78**	**(25.36)**	**2,195.64**	**15.18**	**12.19**	**26,503.42**	**12.00**
Profit/ (Loss) after tax for the year		-	-	-	-	-	-	-	-	1,467.06	-	-	-	-	1,467.06	(2.97)
Other Comprehensive Income/ (Expense), net of tax expense for the year		-	-	-	-	-	-	-	-	(2.57)	186.52	(528.74)	(3.60)	(8.87)	(357.26)	-
Conversion of Compulsorily Convertible Debentures into Equity shares (Refer Note 58(a))		(998.01)	1,111.77	-	-	-	-	-	-	-	-	-	-	-	113.76	-
Rights Issue of Equity Shares (Refer Note 58(b))		-	2.69	-	-	-	-	-	-	-					2.69	-
Utilised for increase in authorised share capital	17	-	(2.49)	-	-	-	-	-	-	-					(2.49)	-
Transfer to Debenture Redemption Reserve		-	-	-	-	826.65	-	-	-	(826.65)	-	-	-	-	-	-
Expenses incurred on conversion of Compulsorily Convertible Debentures			(1.27)												(1.27)	-
Transfer to Reserve Fund U/S 45-IC (1) of Reserve Bank Of India Act, 1934		-	-	-	-	-	-	15.60	-	(15.60)	-	-	-	-	-	-
Transfer to Reserve Fund U/s 29C of The NHB Act, 1987		-	-	-	-	-	-	-	288.52	(288.52)	-	-	-	-	-	-
Dividend Paid during the year		-	-	-	-	-	-	-	-	(451.50)	-	-	-	-	(451.50)	-
Dividend Distribution Tax thereon		-	-	-	-	-	-	-	-	(91.27)	-	-	-	-	(91.27)	-
Balance as at March 31, 2019		**3,359.71**	**2,944.50**	**78.01**	**61.73**	**1,516.88**	**5,714.60**	**23.50**	**288.52**	**11,352.73**	**161.16**	**1,666.90**	**11.58**	**3.32**	**27,183.14**	**9.03**

(₹ in Crores)

Particulars	Notes	Attributable to the owners of Piramal Enterprises Limited														Non-controlling Interests
		Reserves & Surplus									Other Items in OCI					
		Equity Component of Compulsorily Convertible Debentures	Securities Premium	Capital Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	Reserve Fund u/s 29C of the NHB Act, 1987	Retained Earnings	Foreign Currency Translation Reserve	FVTOCI - Equity Instruments	FVTOCI - Debt Instruments	Cash Flow Hedging Reserve	Other equity	
Balance as at April 1, 2019		3,359.71	2,944.50	78.01	61.73	1,516.88	5,714.60	23.50	288.52	11,352.73	161.16	1,666.90	11.58	3.32	27,183.14	9.03
Profit/ (Loss) after tax for the year		-	-	-	-	-	-	-	-	24.03	-	-		-	24.03	(2.89)
Other Comprehensive Income/ (Expense), net of tax expense for the year		-	-	-	-	-	-	-		(3.15)	325.41	(1,359.46)		(35.83)	(1,073.03)	-
Add: Reclassification to profit & loss on disposal of discontinued operations (Refer note 56 (a))		-	-	-	-	-	-	-	-	-	115.83	-	-	3.92	119.75	-
On account of adoption of Ind AS 116 (Refer note 55)		-	-	-	-	-	-	-	-	18.06	-	-	-	-	18.06	-
Issue and conversion of Compulsorily Convertible Debentures into Equity Shares (Refer Note 58(a))		(1,832.36)	3,295.69	-	-	-	-	-	-	-	-	-	-	-	1,463.33	-
Rights Issue of Equity Shares (Refer Note 58(b))		-	3,475.65	-	-	-	-	-	-	-	-	-	-	-	3,475.65	-
Transfer on sale FVTOCI-Designated Instruments (Refer note 4)	17									615.70		(615.70)			-	
Expenses incurred on conversion of Compulsorily Convertible Debentures		-	(3.82)	-	-	-	-	-	-	-	-	-	-	-	(3.82)	
Expenses incurred on rights issue of equity shares		-	(14.77)	-	-	-	-	-	-	-	-	-	-	-	(14.77)	-
Transfer from Debenture Redemption Reserve		-	-	-	-	(694.35)	-	-	-	694.35	-	-	-	-	-	-
Transfer to Reserve Fund U/S 45-IC (1) of Reserve Bank Of India Act, 1934		-	-	-	-	-		17.75	-	(17.75)	-	-	-	-	-	-
Transfer to Reserve Fund U/s 29C of The NHB Act, 1987		-	-	-	-	-	-	-	6.10	(6.10)					-	-
Transaction with Non-controlling interest										5.36					5.36	(6.14)
Dividend Paid during the year		-	-	-	-	-	-	-	-	(556.77)	-	-	-	-	(556.77)	-
Dividend Distribution Tax thereon		-	-	-	-	-	-	-	-	(114.45)	-	-	-	-	(114.45)	-
Balance as at March 31, 2020		1,527.35	9,697.25	78.01	61.73	822.53	5,714.60	41.25	294.62	12,012.01	602.40	(308.26)	11.58	(28.59)	30,526.48	-

C. Share Application money pending allotment (Refer Note 17 & 59):

(₹ in Crores)

Particulars	
Balance as at April 1, 2018	-
On account of merger with Piramal Phytocare Limited	0.06
Adjusted balance as at April 1, 2018	**0.06**
Movement during the year	4.18
Balance as at March 31, 2019	**4.24**
Movement during the year	(4.24)
Balance as at March 31, 2020	-

The above Consolidated Statement of Changes in Equity to be read in conjuction with accompanying notes

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rupen K. Bhatt
Partner
Membership Number: 046930

Mumbai, May 29, 2020

For and on behalf of the Board of Directors

Ajay G. Piramal
Chairman

Vivek Valsaraj
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 11, 2020

1. GENERAL INFORMATION

Piramal Enterprises Limited (PEL) (including its subsidiaries) is one of India's large diversified companies, with a presence in Pharmaceuticals and Financial Services.

In Pharma, through end-to-end manufacturing capabilities across 13 global facilities and a large global distribution network to over 100 countries, PEL sells a portfolio of niche differentiated pharma products and provides an entire pool of pharma services (including in the areas of injectable, HPAPI etc.). The Company is also strengthening its presence in the Consumer Products segment in India.

In Financial Services, Group provides comprehensive financing solutions to various companies. It provides both wholesale and retail funding opportunities across sectors. In real estate, the platform provides housing finance and other financing solutions across the entire capital stack ranging from early stage private equity, structured debt, senior secured debt, construction finance, and flexi lease rental discounting. The wholesale business in non-real estate sector includes separate verticals - Corporate Finance Group (CFG) and Emerging Corporate Lending (ECL). CFG provides customized funding solutions to companies across sectors such as infrastructure, renewable energy, roads, industrials, auto components etc. while ECL focuses on lending towards Small and Medium Enterprises (SMEs). The Group has also launched Distressed Asset Investing platform that invests in equity and/or debt in assets across sectors (other than real estate) to drive restructuring with active participation in turnaround. The Group also has strategic alliances with top global funds such as APG Asset Management, Bain Capital Credit, CPPIB Credit Investment Inc. and Ivanhoé Cambridge (CDPQ). The Group has long term equity investments in Shriram Group, a leading financial conglomerate in India.

PEL is a public limited Company incorporated and domiciled in India and has its registered office at Mumbai, India. It is listed on the BSE Limited and the National Stock Exchange of India Limited in India.

2a. Significant Accounting Policies

i) Basis of preparation

Compliance with Ind AS

The Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

The Separate financial statements are presented in addition to the consolidated financial statements presented by the Group.

Historical Cost convention

The Consolidated financial statements have been prepared on the historical cost basis except for the following:

a) certain financial instruments and contingent consideration - measured at fair value

b) assets classified as held for sale - measured at fair value less cost to sell

c) cash settled stock appreciation rights - measured at fair value

d) plan assets of defined benefit plans, which are measured at fair value

ii) New and amended IND AS standards that are effective from the current year

The Group has applied the following standards and amendments for the first time for the annual reporting period commencing April 01, 2019:

(a) IND AS 116, Leases

Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method of transition. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The Company's lease asset classes primarily consist of leases for land, buildings and IT assets.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments.

The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

(b) The impact of Ind AS 12 amendments is not material

iii) Principles of consolidation and equity accounting

a) Subsidiaries:

Subsidiaries are all entities (including Structured entities) over which the group has control. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

b) Associates:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting (see (d) below), after initially being recognised at cost. Wherever necessary, adjustments are made to financial statements of associates to bring there accounting policies in line with those used by the other members of group.

c) Joint Arrangements:

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Interests in joint ventures are accounted for using the equity method (see (d) below), after initially being recognised at cost in the consolidated balance sheet.

d) Equity method:

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

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy mentioned in Note 2a (vi) below.

e) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the group. A change in the ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non controlling interests and any consideration paid or received is recognised within equity.

iv) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Common control transactions

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

1) The assets and liabilities of the combining entities are reflected at their carrying amounts.

2) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.

3) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

4) The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

5) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

6) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, where the business combination had occured after that date, the prior period information is restated only from that date.

v)(a) Property, Plant and Equipment

Freehold Land is carried at historical cost. All other items of Property Plant & Equipments are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Subsequent expenditures related to an item of Property Plant & Equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company & cost can be reliably measured.

Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013 / estimated useful lives as determined by the management of respective subsidiaries based on technical evaluation. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The estimated useful lives of Property, Plant & Equipment are as stated below:

Asset Class	Useful life
Buildings*	3 years - 60 years
Roads	10 years
Plant & Equipment	3 - 20 years
Continuous Process Plant	25 years
Office Equipment	3 years - 15 years
Motor Vehicles	4 - 8 years
Helicopter	20 years
Ships	13 years/28 Years
Furniture & fixtures	3 - 15 years

*Useful life of leasehold improvements is as per lease period

(v)(b) Non current assets held for sale

Assets held for sale are measured at the lower of carrying amount or fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of the assets held for sale has been estimated using valuation techniques (including income and market approach) which includes unobservable inputs. Noncurrent assets and Disposal Group that ceases to be classified as held for sale shall be measured at the lower of carrying amount before the non-current asset and Disposal Group was classified as held for sale and its recoverable amount at the date of the subsequent decision not to sell. Recoverable amounts of assets reclassified from held for sale have been estimated using management's assumptions which consist of significant unobservable inputs.

(vi)(a) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Consolidated Statement of Profit and Loss.

The research and development (R&D) cost is accounted in accordance with Ind AS - 38 'Intangibles'.

Research

Research costs, including patent filing charges, technical know-how fees, testing charges on animal and expenses incurred on development of a molecule till the stage of Pre-clinical studies and till the receipt of regulatory approval for commencing phase I trials are treated as revenue expenses and charged off to the Statement of Profit and Loss of respective year.

Development

Development costs relating to design and testing of new or improved materials, products or processes are recognized as intangible assets and are carried forward under Intangible Assets under Development until the completion of the project when they are capitalised as Intangible assets, if the following conditions are satisfied:

- it is technically feasible to complete the asset so that it will be available for use;
- management intends to complete the asset and use or sell it;
- there is an ability to use or sell the asset;
- it can be demonstrated how the asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the asset are available; and
- the expenditure attributable to the asset during its development can be reliably measured.

Intangible Assets with finite useful lives are amortized on a straight line basis over the following period:

Asset Class	Useful life
Brands and Trademarks	5 - 25 years
Copyrights, Know-how (including qualifying Product Development Cost) and Intellectual property rights	4 - 25 years
Computer Software (including acquired database)	2 - 9 years
Customer relationships	8 - 14 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Certain trademarks are assessed as Intangible Assets with indefinite useful lives.

(vi)(b) Goodwill

Goodwill on acquisition is included in intangible assets. Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Goodwill is carried at cost less accumulated impairment losses.

vii) Impairment of Assets

The Group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Consolidated Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

viii) Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Investments and Other Financial assets

Classification:

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method. Subsequently, these are measured at amortised cost using the Effective Interest Method less any impairment losses.

Fair value through other comprehensive income (FVTOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL):
Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments
The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the consolidated statement of profit and loss.

Impairment of financial assets
The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

In case of other than trade receivables, the expected credit loss is a product of exposure at default, probability of default and loss given default. The company has devised an internal model to evaluate the probability of default and loss given default based on the parameters set out in Ind AS 109. Accordingly, the financial instruments are classified into Stage 1 – Standard Assets with zero to thirty days past due (DPD), Stage 2 – Significant Credit Deterioration or overdue between 31 to 90 days and Stage 3 – Default Assets with overdue for more than 90 days. The Company also takes into account the below qualitative parameters in determining the increase in credit risk for the financial assets:

1) Significant negative deviation in the business plan of the borrower
2) Internal rating downgrade for the borrower or the project
3) Current and expected financial performance of the borrower
4) Need for refinance of loan due to change in cash flow of the project
5) Significant decrease in the value of collateral
6) Change in market conditions and industry trends

For recognition of impairment loss on other financial assets and risk exposure (including off Balance Sheet commitments), the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Default Assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

Derecognition of financial assets
A financial asset is derecognised only when:

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Foreign exchange gains and losses
The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange

differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Compulsorily Convertible Debenture

Convertible instruments are separated into liability and equity components based on the terms of the contract. On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are apportioned between the liability and equity components of the convertible debentures based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with Ind AS 109; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(i) Cash flow hedges that qualify for hedge accounting: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

(ii) Derivatives that are not designated as hedges: The group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Offsetting Financial Instruments

Financial Assets and Liabilities are offset and the net amount is reflected in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or counterparty.

ix) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

x) Inventories

Inventories comprise of Raw and Packing Materials, Work in Progress, Finished Goods (Manufactured and Traded) and Stores and Spares. Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Weighted Average basis. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. The cost of Work-in-progress and Finished Goods comprises of materials, direct labour, other direct costs and related production overheads and Excise duty as applicable.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

xi) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur. Long Term Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- Defined Contribution plans such as provident fund, superannuation, pension, employee state insurance scheme and other social security schemes in overseas jurisdictions

- Defined Benefit plans such as provident fund and Gratuity, Pension fund (in case of a subsidiary)

In case of Provident fund, contributions are made to a Trust administered by the Group, except in case of certain employees, where the Contributions are made to the Regional Provident Fund Office.

Defined Contribution Plans

The Group's contribution to provident fund (in case of contributions to the Regional Provident Fund office), pension and employee state insurance scheme and other social security schemes in overseas jurisdictions are considered as defined contribution plans, as the Group does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

In case of 401(k) contribution plan (in case of US subsidiaries), contribution by the Group is discretionary. Any contribution made is charged to the Statement of Profit and Loss.

Defined Benefit Plan

The liability or asset recognised in the balance sheet in respect of defined benefit provident and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The liability or asset recognised in the balance sheet in respect of defined benefit provident and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Except in case of an overseas subsidiary, the present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

In case of an overseas subsidiary, where pension is classified as a Defined Benefit Scheme, assets are measured using market values and liabilities are measured using a Projected Unit Credit method and discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which benefits will be paid, and that have terms approximating to the terms of the related obligation. Shortfall, if any, is provided for in the financial statements.

Remeasurement gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets (excluding interest income) are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Bonus Plans - The Group recognises a liability and an expense for bonuses. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

xii) Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xiii) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods: Revenue from the sale of goods is recognised when the Group transfers Control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the product shipped. Amounts disclosed as revenue are net off returns, trade allowances, rebates and indirect taxes.

Sale of Services: In contracts involving the rendering of services/development contracts, revenue is recognised at the point in time in which services are rendered. Advisory fees are accounted on an accrual basis in accordance with the Investment Management Agreement and Advisory Services Agreement.

In case of fixed price contracts, the customer pays a fixed amount based on the payment schedule and the Group recognises revenue on the basis of input method. If the services rendered by the Group exceed the payment, a Contract asset (Unbilled Revenue) is recognised. If the payments exceed the services rendered, a contract liability (Deferred Revenue/Advance from Customers) is recognised.

If the contracts involve time-based billing, revenue is recognised in the amount to which the Group has a right to invoice.

Interest: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Dividend: Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

xiv) Foreign Currency Transactions

In preparing the financial statements of each individual Company entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations that have a functional currency other than presentation currency i.e. Indian Rupees are translated using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity, except to the extent that the translation difference is allocated to non-controlling interest. When a foreign operation is disposed off, the relevant amount recognized in FCTR is transferred to the statement of income as part of the profit or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the reporting date.

Foreign currency differences arising from translation of intercompany receivables or payables relating to foreign operations, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of net investment in foreign operation and are recognized in FCTR.

xv) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

xvi) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight line basis over the expected lives of the related assets and presented within other income.

xvii) Leases

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

xviii) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

xix) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

xx) Borrowing Costs

General and specific borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those Property, Plant & Equipments which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xxi) Segment Reporting

The Chairman has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments."

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / Costs which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under Unallocated Income / Costs. Interest income and expense are not allocated to respective segments (except in case of Financial Services segment).

xxii) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xxiii) Share appreciation rights

Liabilities for the group's share appreciation rights are recognised as employee benefit expense over the relevant service period. The liabilities are remeasured to fair value at each reporting date and are presented as employee benefit obligations in the balance sheet.

xxiv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

2b. Critical accounting judgements and key sources of estimation uncertainties

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

i) Estimation of uncertainty relating to COVID-19 global health pandemic:

In assessing the recoverability of loans, receivables, intangible assets, deferred tax assets and investments, the Group has considered internal and external sources of information, including credit reports, economic forecasts and industry reports up to the date of approval of these Consolidated financial statements. The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the carrying amount of these assets represent the Group's best estimate of the recoverable amounts. As a result of the uncertainties resulting from COVID-19, the impact of this pandemic may be different from those estimated as on the date of approval of these financial statements and the Group will continue to monitor any changes to the future economic conditions. Also refer note 3, 10, 41, 49 (a), 49 (f), 52 54(f).

ii) Fair Valuation:

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liability, the Group uses market observable data to the extent it is available. When Level 1 inputs are not available, the Group engages third party qualified external valuers to establish the appropriate valuation techniques and inputs to the valuation model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 55.

iii) Impairment of Goodwill (Refer Note 41)

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating units to which goodwill has been allocated. The recoverable amount is higher of the Value-in-Use and Fair Value Less Cost To Sell (FVLCTS). The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

iv) Expected Credit Loss:

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and credit assessment and including forward-looking information.

The inputs used and process followed by the Group in determining the increase in credit risk have been detailed in Note 50 (f).

v) Deferred Taxes

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

vi) Functional Currency (Refer Note 49(d))

Functional currency is the currency of the primary economic environment in which the Company and its subsidiaries operate. The Group assesses the factors as per Ind AS 21 in determining the functional currency of the Company and its subsidiaries. If there is any change in underlying transactions, events and conditions in the Company or its subsidiary, the Group reassesses the functional currency.

vii) Assessment of Significant influence (Refer Note 39 (d))

Irrespective of the voting rights in an entity, if the Company has a right to appoint Directors or participates in all significant financial and operating decisions of an investee, there is an existence of significant influence and the investment is considered as an Associate.

viii) Assessment of Joint control (Refer Note 39 (b))

Irrespective of the voting rights in an entity, if a contractual arrangement requires unanimous consent from all the parties for the relevant activities and if there is a separation of the legal form of the structure, the arrangement is accounted as a Joint venture.

3. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Crores)

Particulars	GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION / AMORTISATION					NET CARRYING AMOUNT	
	Opening As at April 1, 2019	Additions	Deductions/ Adjustments	Exchange Difference	As at March 31,2020 (A)	Opening As at April 1, 2019	For the Year #	Deductions/ Adjustments	Exchange Difference	As at March 31,2020 (B)	As at March 31,2020 (A-B)	As at March 31, 2019
Property, Plant & Equipment												
Land Freehold	102.64	-	0.43	3.01	**105.22**	0.16	0.24	-	0.00	**0.40**	**104.82**	102.48
Buildings	977.36	31.20	24.96	14.64	**998.24**	83.69	39.05	13.72	1.99	**111.01**	**887.23**	893.67
Roads	4.84	-	-	0.04	**4.88**	1.51	0.41	-	0.02	**1.94**	**2.94**	3.33
Plant & Equipment	1,911.21	228.62	39.96	83.60	**2,183.47**	592.44	221.40	28.10	35.59	**821.33**	**1,362.14**	1,318.77
Furniture & fixtures	80.43	8.26	16.26	2.12	**74.55**	25.52	12.39	4.60	0.45	**33.76**	**40.79**	54.91
Office Equipment	43.06	5.47	9.75	0.22	**39.00**	15.34	10.07	6.58	0.27	**19.10**	**19.90**	27.72
Ships	0.88	-	-	-	**0.88**	0.35	0.09	-	-	**0.44**	**0.44**	0.53
Helicopter ^	9.60	-	-	-	**9.60**	2.16	0.54	-	-	**2.70**	**6.90**	7.44
Motor Vehicles	12.11	0.19	0.26	0.05	**12.09**	3.30	1.51	0.45	(0.01)	**4.35**	**7.74**	8.81
Total (I)	**3,142.13**	**273.74**	**91.62**	**103.68**	**3,427.93**	**724.47**	**285.70**	**53.45**	**38.31**	**995.03**	**2,432.90**	**2,417.66**
Intangible Assets (Acquired)												
Customer relations*	220.87	-	103.46	13.83	**131.24**	74.69	20.59	64.70	4.07	**34.65**	**96.59**	146.18
Favourable lease	1.41	-	1.44	0.03	**-**	0.99	0.21	1.24	0.04	**-**	**-**	0.42
Product-related Intangibles - Brands and Trademarks*+	2,592.58	-	41.53	198.64	**2,749.69**	326.79	132.06	5.79	28.13	**481.19**	**2,268.50**	2,265.79
Product-related Intangibles - Copyrights, Knowhow and Intellectual property rights*	276.96	4.79	-	23.56	**305.31**	58.13	25.76	-	6.13	**90.02**	**215.29**	218.83
Computer Software (Including acquired database)	429.47	113.45	483.03	10.94	**70.83**	235.19	88.97	284.39	5.00	**44.77**	**26.06**	194.28
Intangible Assets (Internally Generated)												
Product Know-how	16.91	44.34		3.37	**64.62**	2.55	6.18		0.48	**9.21**	**55.41**	14.36
Total (II)	**3,538.20**	**162.58**	**629.46**	**250.37**	**3,321.69**	**698.34**	**273.77**	**356.12**	**43.85**	**659.84**	**2,661.85**	**2,839.86**
Grand Total (I + II)	**6,680.33**	**436.32**	**721.08**	**354.05**	**6,749.62**	**1,422.81**	**559.47**	**409.57**	**82.16**	**1,654.87**	**5,094.75**	**5,257.52**

* Material Intangible Assets as on March 31, 2020

Asset Class	Asset Description	Carrying Value as at March 31, 2020	Carrying Value as at March 31, 2019	Remaining useful life as on March 31, 2020
Product-related Intangibles - Brands and Trademarks	Brands and trademarks	**325.27**	356.89	**4 years to 13 years**
Product-related Intangibles - Brands and Trademarks	Purchased Brands	**1,901.18**	1,830.89	**18-23 years**
Customer Relations	Purchased Brands	**57.41**	59.91	**8 years**
Product-related Intangibles - Copyrights, Knowhow and Intellectual property rights	Purchased Brands	**198.26**	156.57	**8 years**

Depreciation for the year includes depreciation amounting to ₹ 9.23 Crores (Previous Year ₹ 9.81 Crores) on assets used for Research and Development locations at Ennore and Mumbai.
+ Certain Brands are in the process of being registered in the name of the Company, for which the necessary application has been made with trade mark registry.
^ The Company has a 25% share in joint ownership of Helicopter

3. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS (CONTD.)

Considering internal and external sources of information, the Group has evaluated at the end of the reporting period, whether there is any indication that any intangible asset may be impaired. Where such indication exists, the Group has estimated the recoverable amount of the intangible assets based on 'value in use' method. The financial projections on the basis of which the future cash flows have been estimated consider (a) an increase in economic uncertainties due to COVID-19, (b) reassessment of the discount rates, (c) revisiting the growth rates factored while arriving at terminal value, and these variables have been subjected to a sensitivity analysis. The carrying amount of the intangible assets represent the Group's best estimate of the recoverable amounts.

Current year

For disposal of assets refer note 56(a) and 56(b)

Refer Note 44 for the assets mortgaged as security against borrowings.

Refer Note 28 B for the contractual capital commitments for purchase of Property, Plant & Equipment

(₹ in Crores)

Particulars	GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION / AMORTISATION					NET CARRYING AMOUNT	
	Opening as at April 1, 2018	Additions	Deletions/ Adjustments	Exchange Difference	As at March 31, 2019 (A)	Opening as at April 1, 2018	For the Year	Deductions/ Adjustments	Exchange Difference	As at March 31, 2019 (B)	As at March 31, 2019 (A-B)	As at March 31, 2018
Property, Plant & Equipment												
Land Freehold	103.43	-	-	(0.79)	102.64	0.16	-	-	-	0.16	102.48	103.27
Buildings	863.74	110.39	1.82	5.05	977.36	51.05	33.57	1.69	0.76	83.69	893.67	812.69
Roads	3.89	0.93	-	0.02	4.84	0.84	0.67	-	-	1.51	3.33	3.05
Plant & Equipment	1,573.90	360.36	50.82	27.77	1,911.21	433.00	189.97	41.06	10.53	592.44	1,318.77	1,140.90
Furniture & fixtures	67.28	22.02	9.79	0.92	80.43	22.45	12.08	9.42	0.41	25.52	54.91	44.83
Office Equipment	37.99	8.64	4.29	0.72	43.06	11.60	8.00	4.29	0.03	15.34	27.72	26.39
Ships	0.88	-	-	-	0.88	0.26	0.09	-	-	0.35	0.53	0.62
Helicopter ^	9.60	-	-	-	9.60	1.62	0.54	-	-	2.16	7.44	7.98
Motor Vehicles	7.54	4.80	0.62	0.39	12.11	2.26	1.23	0.20	0.01	3.30	8.81	5.28
Total (I)	**2,668.25**	**507.14**	**67.34**	**34.08**	**3,142.13**	**523.24**	**246.15**	**56.66**	**11.74**	**724.47**	**2,417.66**	**2,145.01**
Intangible Assets (Acquired)												
Customer relations	208.68	-		12.19	220.87	45.96	26.18	-	2.55	74.69	146.18	162.72
Favourable lease	1.33	-	-	0.08	1.41	0.73	0.23	-	0.03	0.99	0.42	0.60
Product-related Intangibles - Brands and Trademarks+	2,750.49	13.40	297.01	125.70	2,592.58	287.14	134.96	104.03	8.72	326.79	2,265.79	2,463.35
Product-related Intangibles - Copyrights, Knowhow and Intellectual property rights	234.85	31.16	-	10.95	276.96	39.94	17.68	-	0.51	58.13	218.83	194.91
Computer Software (Including acquired database)	283.90	157.19	24.88	13.26	429.47	159.26	92.97	24.79	7.75	235.19	194.28	124.64
Intangible Assets (Internally Generated)												
Product Know-how	2.32	14.80	-	(0.21)	16.91	0.57	1.98	-	-	2.55	14.36	1.75
Total (II)	**3,481.57**	**216.55**	**321.89**	**161.97**	**3,538.20**	**533.60**	**274.00**	**128.82**	**19.56**	**698.34**	**2,839.86**	**2,947.97**
Grand Total (I + II)	**6,149.82**	**723.69**	**389.23**	**196.05**	**6,680.33**	**1,056.84**	**520.15**	**185.48**	**31.30**	**1,422.81**	**5,257.52**	**5,092.98**

Previous year

For disposal of assets Refer Note 37

Previous year numbers have been adjusted to give effect of merger of Piramal Phytocare Limited (Refer note no. 59)

+ Certain Brands are in the process of being registered in the name of the Company, for which the necessary application has been made with trade mark registry.
^ The Company has a 25% share in joint ownership of Helicopter

4 (a) Investments accounted for using the equity method

Particulars	As at March 31, 2020		As at March 31, 2019	
	Quantity	(₹ in crores)	Quantity	(₹ in crores)
Investments in Equity Instruments:				
A. In Joint Ventures (Unquoted) - At Cost:				
i. Convergence Chemicals Private Limited				
Interest as at April 1	35,705,100	30.39	35,705,100	28.60
Add - Share of profit for the year		7.14		1.79
Less - Share of unrealised profit on closing stock		*		*
Add - Share of other comprehensive income for the year		*		*
		37.53		30.39
ii. Shrilekha Business Consultancy Private Limited				
Interest as at April 1	62,234,605	3,148.74	62,234,605	2,901.05
Add - Share of profit for the year		391.33		274.62
Less - Share of other comprehensive loss for the year		-		(3.60)
Less - Dividend received		(78.73)		(23.33)
		3,461.34		3,148.74
iii. India Resurgence ARC Private Limited				
Interest as at April 1	51,000,000	50.71	1,000,000	1.03
Add - Investment during the year	3,000,000	3.00	50,000,000	50.00
Add - Share of loss for the year		(2.35)		(0.32)
		51.36		50.71
iv. India Resurgence Asset Management Business Private Limited				
Interest as at April 1	15,000,000	-	5,000,000	5.12
Add - Investment during the year	5,000,000	5.00	10,000,000	4.75
Add - Share of loss for the year		-		(9.87)
		5.00		-
v. Piramal Ivanhoe Residential Equity Fund 1				
Interest as at April 1	1,220,708	122.60		-
Less: Addition/ (Redemption) during the year	(67,828)	(6.79)	1,220,708	122.07
Add - Share of profit for the year		24.01		0.53
		139.82		122.60
vi. India Resurgence Fund Scheme II				
Interest as at April 1	15,807,476	158.71		-
Add - Investment during the year	2,913,343	29.13	15,807,476	158.07
Add - Share of profit for the year		13.14		0.64
Less - Dividend received		(7.23)		-
		193.75		158.71
vii. India Resurgence ARC Trust I				
Interest as at April 1		-		-
Add - Investment during the year	539,500	53.95		-
Add - Share of profit for the year		-		-
		53.95		-
viii. Asset Resurgence Mauritius Manager				
Interest as at April 1		-		-
Add - Investment during the year	95,445	0.62		-
Add - Share of profit for the year		4.49		-
		5.11		-
ix. Piramal Structured Credit Opportunities Fund				
Interest as at April 1		-		-
Add - Investment during the year	3,579	36.01		-
Add - Share of profit for the year		-		-
		36.01		-
Total (A)		3,983.87		3,511.15

	Particulars	As at March 31, 2020		As at March 31, 2019	
		Quantity	(₹ in crores)	Quantity	(₹ in crores)
B.	In Associates:				
I	Quoted - At Cost:				
	Piramal Phytocare Limited				
	Interest as at April 1		-		-
	Add - Share of loss for the year (Refer Note A below)		-		-
	Total (B (I))		-		-
II	Unquoted - At Cost:				
i.	Allergan India Private Limited				
	Interest as at April 1	3,920,000	142.57	3,920,000	152.83
	Add - Share of profit for the year		51.80		50.99
	Add - Share of other comprehensive income for the year		*		*
	Less - Dividend received		-		(61.25)
			194.37		142.57
ii.	Shriram Capital Limited				
	Interest as at April 1	1,000	0.01	1,000	0.01
			0.01		0.01
iii.	Bluebird Aero Systems Limited				
	Interest as at April 1	67,137	39.99	67,137	38.99
	Add - Share of profit/ (loss) for the year		*		1.00
	Add - Currency translation differences		*		*
			39.99		39.99
	Total (B(II))		234.37		182.57
	Total equity accounted investments (A+B(I)+B(II))		4,218.24		3,693.72
	Aggregate market value of quoted investments		-		-
	Aggregate carrying value of quoted investments		-		-
	Aggregate carrying value of unquoted investments		4,218.24		3,693.72
	Aggregate amount of impairment in value of investments		-		-

Note A

Investment in Piramal Phytocare Limited

Refer note 59

* below rounding off norms adopted by the Group

4 (b) Investments

Non-Current Investments:

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments in Equity Instruments (fully paid-up)		
Other Bodies Corporate		
Quoted - At FVTOCI #:	492.47	4,104.34
	492.47	4,104.34
Unquoted - At FVTPL:	11.81	*
	11.81	*
Investments in Preference Shares (fully paid-up)		
Other Bodies Corporate		
Unquoted - At FVTPL:	-	1.81
	-	1.81
Investment in Debentures:		
Other Bodies Corporate:		
Quoted:		
Redeemable Non-Convertible Debentures - At Amortised Cost:	722.55	1,053.99
Redeemable Non-Convertible Debentures - At FVTPL	1,975.83	262.47

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted:		
Redeemable Non-Convertible Debentures - At Amortised Cost:	9,451.05	14,370.53
Less: Provision for Impairment based on Expected credit loss model	894.09	283.31
	11,255.34	15,403.68
Investments in Alternative Investment Funds/Venture Capital Funds		
In Others (Unquoted) - At FVTPL:	514.54	95.92
	514.54	95.92
Total Non Current Investments	12,274.16	19,605.75

* below rounding off norms adopted by the Group

During the year ended March 31, 2020, the Group has sold its entire direct investment of 9.96% in Shriram Transport Finance Company Limited. Upon sale, the Group has reclassified the cumulative Fair value changes of ₹ 615.70 crores from Other Comprehensive Income to Retained Earnings.

4 (b) Current Investments:

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in Debentures:		
A. In Other Bodies Corporate		
Quoted:		
Redeemable Non-Convertible Debentures - At Amortised Cost:	446.10	147.09
Redeemable Non-Convertible Debentures - At FVTPL:	650.37	761.41
	1,096.47	908.50
Unquoted:		
Redeemable Non-Convertible Debentures - At Amortised Cost	1,897.81	1,477.09
Less: Provision for Impairment based on Expected credit loss model	101.81	40.39
	1,796.00	1,436.70
Investment in Mutual Funds (Quoted) - At FVTPL:	6.68	25.66
	6.68	25.66
Investments in Alternative Investment Funds/Venture Capital Funds (Quoted) - At FVTPL:	51.24	76.79
	51.24	76.79
Total Current Investments	2,950.39	2,447.65
Aggregate market value of quoted investments		
- Non-Current	3,190.85	5,420.80
- Current	1,103.15	934.16
Aggregate gross carrying value of unquoted investments		
- Non-Current	9,977.41	14,468.26
- Current	1,949.04	1,553.88
Aggregate amount of provision for impairment in value of investments	995.90	323.70
Refer Note 44 for Investments mortgaged as security against borrowings.		
Details of Total Investments:		
(i) Financial assets carried at fair value through profit or loss (FVTPL)		
Mandatorily measured at FVTPL		
Equity instruments - Equity Shares	11.81	-
Preference Shares	-	1.81
Mutual Funds	6.68	25.66
Debentures	2,626.20	1,023.88
Alternative Investment Fund / Venture Capital Funds	565.78	172.71
	3,210.47	1,224.06
(ii) Financial assets carried at amortised cost		
Debentures	11,521.61	16,725.00
	11,521.61	16,725.00

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(iii) Financial assets measured at FVTOCI		
Equity instruments - Equity Shares	**492.47**	4,104.34
	492.47	**4,104.34**
Total	**15,224.55**	**22,053.40**

5. LOANS - NON-CURRENT

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
LOANS (SECURED AND CONSIDERED GOOD) - AT AMORTISED COST				
Term Loans (Refer Note 44)	**30,758.83**		33,359.56	
Less: Provision for expected credit loss	**(965.74)**		(438.14)	
		29,793.09		32,921.42
Inter Corporate Deposits (Refer Note 44)	**92.78**		-	
Less: Provision for expected credit loss	**(50.27)**		-	
		42.51		-
LOANS (SECURED AND CREDIT IMPAIRED) - AT AMORTISED COST				
Inter Corporate Deposits (Refer Note 44)	**-**		91.66	
Less: Provision for expected credit loss	**-**		(13.35)	
		-		78.31
LOANS (SECURED AND CONSIDERED GOOD) - AT FVTPL				
Term Loans	**579.14**		370.56	
		579.14		370.56
LOANS (SECURED AND CREDIT IMPAIRED) - AT AMORTISED COST				
Term Loans	**596.21**		163.94	
Less: Provision for expected credit loss	**(219.62)**		(111.85)	
		376.59		52.09
LOANS (SECURED AND SIGNIFICANT INCREASE IN CREDIT RISK) - AT AMORTISED COST				
Term Loans	**646.81**		171.73	
Less: Provision for expected credit loss	**(178.45)**		(21.52)	
		468.36		150.21
LOANS (UNSECURED AND CONSIDERED GOOD) - AT AMORTISED COST				
Loans to related parties (Refer Note 43)	**22.37**		29.02	
		22.37		29.02
Loans to Employees	**22.42**	**22.42**		11.96
TOTAL		**31,304.48**		**33,613.57**

6. OTHER FINANCIAL ASSETS - NON-CURRENT

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Unbilled revenue #	**64.99**	0.50
Security Deposits	**484.56**	47.04
TOTAL	**549.55**	47.54

Classified as financial asset as right to consideration is unconditional upon passage of time.

7. DEFERRED TAX ASSETS (NET)

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
(a) Deferred Tax Assets on account of temporary differences		
- Measurement of financial assets at amortised cost / fair value	**84.46**	66.88
- Provision for expected credit loss on financial assets (including commitments)	**739.25**	373.76
- Other Provisions	**5.22**	35.28
- Unused Tax Credit/losses	**460.05**	1,546.51
- Amortisation of expenses which are allowed in current year	**0.23**	0.32
- Expenses that are allowed on payment basis	**47.42**	69.12
- Recognition of lease rent expense	**1.31**	1.24
- Unrealised profit margin on inventory	**22.92**	38.18
- Deferred Revenue	**59.02**	58.47
- Goodwill on Merger of wholly owned subsidiaries (Refer Note 39 (a))	**1,258.29**	2,336.28
- Deferrement of interest income due to EIR and fair valuation of FVTPL instruments	**4.45**	-
- Other temporary differences	**6.36**	13.18
	2,688.98	**4,539.22**
(b) Deferred Tax Liabilities on account of temporary differences		
- Property, Plant and Equipment and Intangible assets	**172.97**	288.67
- Measurement of financial assets at amortised cost/fair value	**87.09**	-
- Measurement of financial liabilities at amortised cost		117.44
- Unamortised processing fees	**56.34**	59.38
- Fair value measurement of derivative contracts		4.36
- Other temporary differences	**0.26**	0.92
	316.66	**470.77**
TOTAL (a-b)	**2,372.32**	**4,068.45**

Deferred Tax Assets and Deferred Tax Liabilities of the respective entities have been offset as they relate to the same governing taxation laws.

Refer Note 52 for movements during the year.

8. OTHER NON - CURRENT ASSETS

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Advance Tax [Net of Provision of ₹ 6,162.76 Crores at March 31, 2020, (Previous year ₹ 5,805.19 Crs.)]	**1,077.55**	524.87
Advances recoverable	**50.73**	39.30
Unamortized distribution fees	**13.25**	12.23
Unbilled Revenue#	**-**	35.18
Prepayments	**-**	5.85
Capital Advances	**2.64**	15.28
TOTAL	**1,144.17**	**632.71**

Classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestone.

9. INVENTORIES

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Raw and Packing Materials [includes in Transit of ₹ 3.50 Crores as on March 31, 2020, (Previous year ₹23.74 Crores)]	**394.10**	341.65
Work-in-Progress	**326.61**	248.85
Finished Goods	**89.97**	101.49
Stock-in-trade	**184.69**	77.05
Stores and Spares	**65.80**	62.29
TOTAL	**1,061.17**	**831.33**

1. Refer Note 44 for the inventories hypothecated as security against borrowings.
2. The cost of inventories recognised as an expense during the year was ₹ 1,756.40 crores (Previous year ₹ 1,612.49 Crores).
3. The cost of inventories recognised as an expense includes a charge of ₹ 3.31 Crores (Previous year reversal of ₹ 2.05 Crores) in respect of write downs of inventory to net realisable value and a charge of ₹ 76.31 crores (Previous year ₹ 6.92 Crores) in respect of provisions for slow moving/non moving/expired/near expiry products.
4. Refer Note 2(a)(x) for policy for valuation of inventories.

10. TRADE RECEIVABLES

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Secured - Considered Good	**0.18**		0.18	
Unsecured - Considered Good	**1,332.88**		1,415.95	
Unsecured - Considered Doubtful	**37.77**		43.45	
Less: Expected Credit Loss on Trade Receivables	**(46.44)**		(56.25)	
		1,324.39		1,403.33
TOTAL		**1,324.39**		**1,403.33**

In the Pharmaceuticals Manufacturing and Services business, the credit period on sale of goods ranges from 7 to 150 days; in the Healthcare Insights and Analytics business, the average credit period allowed to customers was 76 days.

The Group has a documented Credit Risk Management Policy for its Pharmaceuticals Manufacturing and Services business. For every new customer (except established large pharma companies), the group performs a credit rating check using an external credit agency. If a customer clears the credit rating check, the credit limit for that customer is derived using internally documented scoring systems. The credit limits for all the customers are reviewed on an ongoing basis.

In the Healthcare Insights and Analytics business, the customer base was mainly comprised of the top bio-tech companies with no history of failing to pay for products ordered or services rendered. In the event that new information arises about a customer's financial condition which would impact their ability to pay and management believes that there is an exposure, a provision was established for these potential credit losses.

The Group has used a practical expedient by computing the expected credit loss allowance for External Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience, adjusted for forward looking information including the likelihood of increased credit risk considering emerging situations due to COVID-19. Based on external sources of information the group has concluded that the carrying amount of the trade receivables represent the Group's best estimate of the recoverable amounts'. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as under:

Ageing - Pharmaceuticals Manufacturing and Services business	Expected credit loss (%) - For external customers
Less than 365 days	0.30%
More than 365 days	100.00%

(₹ in Crores)

Ageing	Expected credit loss	Expected credit loss
	As at March 31, 2020	As at March 31, 2019
Within due date	**3.99**	11.22
After Due date	**42.45**	45.03

(₹ in Crores)

Ageing of receivables	As at March 31, 2020	As at March 31, 2019
Less than 365 days	**1328.38**	1401.48
More than 365 days	**42.45**	58.10
Total	**1,370.83**	**1,459.58**

If the trade receivables (discounted) are not paid at maturity, the bank has right to request the Group to pay the unsettled balance. As the Group has not transferred the risks and rewards relating to these customers, it continues to recognize the full carrying amount of the receivables and has recognized the cash received on the transfer as a secured borrowing (Refer Note 23).

At the end of the reporting period, the carrying amount of the trade receivables that have been transferred but have not been de-recognized amounted to ₹ 33.54 Crores (Previous year ₹ 0.79 Crores) and the carrying value of associated liability is ₹ 33.54 Crores (Previous year ₹ 0.79 Crores) (Refer Note 23).

Movement in Expected Credit Loss Allowance:

(₹ in Crores)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Balance at the beginning of the year	**56.25**	54.03
Add: Expected credit loss acquired on business combination	**-**	0.44
Add: Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	**6.04**	11.40
Less: Bad debts written off	**(9.24)**	(4.54)
Less: Amount derecognised on disposal of subsidiary (Refer Notes 37 and 56 (b))	**(7.12)**	(2.66)
Add: Effect of translation differences	**0.51**	(2.42)
Balance at the end of the year	**46.44**	**56.25**

Refer Note 44 for the receivables hypothecated as security against borrowings.

11. CASH AND CASH EQUIVALENTS

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
i. Balance with Banks				
- Current Account	**1,700.34**		798.41	
- Deposit Account (less than 3 months original maturity)	**1,055.06**		13.23	
		2,755.40		811.64
ii. Cheques on Hand		**1,585.42**		-
iii. Cash on Hand		**0.12**		0.09
TOTAL		**4,340.94**		**811.73**

12. OTHER BANK BALANCES

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
i. Earmarked balances with banks				
- Unclaimed Dividend Account	**21.68**		21.64	
- Others (Refer note below)	**13.15**		40.80	
		34.83		62.44
ii. Margin Money		**0.25**		15.29
iii. Deposit Account (more than 3 months original maturity but less than 12 months)		**395.10**		29.11
TOTAL		**430.18**		**106.84**

Note: Bank balance of ₹12.66 Crores represents Rights Issue proceeds pending utilisation kept in Escrow account (previous year ₹ 0.55 Crores).

13. LOANS - CURRENT

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Loans Secured and Considered Good - at amortised cost:				
Term Loans	**3,992.30**		4,888.92	
Less: Allowance for expected credit loss	**(328.14)**		(78.16)	
		3,664.16		4,810.76
Loans (Secured and Considered Good) - AT FVTPL				
Term Loans	**310.75**	**310.75**	304.28	304.28
Loans (Secured and Signifcant Increase in credit risk) - At Amortised Cost				
Term Loans	-		35.68	
Less: Provision for expected credit loss	-		(3.34)	
		-		32.34

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Inter Corporate Deposits Receivables (Unsecured and Considered Good)- At Amortised Cost		**18.69**		21.07
Loans to Related Parties Unsecured and Considered Good - At Amortised Cost (Refer Note 43)		**2.12**		3.31
Loans (Unsecured and Signifcant Increase in credit risk) - At Amortised Cost				
Term Loans	**117.68**		-	
Less: Provision for expected credit loss	**(37.61)**		-	
		80.07		-
Inter Corporate Deposits Unsecured- Credit Impaired				
Inter Corporate Deposits	**8.30**		8.30	
Less: Allowance for expected credit loss	**(8.30)**		(8.30)	
		-		-
TOTAL		**4,075.79**		**5,171.76**

14. OTHER FINANCIAL ASSETS - CURRENT

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Security Deposits	**521.56**	813.60
Advances recoverable	**0.02**	0.61
Derivative Financial Assets	**17.84**	12.49
Contingent consideration (Refer note 56 (b))	**454.66**	-
Other Receivable from related parties (Refer Note 43)	**-**	41.84
Unbilled revenues#	**24.85**	80.11
Bank deposits (Refer Note 44)	**-**	8.00
Restricted Deposit - Escrow Account (Refer note below)	**7.57**	12.80
Interest Accrued	**5.66**	2.16
Others	**86.07**	13.46
TOTAL	**1,118.23**	**985.07**

Classified as financial asset as right to consideration is unconditional upon passage of time. During the year ended March 31, 2020, ₹ 11.50 Crores (Previous year: INR 68.82 Crores) of unbilled revenue as on March 31, 2019 has been reclassified to Trade Receivables upon billing to customers. Balance of ₹ 68.82 crores was de-recognised on disposal of subsidiary (Refer Note 56(a))

Due to non fulfilment of Conditions precedent for each tranche of investment in Searchlight Health Private Limited (formerly known as Health Super Hiway Private Limited), amounts lying in Escrow deposit of ₹12.80 Crs were withdrawn and received.

15. OTHER CURRENT ASSETS

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Advances:				
Unsecured and Considered Good	**137.03**		100.03	
Considered Doubtful	**0.08**		0.08	
	137.11		100.11	
Less: Provision for Doubtful Advances	**(0.08)**		(0.08)	
		137.03		100.03
Prepayments		**111.70**		108.15
Unamortized distribution fees		**155.33**		32.71
Balance with Government Authorities		**384.42**		241.80
Unbilled Revenue *		**-**		5.51
Claims Receivable		**13.51**		15.11
TOTAL		**801.99**		**503.31**

* Classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

16. SHARE CAPITAL

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Authorised Share Capital		
400,000,000 (250,000,000) Equity Shares of ₹ 2/- each	**80.00**	50.00
3,000,000 (3,000,000) Preference Shares of ₹ 100/- each	**30.00**	30.00
24,000,000 (24,000,000) Preference Shares of ₹ 10/- each	**24.00**	24.00
105,000,000 (105,000,000) Unclassified Shares of ₹ 2/- each	**21.00**	21.00
	155.00	**125.00**
Issued Capital		
226,138,301 (185,260,375) Equity Shares of ₹ 2/- each	**45.23**	37.05
	45.23	**37.05**
Subscribed and paid up		
225,538,356 (184,446,972) Equity Shares of ₹ 2/- each (fully paid up)	**45.11**	36.89
TOTAL	**45.11**	**36.89**

(i) Movement in Equity Share Capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
At the beginning of the year	**184,446,972**	**36.89**	180,273,674	36.05
Add: Issued during the year (Refer Note 58 (a), 58(b) & 59)	**41,091,384**	**8.22**	4,173,298	0.84
At the end of the year	**225,538,356**	**45.11**	**184,446,972**	**36.89**

There are no equity shares due and outstanding to be credited to Investor Education and Protection Fund as at the year end.

(ii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% Holding	No. of shares	% Holding
The Sri Krishna Trust through its Trustees, Mr.Ajay Piramal and Dr.(Mrs.) Swati A. Piramal	**78,877,580**	**34.97%**	78,754,817	42.70%
Life Insurance Corporation of India	**17,989,691**	**7.98%**	9,959,306	5.40%

(iii) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the balance sheet date:

Particulars	Financial Year	No. of shares
Equity Shares of ₹ 2 each allotted as fully paid-up pursuant to merger of Piramal Phytocare Limited into the Company (Refer Note 59)	2019-20	3,05,865

(iv) Terms and Rights attached to equity shares

Equity Shares:

The Company has one class of equity shares having a par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

17. OTHER EQUITY

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Capital Reserve		**78.01**		78.01
Securities Premium		**9,697.25**		2,944.50
Equity component of Compulsorily Convertible Debentures		**1,527.35**		3,359.71
Capital Redemption Reserve		**61.73**		61.73
Debenture Redemption Reserve		**822.53**		1,516.88
General Reserve		**5,714.60**		5,714.60
Foreign Currency Translation Reserve		**602.40**		161.16
Reserve Fund U/S 45-IC (1) of Reserve Bank of India Act, 1934		**41.25**		23.50
Reserve Fund u/s 29C of the NHB Act, 1987		**294.62**		288.52
FVTOCI - Equity Instruments		**(308.26)**		1,666.90
FVTOCI - Debt Instruments		**11.58**		11.58
Cash Flow Hedging Reserve		**(28.59)**		3.32
Share application money pending allotment		**-**		4.24
Retained Earnings		**12,012.01**		11,352.73
TOTAL		**30,526.48**		**27,187.38**
Capital Reserve				
At the beginning of the year	**78.01**		56.66	
Add: On account of merger with Piramal Phytocare Limited (Refer note 59)	**-**		21.35	
At the end of the year		**78.01**		78.01
This reserve is outcome of past business combinations.				
Securities Premium				
At the beginning of the year	**2,944.50**		1,831.30	
Add: Conversion of Compulsorily Convertible Debentures into Equity Shares (Refer Note 58 (a))	**3,295.69**		1,111.77	
Add: On account of merger with Piramal Phytocare Limited (Refer note 59)	**-**		2.50	
Add: Rights Issue of Equity shares (Refer Note 58 (b))	**3,475.65**		2.69	
Less: Expenses incurred on conversion of Compulsorily Convertible Debentures	**(3.82)**		(1.27)	
Less: Expenses incurred on rights issue of equity shares	**(14.77)**		(2.49)	
At the end of the year		**9,697.25**		2,944.50
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.				
Equity component of Compulsorily Convertible Debentures				
At the beginning of the year	**3,359.71**		4,357.72	
Issue and conversion of Compulsorily Convertible Debentures into Equity Shares (Refer Note 58 (a))	**(1,832.36)**		(998.01)	
At the end of the year		**1,527.35**		3,359.71

This is the equity component of the issued Compulsorily Convertible Debentures. The liability component is reflected in financial liabilities. (Refer note 18: Non-current borrowings and 24: Other financial liabilities (included in current maturities of long-term debt)). For terms of issue in relation to Compulsorily Convertible Debentures issued during the year, refer note 18.

Capital Redemption Reserve				
At the beginning of the year	**61.73**		61.73	
Add: Transferred during the year	**-**		-	
		61.73		61.73

This reserve was created as per requirements of Companies Act pursuant to buyback of equity shares and redemption of preference shares.

Debenture Redemption Reserve				
At the beginning of the year	**1,516.88**		690.23	
Add/ (Less): Transfer during the year	**(694.35)**		826.65	
At the end of the year		**822.53**		1,516.88

The Debenture redemption reserve is created as per the requirements of Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014. The amount represents 25% of the amount payable on redemption of debentures.

Debenture redemption reserve has not been created in respect of subsidiary which has privately placed debentures in accordance with the Companies (Share Capital and Debentures) Rules, 2014.

General Reserve				
At the beginning of the year	**5,714.60**		5,714.60	
Add: Transferred during the year	**-**		-	
		5,714.60		5,714.60

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Foreign Currency Translation Reserve				
At the beginning of the year	**161.16**		(25.36)	
Add: Other Comprehensive Income for the year	**372.97**		236.18	
Add: Reclassification to profit & loss on disposal of discontinued operations (Refer Note 56(a))	**115.83**		-	
Less: Income tax impact on the above	**(47.56)**		(49.66)	
At the end of the year		**602.40**		161.16
Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.				
Reserve Fund u/s 45-IC (1) of Reserve Bank of India Act, 1934				
At the beginning of the year	**23.50**		7.90	
Add: Transferred during the year	**17.75**		15.60	
At the end of the year		**41.25**		23.50
Reserve Fund is required to be maintained u/s 45-IC(1) of the Reserve Bank of India Act, 1934 for Non Banking Financial Companies. During the year ended March 31, 2020, PHL Fininvest Private Limited had transferred an amount of ₹ 17.75 Crores (Previous year ₹ 15.60 Crores), being 20% of profit after tax computed in accordance with IND AS.				
Reserve Fund u/s 29C of the NHB Act, 1987				
At the beginning of the year	**288.52**		-	
Add: Transferred during the year	**6.10**		288.52	
At the end of the year		**294.62**		288.52
Reserve Fund is required to be maintained u/s 29C of the NHB Act, 1987 for Housing Finance Companies. During the year ended March 31 2020, Piramal Capital & Housing Finance Limited has transferred an amount of ₹ 6.10 Crores (Previous year ₹ 288.52 Crores), being 20% of profit after tax.				
FVTOCI - Equity Instruments				
At the beginning of the year	**1,666.90**		2,195.64	
Less: Changes in Fair value of FVTOCI Equity instruments (net of tax)	**(1,359.46)**		(528.74)	
Less: Transfer on sale FVTOCI-Designated Instruments Refer note 4 (a)	**(615.70)**		-	
At the end of the year		**(308.26)**		1,666.90
The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.				
FVTOCI - Debt Instruments				
At the beginning of the year	**11.58**		15.18	
Less: Changes in Fair value of FVTOCI debt instruments (net of tax)	**-**		(3.60)	
At the end of the year		**11.58**		11.58
The Group has elected to recognise changes in the fair value of certain investments in debt securities in other comprehensive income. These changes are accumulated within the FVTOCI debt investments reserve within equity. The Group transfers amounts from this reserve to Consolidated statement of profit & loss when the relevant debt securities are derecognised.				
Cash Flow Hedging Reserve				
At the beginning of the year	**3.32**		12.19	
Less: Movement during the year	**(35.83)**		(8.87)	
Add: Reclassification to statement of profit and loss on disposal of discontinued operations (Refer note 56 (a))	**3.92**		-	
At the end of the year		**(28.59)**		3.32
The Group uses hedging instruments as part of its management of foreign currency risk associated with its Foreign Currency Non-repatriable loans and for forecasted sales. Amounts recognised in cash flow hedging reserve is reclassified to Consolidated Statement of Profit and Loss when the hedged items affect the statement of Profit and Loss. To the extent these hedges are effective, the change in the fair value of hedging instrument is recognised in the Cash Flow Hedging Reserve (Refer Note 48(e)).				
Share application money pending allotment				
At the beginning of the year	**4.24**		-	
Add/ (Less): Movement during the year	**(4.24)**		4.18	
Add: on account of merger with Piramal Phytocare Limited (Refer note 59)	**-**		0.06	
At the end of the year		**-**		4.24
Retained Earnings				
At the beginning of the year	**11,352.73**		11,608.55	
Add:Profit For the Year	**24.03**		1,464.09	
Less:Remeasurement of Post Employment Benefit Obligations (net of tax)	**(3.15)**		(2.57)	

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Less: On account of merger with Piramal Phytocare Limited (Refer note 59)	-		(46.77)	
Add: Transfer on sale FVTOCI-Designated Instruments (Refer note 4(b))	**615.70**		-	
Less: Dividend paid during the year (including Dividend Distribution Tax)	**(671.22)**		(542.77)	
Less: Transfer to Reserve Fund u/s 45-IC (1) of Reserve Bank of India Act, 1934	**(17.75)**		(15.60)	
Less: Transfer to Reserve Fund u/s 29C of the NHB Act, 1987	**(6.10)**		(288.52)	
Add/ (Less): Transfer from/ (to) Debenture Redemption Reserve	**694.35**		(826.65)	
Add:On account of adoption of Ind AS 116 during the year (Refer note 55)	**18.06**		-	
Add: Transactions with Non Controlling interest	**5.36**		2.97	
At the end of the year		**12,012.01**		11,352.73

On July 30, 2019, a Dividend of ₹28 per equity share (total dividend of ₹ 556.77 Crores and dividend distribution tax of ₹ 114.45 Crores) was paid to holders of fully paid equity shares.

On May 11, 2020, a Dividend of ₹ 14 per equity share (Face value of ₹ 2/- each) amounting to ₹ 315.75 Crores has been recommended by the Board of Directors which is subject to approval of the Shareholders. The amounts calculated are based on the number of shares likely to be entitled for dividend as estimated on May 11, 2020. The Finance Act 2020 has repealed the Dividend Distribution Tax (DDT) hence DDT is not applicable.

18. NON CURRENT BORROWINGS

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Secured - at amortized cost				
Term Loan From Banks				
Rupee Loans	**9,266.19**		12,320.89	-
Foreign Currency Non Repatriable Loans (FCNR)	**567.94**		-	
Others	**896.08**		3,106.88	
		10,730.21		15,427.77
Term Loan from Others		**2,081.68**		500.74
Redeemable Non Convertible Debentures		**6,858.74**		10,267.52
Unsecured - at amortized cost				
Term Loan From Banks:				
Foreign Currency Non Repatriable Loans	**70.65**		218.96	
		70.65		218.96
Liability component of Compulsorily convertible debentures (Refer Note 17)		**70.79**		-
Redeemable Non Convertible Debentures		**494.18**		618.08
TOTAL		**20,306.25**		**27,033.07**

Terms of repayment, nature of security & rate of interest in case of Secured Loans:

A. Secured Term Loans from Banks

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
Hypothecation of all movable properties of the Company i.e. plant and machinery (excluding Current Assets and Intangible Assets) both present and future at the below locations:(a) Pithampur, Madhya Pradesh (b) Ennore, Chennai (c) Digwal Village, Medak District, Telangana (d) Mahad District Raigad, Maharashtra and the Equitable Mortgage on the immovable properties, both Lease Hold and Free Hold of the Company, both present and future at the below locations: (a) Pithampur, Madhya Pradesh (b) Mahad District Raigad,Maharashtra. The charge will be on pari-passu basis with existing Term Lenders with a minimum Financial Asset Cover (FACR) of 1.15 times.	Repayment in 5 Half Yearly instalments of ₹40 Crores each commencing 24 months after the first disbursement.	-	80.00

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari passu charge on all the movable properties of the Company's i.e Plant and Machinery (excluding Current Assets and Intangible Assets), both present and future, at the below locations:(a) Pithampur,Madhya Pradesh (b) Ennore,Chennai (c) Digwal Village, Medak District, Telangana (d) Mahad,District Raigad,Maharashtra (e) Matoda Village, Ahmedabad. First pari passu charge on Company s immovable properties at (a) Pithampur, Madhya Pradesh and (b) Mahad,District Raigad,Maharashtra (c) Digwal, Sangareddy District, Telangana. First pari passu charge by way of hypothecation of receivables from the loans extended for the financial services business, minimum fixed asset Cover of 1.15 x.Charge over specified OTC Brands	Total tenor of 13 months from date of first drawdown, repayable on monthly basis of ₹ 50 Crs each starting from the end of 4th month.	**500.00**	-
First pari passu charge on all the movable properties of the Company i.e Plant and Machinery (excluding Current Assets and Intangible Assets), both present and future, at the below locations:(a) Pithampur,Madhya Pradesh (b) Ennore,Chennai (c) Digwal Village, Medak District, Telangana (d) Mahad,District Raigad,Maharashtra (e) Matoda Village, Ahmedabad. First pari passu charge on Company s immovable properties at (a) Pithampur, Madhya Pradesh and (b) Mahad,District Raigad,Maharashtra (c) Digwal, Sangareddy District, Telangana. First pari passu charge by way of hypothecation of receivables from the loans extended for the financial services business, minimum fixed asset Cover of 1.15 x.Charge over specified OTC Brands	Bullet Repayment, Total tenor of 13 months from date of first drawdown.	**300.00**	-
Charge on brands acquired on exclusive basis	Total Tenor of 30 months from date of first drawdown with 1 year moratorium and thereafter payable in three equal half yearly instalments	**-**	58.33
Charge on brands acquired on exclusive basis	Total Tenor of 30 months from date of first drawdown with 1 year moratorium and thereafter payable in three equal half yearly instalments	**-**	33.33
First charge over identified OTC brands and receivable with at least 1.10 x cover. Second charge on Immovable office property at Kurla. No further charge to be created on the same except for existing encumbrances.	Total Tenor of 3 years from date of first drawdown repayable in the 1st year of Q1 and Q2 -1 % each, Q3 and Q4 -4% each, in the 2nd year of Q1 and Q2 - 5 % each, Q3 and Q4- 10% each, in the 3rd year of Q1 and Q2 -10 % each, Q3 and Q4-20% each	**270.00**	300.00
First pari passu charge on the fixed assets of the Company	Total Tenor of 36 months from date of first drawdown, repayable in six equal half yearly instalments (which are not exclusively charged to lenders.)	**-**	350.00
First pari passu charge on all the movable properties of the Company's i.e Plant and Machinery (excluding Current Assets and Intangible Assets), both present and future, at the below locations:(a) Pithampur,Madhya Pradesh (b) Ennore,Chennai (c) Digwal Village, Medak District, Telangana (d) Mahad,District Raigad,Maharashtra (e) Matoda Village, Ahmedabad. First pari passu charge on Company s immovable properties at (a) Pithampur, Madhya Pradesh and (b) Mahad,District Raigad,Maharashtra (c) Digwal, Sangareddy District, Telangana. First pari passu charge by way of hypothecation of receivables from the loans extended for the financial services business, minimum fixed asset Cover of 1.15 x.Charge over specified OTC Brands	Bullet Repayment, Total tenor of 24 months from date of first drawdown .	**150.00**	150.00
First pari passu charge on the underlying assets / fixed assets of the Company, with a minimum fixed assets cover 1.10 X cover	Total Tenor of 24 months from date of first drawdown repayable in 1st year of Q3 & Q4 each - 5%, in the 2nd year of Q1 - 5%, Q3 - 20%, and Q4 - 65%	**425.00**	500.00

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari passu charge on all the movable properties of the Company's i.e Plant and Machinery (excluding Current Assets and Intangible Assets), both present and future, at the below locations:(a) Pithampur,Madhya Pradesh (b) Ennore,Chennai (c) Digwal Village, Medak District, Telangana (d) Mahad,District Raigad,Maharashtra.First pari passu charge on Company s immovable properties at (a) Pithampur, Madhya Pradesh and (b) Mahad,District Raigad,Maharashtra. First pari passu charge by way of hypothecation of receivables from the loans extended for the financial services business, minimum fixed asset Cover of 1.15 x.	Bullet Repayment, Total tenor of 13 months from date of first drawdown .	-	50.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable quartely installments starting after twelve months from inital drawdown date	-	6.25
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable quartely installments starting after twelve months from inital drawdown date	-	10.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable quartely installments starting after twelve months from inital drawdown date	-	7.50
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in ten equal half yearly installments commencing after one year from the drawdown date	**25.0**	75.0
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve equal quarterly installments commencing from 27 month of drawdown date	**187.50**	250.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve equal monthly installments after the moratorium period of 24 month from the date of drawdown	-	250.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in ten equal quarterly installments commencing from 21st month from date of each draw down	**321.99**	600.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in three years from drawdown date	-	200.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in three years from drawdown date	**500.00**	500.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve quarterly installments Commencing from 24th month from date of drawdown	**750.00**	1,250.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in half yearly installments commencing after one year from the drawdown date	**50.00**	83.33
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in half yearly installments commencing after one year from the drawdown date	**25.00**	41.67
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in three years from drawdown date	**200.00**	200.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in eight equal quarterly installments commencing after the moratorium period of two years from the date of drawdown	**125.00**	200.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in six equal quarterly installments commencing from 7 quarter of date of drawdown	**100.00**	300.00

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve equal quarterly installments commencing from 25 months from date of drawdown	**83.33**	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve quarterly installments Commencing from 24th month of date of drawdown	**250.00**	250.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in ten equal quarterly installments commencing from 21st month from date of drawdown	**66.16**	125.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in eight equal quarterly installments commencing from 15th month from date of drawdown	**12.50**	37.50
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in sixteen quarterly installlments with a holiday period of 1 year from the drawdown date.	**312.50**	437.50
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve equal monthly installments after the moratorium period of 24 months from the drawdown date	**83.31**	200.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in ten equal quarterly installments starting from 21st month from drawdown date	**396.99**	750.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in eight half yearly installments commencing after initial moratorium period of 12 months	**112.50**	131.25
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve monthly installments, first 11 of 20.83 crore each and 12th installment of 20.87 crore post holiday period of 24 months from drawdown date	**125.00**	250.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in three years from drawdown date	**100.00**	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in eight half yearly installments commencing after 12th month from the drawdown date	**37.50**	43.75
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in ten quarterly installments commencing from 21st month from the date of drawdown	**109.40**	150.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in eight equal quarterly installments commencing after a moratorium of two years from the date of drawdown	**100.00**	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve equal monthly installments commencing after a moratorium period of 24 months from the date of drawdown	**-**	50.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve equal monthly installments commencing after a moratorium period of 24 months from the date of drawdown	**125.00**	150.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in ten quarterly installments commencing from 21st month from the date of drawdown	**47.20**	75.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in ten quarterly installments commencing from 21st month from the date of drawdown	**94.40**	150.00

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in four equal quarterly installments commencing from 13th month of drawdown date	-	187.50
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in sixteen equal quarterly installments after moratorium of 13th month of drawdown date	**375.00**	468.75
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve equal monthly installments commencing after moratorium of 24 months from the date of drawdown	**82.33**	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in ten quarterly insatllments commencing from 21st month from the date of drawdown.	**273.49**	375.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in nineteen quarterly installments commencing after a moratorium period of 3 months from the date of drawdown	**126.32**	168.42
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in six equal half yearly installments with moratorium period of one year from drawdown date	**250.00**	300.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in twelve equal monthly installments commencing post moratorium period of 2 years from the drawdown date	**50.00**	50.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in eight quarterly installments commencing after a moratorium period of 12 months from the date of first disbursement	**187.50**	300.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment in equal half yearly installments	**62.50**	87.50
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in two years from drawdown date	**200.00**	200.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	-	250.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in three years from drawdown date	**300.00**	300.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	-	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	-	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	-	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	-	75.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of principal to be repaid in 18 quarterly installment after moratorium period of 6 months from the date of 1st drawdown	**1,666.67**	2,000.00

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of principal to be repaid in 12 quarterly installment of ₹ 41.67 Crs after moratorium period of 6 months from the date of 1st drawdown	**374.99**	500.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of principal to be repaid in 16 quarterly installment of ₹ 6.23 Crs after moratorium period of 3 months from the date of 1st drawdown	**162.50**	200.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 10 months from 21 month of each drawdown date	**346.87**	468.74
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 6 equal semi annual instalment after 12 months from drawdown date	**200.00**	200.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	**-**	405.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 35 months from drawdown date	**166.00**	250.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment of principal to be repaid in 47 equal monthly installment of ₹ 10.41 Crs and ₹ 10.73Crs on 48th installment after drawdown	**357.29**	489.58
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	**-**	159.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 24 months from drawdown date	**-**	250.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 15 months from drawdown date	**-**	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 15 months from drawdown date	**-**	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 15 months from drawdown date	**-**	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Reapayment of principal to be repaid in 12 equal quarter installment of ₹ 25 Crs after moratium period of the 2 years from the date of drawdown	**300.00**	300.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 4 year from drawdown date	**94.11**	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 15 months from drawdown date	**-**	200.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 15 months from drawdown date	**-**	250.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 13 months from drawdown date	**-**	250.00

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 13 months from drawdown date	-	100.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 84 months from drawdown date	**675.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 24 months from drawdown date	**230.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 472 days from drawdown date	**250.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 472 days from drawdown date	**200.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	**230.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 60 months from drawdown date	**500.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 60 months in 9 equal half yearly installments commencing after initial moratorium of 6 months	**300.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	**115.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 60 months from drawdown date	**500.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 60 months from drawdown date	**400.00**	-
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 216 months from drawdown date	**184.15**	-
Specific loan cash flows & underlying that are part of the Assignment pool	Repayable in 362 months from drawdown date	**334.75**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 85 months from drawdown date	**500.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	**175.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 24 months from drawdown date	**24.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	**159.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 24 months from drawdown date	**250.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 60 months from drawdown date	**50.00**	-

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 18 months from drawdown date	**300.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 85 months from drawdown date	**200.00**	-
Unconditional and irrevocable sale, assignment and transfer of the receivable from identified financial assets together with underlying security	Repayable in 30 monthly installments as per repayment schedule commencing from 15th Oct 2019.	**258.89**	-
Fixed and floating charges over the freehold and leasehold property and all other assets owned by the company.	Repayable in 20 quarterly installments from March 2016	**21.01**	44.12
Fixed and floating charges over the cash collateral and leasehold property owned by the company and its subsidiary.	Repayable in 10 semi annual installments from June 30, 2019.	**-**	829.96
JP Morgan Term Loan - All the assets (except carved out vaporizers financed through PNC Bank and City National Bank of Florida and intangibles acquired from fellow subsidiary) of the Company are collateralized against the Term Loan from JP Morgan Chase Bank.	Repayable in 20 quarterly installments from September 2019 with lump payment at the end of 5 years. Option to renew another 5 years.	**979.93**	-
PNC Term Loan - vaporizers carved out of JP Morgan Chase Term Loan	Repayment in 60 monthly installments from June 2019	**25.44**	-
City National Bank Florida Term Loan - vaporizers carved out of JP Morgan Chase Term Loan	Repayment in 60 monthly installments from August 2019	**17.99**	-
First Charge on all tangible and intangible assets both present and future of a subsidiary excluding specified intangible assets	Repayable in 9 semi annual installments commencing from September 2018	**-**	1,019.60
First Charge on all tangible and intangible assets both present and future of a subsidiary excluding specified intangible assets	Repayable in 9 semi annual installments commencing from February 2019	**-**	924.02
First Charge on all tangible and intangible assets both present and future of a subsidiary	Repayable in 9 semi annual installments commencing from February 2019	**-**	312.06
First Charge on all tangible and intangible assets both present and future of a subsidiary	Repayable in 9 semi annual installments commencing from September 2018	**-**	997.30

The coupon rate for the above loans are in the range of 2.72% [GBPLIBOR+2.1%] to 10.65 % per annum (Previous Year 3.01% [GBPLIBOR+2.1%] to 10.70% per annum)

Refer Note 44 for assets hypothecated/mortgaged as securities against the Secured Borrowings

Creation of charges in respect of certain loans are still in process

B. Foreign Currency Non Repatriable Loans:

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First Pari -passu charge on the underlying assets / fixed assets of the Company,with a minimum fixed assets cover 1.1X	Facility can be either repaid (bullet repayment) or converted into rupee term loan after 24 months from the date of first disbursement	**-**	136.21
First Pari -passu charge on the underlying assets / fixed assets of the Company,with a minimum fixed assets cover 1.1X	Facility can be either repaid (bullet repayment) or converted into rupee term loan after 24 months from the date of first disbursement	**-**	103.74
First Pari -passu charge on the underlying assets / fixed assets of the Company,with a minimum fixed assets cover 1.1X	Facility can be either repaid (bullet repayment) or converted into rupee term loan after 24 months from the date of first disbursement	**-**	323.82
First pari-passu charge on the standard assets including receivables present and future	Repayable in 65 months from drawdown date	**261.32**	-
First pari-passu charge on the standard assets including receivables present and future	Repayable in 65 months from drawdown date	**261.32**	-

The coupon rate for the above loans is 9.30% (Previous Year 3.84% to 9.75 % per annum)

Refer Note 44 for assets hypothecated/mortgaged as securities against the Secured Borrowings

Piramal

C. Term Loan from others:

(₹ in Crores)

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari-passu charge by way of hypothecation created over secured assets	Repayable in five equal quarterly installments commencing 24 Month from the date of first disbursement	-	100.00
First pari-passu charge by way of hypothecation created over secured assets	Repayable in 378 days from drawdown date	-	200.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayment at end of 10th month ₹ 30 crs, 11th month ₹ 50 crs and 12th month ₹ 120 crs	-	200.00
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 30 months from drawdown date	**1,414.02**	-
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 72 months from drawdown date	**577.10**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Repayable in 365 days from drawdown date	**50.00**	-

The effective costs for the above loans are 8.9 to 10.50% per annum (Previous Year 9.50% to 10.5 % per annum)

Refer Note 44 for assets hypothecated/mortgaged as securities against the Secured Borrowings

D. Secured Debentures:

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
5,000 (Previous Year: 5,000) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after ten years from the date of allotment	**500.00**	500.00
5,000 (Previous Year: 5,000) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after Nine years from the date of allotment	**500.00**	500.00
5,000 (Previous Year: 5,000) (payable monthly) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after eight years from the date of allotment	**500.00**	500.00
5,000 (Previous Year: 5,000) 9.27% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are redeemable at par in three instalments: 8th year-167 crore; 9th year-167crore; 10th year-166 crore	**500.00**	500.00
50 (Previous Year: 50) (payable annually) 9.75% Secured Rated Listed Redeemable Non Convertible Debentures of ₹1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 5 Crores redeemable at par at the end of 3650 days from the date of allotment	**5.00**	5.00
350 (Previous Year: 350) (payable annually) 9.75% Secured Rated Listed Redeemable Non Convertible Debentures of ₹1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 35 Crores redeemable at par at the end of 3652 days from the date of allotment	**35.00**	35.00

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
350 (Previous Year: 350) (payable annually) 9.25% Secured Rated Listed Redeemable Non Convertible Debentures of ₹1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 2555 days from the date of allotment	**35.00**	35.00
5,000 (Previous Year: 5,000) (payable monthly) 7.96% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Redeemable at par in three installments: 8th year-167 crore; 9th year-167crore; 10th year-166 crore	**500.00**	500.00
900 (Previous Year: NIL) (payable semi-annually) 10.00% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 65 months from the date of allotment	**90.00**	-
250 (Previous Year: 250) (payable annually) 8.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 2556 days from the date of allotment	**25.00**	25.00
50 (Previous Year: 50) (payable annually) 8.95% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 2555 days from the date of allotment	**5.00**	5.00
900 (Previous Year: NIL) (payable semi-annually) 10.00% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 53 months from the date of allotment	**90.00**	-
250 (Previous Year: 250) (payable annually) 9.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 1826 days from the date of allotment	**25.00**	25.00
1,500 (Previous Year: NIL) (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 3 years from the date of allotment	**-**	-
1,500 (Previous Year: NIL) (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 3 years from the date of allotment	**150.00**	-

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
NIL (Previous Year: 2,000) (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after three years three months and forteen days from the date of allotment	-	200.00
3,000 (Previous Year: NIL) (payable monthly) 9.00% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First ranking exclusive charge by way of hypothecation over the receivables, to be created by its affliates. The Company shall maintain security cover of at least one times of the entire redemption amount throughout the tenure of the NCDs.	The amount of ₹ 300 Crores is redeemable at par at the end of 836 days from the date of allotment	**300.00**	-
500 (Previous Year: 1,000) (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after three years three months and forteen days from the date of allotment	**50.00**	100.00
NIL (Previous Year: 500) (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after three years and three months from the date of allotment	-	50.00
6,500 (Previous Year:6,500) (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after three years and three months from the date of allotment	**650.00**	650.00
100 (Previous Year: 100) (payable annually) 9.57% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 10 Crores redeemable at par at the end of 1826 days from the date of allotment	**10.00**	10.00
7,500 (Previous Year: NIL) (payable quarterly) 10.25% Secured Rated UnListed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by (i) A first ranking exclusive charge by way of hypothecation over the receivables, to be created by its affiliates and (ii) A first ranking charge by way of hypothecation over (i) the Designated Account and monies in it, to be created by the Company. (iii) any other security specified from time to time under the debenture trust deed.	The amount of ₹ 750 Crores is redeemable at par at the end of 457 days from the date of allotment	**750.00**	-
16,000 (Previous Year: NIL) (payable quarterly) 10.25% Secured Rated Unlisted Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by: (i) a first ranking exclusive charge by way of hypothecation over the Hypothecated Assets, to be created by PHL Fininvest, so as to ensure compliance with the Security Cover Ratio at all times in accordance with clause 6.2 of this Deed (ii) a first ranking exclusive charge by way of hypothecation over the Designated Account Assets, to be created by the Company; and (iii) a first ranking exlusive pledge over the Pledged Shares to be created by the Pledgors, in favour of the Debenture Trustee for the benefit of the Secured Parties,in form and substance satisfactory to the Debenture Trustee.	The amount of ₹ 910 Crores is redeemable at par at the end of 548 days from the date of allotment	**910.00**	-

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
1,500 (Previous Year: NIL) (payable quarterly) 10.25% Secured Rated Unlisted Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by: (i) a first ranking exclusive charge by way of hypothecation over the Hypothecated Assets, to be created by PHL Fininvest, so as to ensure compliance with the Security Cover Ratio at all times in accordance with clause 6.2 of this Deed (ii) a first ranking exclusive charge by way of hypothecation over the Designated Account Assets, to be created by the Company; and (iii) a first ranking exlusive pledge over the Pledged Shares to be created by the Pledgors, in favour of the Debenture Trustee for the benefit of the Secured Parties,in form and substance satisfactory to the Debenture Trustee.	The amount of ₹ 90 Crores is redeemable at par at the end of 531 days from the date of allotment	**90.00**	-
3,000 (Previous Year: 3,000) (payable monthly) 9.70% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of Piramal Enterprises Limited).	The amount of ₹ 300 Crores redeemable at par at the end of 731 days from the date of allotment	**300.00**	300.00
250 (Previous Year: 1,750) (payable monthly) 9.70% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of Piramal Enterprises Limited).	The amount of ₹ 175 Crores redeemable at par at the end of 731 days from the date of allotment	**25.00**	175.00
250 (Previous Year: 250) (payable monthly) 9.70% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of Piramal Enterprises Limited).	The amount of ₹ 25 Crores redeemable at par at the end of 731 days from the date of allotment	**25.00**	25.00
NIL (Previous Year: 9,000) (payable monthly) 9.70% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by (i) a first ranking pledge over some of the Securities held by the Company and its affiliates ; and (ii) a first ranking charge by way of hypothecation over the receivables from such securities held by the Company and its affiliates.	The amount of ₹ 900 Crores redeemable at par at the end of 729 days from the date of allotment	**-**	900.00
150 (Previous Year: 150) (payable annually) 7.96% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 1094 days from the date of allotment	**15.00**	15.00
1,000 (Previous Year: 1,000) (payable annually) 7.96% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 1094 days from the date of allotment	**100.00**	100.00

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
1,250 (Previous Year: 1,250) (payable annually) 8.10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of face value ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 1096 days from the date of allotment	**125.00**	125.00
5,000 (Previous Year: 5,000) (payable annually) 8.07% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 1096 days from the deemed date of allotment	**500.00**	500.00
6,900 (Previous Year: NIL) (payable at maturity) 10.00% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by (a) a first ranking exclusive pledge to be created by PHL FinInvest over such number of the ReNew NCDs held by it, constituting the Collateral Securities;(b) a first ranking exclusive pledge to be created by PFMPL over such number of the ReNew NCDs held by it, constituting the Collateral Securities;(c) a first ranking pledge to be created by the Company over such number of the WGHPL NCDs held by it, constituting the Collateral WGHPL Securities with a first priority of payment in respect of the Existing Debentures and a second priority of payment in respect of the Common Secured Obligations provided after the Step Up Date the priority of payment in relation to the Common Secured Obligations will step up to first priority;(d) A first ranking pledge to be created by PHL FinInvest over such number of the WGHPL NCDs held by it, constituting the Collateral WGHPL Securities with a first priority of payment in respect of the Existing Debentures and a second priority of payment in respect of the Common Secured Obligations provided after the Step Up Date the priority of payment in relation to the Common Secured Obligations will step up to first priority;(e) a second ranking exclusive fixed charge over all its present and future rights, titles, interests, benefits, claims, demands of the Company in the Designated Account Assets (PEL) which upon occurrence of the Step Up Date shall stand automatically converted to a first ranking exclusive charge (excluding in respect of the Securities Receivables whether or not deposited in the Designated Account (PEL) the charge in relation to which will have the ranking set out in paragraph (h) below);(f) a first ranking exclusive fixed charge over all its present and future rights, titles, interests, benefits, claims, demands of PHL FinInvest in the Designated Account Assets (PHL FinInvest);(g) a second ranking exclusive fixed charge over all rights, title, interest, benefits, claims and demands whatsoever of the Company or PHL FinInvest, whether presently in existence or acquired hereafter in, to, under and/or in respect of the WGHPL Securities Receivables, whether or not deposited in the Designated Accounts, both present and future which upon occurrence of the Step Up Date shall stand automatically converted to a first ranking exclusive charge;(h) a first ranking exclusive fixed charge over all rights, title, interest, benefits, claims and demands whatsoever of PHL FinInvest and PFMPL,	The amount of ₹ 399.40 Crores is redeemable at par at the end of 368 days from the date of allotment	**399.40**	-

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
	whether presently in existence or acquired hereafter in, to, under and/or in respect of the Securities Receivables, whether or not deposited in the Designated Accounts, both present and future; and (i) a first ranking exclusive charge over all present and future rights, title, interest, benefit, claims, demands of PHL FinInvest and PFMPL in, to and under the Underlying Securities Documents to the fullest extent permitted under the Applicable Law and terms of the Underlying Securities Documents (but to the extent of the Securities).			
2,000 (Previous Year: 2,000) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 200 Crores redeemable at par at the end of 1096 days from the date of allotment	**200.00**	200.00
500 (Previous Year: 500) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 50 Crores redeemable at par at the end of 1096 days from the date of allotment	**50.00**	50.00
400 (Previous Year: 400) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 40 Crores redeemable at par at the end of 1096 days from the date of allotment	**40.00**	40.00
150 (Previous Year: 150) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 15 Crores redeemable at par at the end of 1096 days from the date of allotment	**15.00**	15.00
100 (Previous Year: 100) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 10 Crores redeemable at par at the end of 1096 days from the date of allotment	**10.00**	10.00
100 (Previous Year: 100) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 10 Crores redeemable at par at the end of 1096 days from the date of allotment	**10.00**	10.00

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
50 (Previous Year: 50) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 5 Crores redeemable at par at the end of 1096 days from the date of allotment	**5.00**	5.00
550 (Previous Year: 550) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed cum Deed of Mortgage and the Deed of Hypothecation	The amount of ₹ 55 Crores redeemable at par at the end of 1096 days from the date of allotment	**55.00**	55.00
250 (Previous Year: 250) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed cum Deed of Mortgage and the Deed of Hypothecation	The amount of ₹ 25 Crores redeemable at par at the end of 1096 days from the date of allotment	**25.00**	25.00
200 (Previous Year: 200) (payable annually) 7.90% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed cum Deed of Mortgage and the Deed of Hypothecation	The amount of ₹ 20 Crores redeemable at par at the end of 1096 days from the date of allotment	**20.00**	20.00
500 (Previous Year: 500) (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after three years from the date of allotment	**50.00**	50.00
500 (Previous Year: 500) (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after three years from the date of allotment	**50.00**	50.00
250 (Previous Year: 250) (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after three years from the date of allotment	**25.00**	25.00
950 (Previous Year: 950) (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after three years from the date of allotment	**95.00**	95.00

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
4,400 (Previous Year: 4,400) (payable on maturity) 8.85% Secured,Rated, Listed, redeemable Non Convertible Debentures (NCD's) each having a face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 1154 days from the date of allotment	**440.00**	440.00
5,000 (Previous Year: 5,000) (payable monthly) 9.00% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and the Deed of Hypothecation	The amount of ₹ 500 Crores redeemable at par at the end of 547 days from the date of allotment	**500.00**	500.00
2,000 (Previous Year: 2,000) (payable on maturity) 8.85% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 1152 days from the date of allotment	**200.00**	200.00
5,000 (Previous Year: 5,000) (payable monthly) 9.00% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company and set out in the Debenture Trust deed and Deed of Hypothecation. The Company shall maintain security cover of at least one times of the entire redemption amount throughout the tenure of the NCDs.	The amount of ₹ 500 Crores redeemable at par at the end of 546 days from the date of allotment	**500.00**	500.00
NIL (Previous Year: 1,500) (payable at maturity) 10.1383% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 150 Crores redeemable at par at the end of 390 days from the date of allotment	-	150.00
NIL (Previous Year: 2,500) (payable monthly) 9.50% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of Piramal Enterprises Limited).	The amount of ₹ 250 Crores redeemable at par at the end of 372 days from the date of allotment	-	250.00
NIL (Previous Year: 5,000) (payable monthly) 9.50% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of Piramal Enterprises Limited).	The amount of ₹ 500 Crores redeemable at par at the end of 371 days from the date of allotment	-	500.00

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
NIL (Previous Year: 7,500) (payable monthly) 9.50% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of Piramal Enterprises Limited).	The amount of ₹ 750 Crores redeemable at par at the end of 371 days from the date of allotment	-	750.00
NIL (Previous Year: 1,500) (payable monthly) 9.50% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	A first ranking exclusive charge by way of hypothecation over Hypothecated assets held by the Security provider. In addition, a guarantee is being provided by the Security provider in favour of the Debenture Trustee. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of Piramal Enterprises Limited).	The amount of ₹ 150 Crores redeemable at par at the end of 368 days from the date of allotment	-	150.00
NIL (Previous Year: 577) (payable monthly) 9.30% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by (i) a first ranking pledge over some of the Securities held by the Company and its affiliates ; and (ii) a first ranking charge by way of hypothecation over the receivables from such securities held by the Company and its affiliates.	The amount of ₹ 57.70 Crores redeemable at par at the end of 365 days from the date of allotment	-	57.70
NIL (Previous Year: 250) (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of ₹ 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 1093 days from the date of allotment.	-	25.00
5,480 (Previous Year: NIL) (payable monthly) Secured, Unrated, Unlisted, Redeemable Non Convertible Debentures each having face value of ₹ 33,047	First exclusive charge by hypothecation/ pledge over the identified financial assets including all receivables therefrom.	Repayable in 36 months and 6 days from the date of allotment. ; with put option	**18.11**	-
NIL (Previous Year: 150) (payable annually) 9.38% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 15 Crores redeemable at par at the end of 1109 days from the date of allotment	-	15.00
NIL (Previous Year: 15,000) (payable annually) 9.05% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of ₹ 1,000,000 ; with 50% partly paid and issued	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 1093 days from the date of allotment ; with a put option	-	100.00
NIL (Previous Year: 5,250) (payable annually) 9.05% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCDs) each of face value ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 725 days from the date of allotment	-	200.00

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
NIL (Previous Year: 2,000) (payable annually) 9.38% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 200 Crores redeemable at par at the end of 1095 days from the date of allotment	-	200.00
NIL (Previous Year: 145) (payable annually) 9.45% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 14.5 Crores redeemable at the end of 1090 days form the date of allotment	-	14.50
NIL (Previous Year: 500) (payable annually) 9.45% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	Option I - ₹ 50 Crores redeemable at par at the end of 1092 days from the date of allotment and Option II - ₹ 100 Crores redeemable at par at the end of 1107 days from the date of allotment.	-	50.00
NIL (Previous Year: 2,000) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 200 Crores redeemable at par at the end of 730 days from the date of allotment	-	200.00
NIL (Previous Year: 1,000) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 100 Crores redeemable at par at the end of 730 days from the date of allotment	-	100.00
NIL (Previous Year: 900) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 90 Crores redeemable at par at the end of 730 days from the date of allotment	-	90.00
NIL (Previous Year: 700) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 70 Crores redeemable at par at the end of 730 days from the date of allotment	-	70.00
NIL (Previous Year: 400) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures (8.13%) of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 40 Crores redeemable at par at the end of 730 days from the date of allotment	-	40.00

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
NIL (Previous Year: 400) (payable annually) 9.57% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 40 Crores redeemable at par at the end of 1093 days from the date of allotment	-	40.00
NIL (Previous Year: 250) (payable annually) 9.57% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	The amount of ₹ 25 Crores redeemable at par at the end of 1093 days from the date of allotment	-	25.00
NIL (Previous Year: 250) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each**	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 25 Crores redeemable at par at the end of 730 days from the date of allotment	-	25.00
NIL (Previous Year: 2,000) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 200 Crores redeemable at par at the end of 730 days from the date of allotment	-	200.00
NIL (Previous Year: 1,000) (payable annually) 8.13% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 100 Crores redeemable at par at the end of 730 days from the date of allotment	-	100.00
NIL (Previous Year: 1,100) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 110 Crores redeemable at par at the end of 729 days from the date of allotment	-	110.00
NIL (Previous Year: 1,350) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 135 Crores redeemable at par at the end of 729 days from the date of allotment	-	135.00
NIL (Previous Year: 850) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 85 Crores redeemable at par at the end of 729 days from the date of allotment	-	85.00

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
NIL (Previous Year: 500) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 50 Crores redeemable at par at the end of 728 days from the date of allotment	-	50.00
NIL (Previous Year: 500) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically mortgaged premises or such other property as may be identified by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 50 Crores redeemable at par at the end of 729 days from the date of allotment	-	50.00
NIL (Previous Year: 250) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 25 Crores redeemable at par at the end of 729 days from the date of allotment	-	25.00
NIL (Previous Year: 150) (payable annually) 8.15% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over the identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 15 Crores redeemable at par at the end of 729 days from the date of allotment	-	15.00
NIL (Previous Year: 500) (payable annually) 8.50% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 728 days from the date of allotment	-	50.00
NIL (Previous Year: 500) (payable annually) 8.50% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 729 days from the date of allotment	-	50.00
NIL (Previous Year: 500) (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 729 days from the date of allotment	-	50.00
NIL (Previous Year: 250) (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of face value ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 729 days from the date of allotment	-	25.00
NIL (Previous Year: 150) (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of face value ₹ 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 729 days from the date of allotment	-	15.00

(₹ in Crores)

Nature of Security	Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
NIL (Previous Year: 1,500) (payable annually) 9.45% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of specific identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	Series I - The amount of ₹ 150 Crores redeemable at par at the end of 1050 days from the date of allotment	-	150.00
25,210 (Previous Year: 25,210) (payable monthly) Secured, Unrated, Unlisted, Redeemable Non Convertible Debentures of ₹ 913,130 each (Previous Year: 1,000,000 each)	First exclusive charge by hypothecation/ pledge over the identified financial assets including all receivables therefrom.	Repayable in 36 months and 8 days from the date of allotment. ; with put option	**2,302.00**	2,521.00
NIL (Previous Year: 500) (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value ₹ 1,000,000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	Repayable after 729 days from the date of allotment	-	50.00
NIL (Previous Year: 5,900) (payable monthly) 9.70% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by (i) A first ranking exclusive pledge over the securities held by the security provider.(ii) A first ranking pari-passu charge by way of hypothecation over the Hypothecated properties of the Company (iii) A first ranking exclusive charge by way of hypothecation over the hypothecated properties of the Security provider. Security Provider is PHL Fininvest Private Limited (PHL Fininvest Private Limited is a subsidiary of Piramal Enterprises Limited).	The amount of ₹ 161.97 Crores redeemable at par within the first year in different tranches, the amount of ₹ 13.78 Crores redeemable at par in the second year in different tranches the amount of ₹ 405.45 Crores redeemable at par in the third year in different tranches from the date of allotment.	-	581.19
NIL (Previous Year: 1,000) (payable at maturity) 9.264% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over specific identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 100 Crores redeemable at par at the end of 970 days from the date of allotment	-	100.00
NIL (Previous Year: 100) (payable annually) 9.267% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over specific identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 10 Crores redeemable at par at the end of 963 days from the date of allotment	-	10.00
NIL (Previous Year: 200) (payable annually) 9.267 % Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured through a First Pari Passu charge by hypothecation over specific identified Receivables and a first ranking pari passu mortgage over specifically morgaged premises or such other property as may be idenitfied by the company as set out in the Debenture Trust deed and Deed of Hypothecation	The amount of ₹ 20 Crores redeemable at par at the end of 962 days from the date of allotment	-	20.00

The coupon rate for the above loans are in the range of 7.90% to 10.25% per annum (Previous Year 7.60% to 10.18 % per annum))

Refer Note 44 for assets hypothecated/mortgaged as securities against the Secured Borrowings

Terms of repayment & rate of interest in case of Unsecured Loans:

A. Unsecured Term Loans

(₹ in Crores)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
Long term Unsecured loans from banks	Repayment on February 7, 2020 for an amount of ₹ 200 Crores	-	200
	Repayment on January 24, 2020 for an amount of ₹ 250 Crores	-	250

The coupon rate for the above loans is NIL (Previous Year 8.50 to 10.00 % per annum)

B. Term Loan from Banks (FCNR loan)

(₹ in Crores)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
Long term Unsecured foreign currency Non Repatriable loans from banks	Loan shall be repaid by 18 EMI's starting from month following the end of moratorium period of 18 months	**240.22**	231.84

The coupon rate for the above loans is 5.99 % per annum (Previous Year: 5.28 % per annum)

C. Unsecured Debentures

(₹ in Crores)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
5,000 (Previous Year: 5,000) (payable annually) 9.55 % Unsecured, Subordinated, Tier II, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of ₹ 1,000,000	Repayable after 10 years from the date of allotment	**500.00**	500.00
1,000 (Previous Year: 1,000) 8.20% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹ 1,000,000 each	The amount of ₹ 100 Crores redeemable at par at the end of 1130 days from the date of allotment.	**100.00**	100.00
250 (Previous Year: 250) 8.20% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹ 1,000,000 each	The amount of ₹ 25 Crores redeemable at par at the end of 1130 days from the date of allotment.	**25.00**	25.00

The coupon rates for the above loans are in the range of 8.20% to 9.55% per annum (Previous Year 8.20% to 9.55 % per annum)

Terms and Description of Compulsorily Convertible Debentures

Compulsorily Convertible debentures (CCD) outstanding as at 31 March 2020 is ₹ 1,749.99 Crores. Each CCD has a par value of ₹ 151,000 and is convertible at the option of the CCD holder into Equity shares of the Company starting from December 19, 2019 in the ratio of hundred equity share of ₹ 2 each for every one CCD held. Any CCD not converted will be compulsory converted into equity shares on June 12, 2021 at a price of ₹ 1,510 per share. The CCD carry a coupon of 9.28% per annum, payable in 3 half-yearly installments. The basis of presentation of the liability and equity portions of these shares is explained in the summary of significant accounting policies. The CCDs allotted and the equity shares arising out of conversion of such CCDs shall not be disposed off for a period of 18 months from the date of trading approval.

During the previous year ended March 31, 2019, outstanding CCD were ₹ 3,816.09 Crores.

Refer Note 58(a) for movement in CCDs.

19. OTHER FINANCIAL LIABILITIES - NON-CURRENT

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Lease Equalisation Liability	-	2.42
Contingent consideration at FVTPL	-	71.74
Deposits Received	-	3.82
Others	**0.72**	-
TOTAL	**0.72**	**77.98**

20. NON-CURRENT PROVISIONS

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits (Refer Note 42)	**65.10**	50.87
Provision for Onerous contracts *	**0.11**	0.09
TOTAL	**65.21**	**50.96**

* Refer Note 50 for movement during the year

21. DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
(a) Deferred Tax Liabilities on account of temporary differences				
- Fair Valuation of Investment	-		7.81	
- Unamortised Distribution Expenses	-		1.37	
- Share of undistributed earnings of associates	-		13.03	
- Property, Plant and Equipment and Intangible assets	**69.07**		-	
- Others	**0.19**		-	
		69.26		22.21
(b) Deferred Tax Asset on account of temporary differences				
- Other Provisions	**34.87**			
- Unused tax credits / losses	**17.79**		-	
- Property, Plant and Equipment and Intangible assets	-		0.96	
- Expenses that are allowed on payment basis	**8.38**		1.78	
		61.04		2.74
DEFERRED TAX LIABILITIES (NET)		**8.22**		**19.47**

22. OTHER NON-CURRENT LIABILITIES

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Deferred Government grant related to assets	**2.04**	2.65
Other grants related to assets	**107.91**	90.93
Deferred Revenue	**29.44**	21.43
TOTAL	**139.39**	**115.01**

23. CURRENT BORROWINGS

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Secured - at amortised cost				
Loans from banks				
- Working Capital Demand Loan	**4,430.39**		3,233.50	
- Overdraft with banks (including PCFC)	**1,785.14**		199.84	
- Collaterized Debt Obligations (Refer Note 10)	**33.54**		0.79	
		6,249.07		3,434.13

(₹ in Crores)

	As at March 31, 2020		As at March 31, 2019	
Unsecured - at amortised cost				
Loans from banks				
Overdraft with banks	-		36.56	
Rupee Loans				
- Repayable on demand	400.12		1,746.08	
- PCFC from banks	230.66		-	
Intercorporate Deposits	-		1,600.91	
Commercial Papers	1,070.06		8,760.74	
		1,700.84		12,144.29
TOTAL		**7,949.91**		**15,578.42**

Particulars	Terms of repayment	Rate of Interest
Secured Loans:		
Working capital Demand Loan	At Call	5.25 % pa to 11.50 % pa
Overdraft with banks*	At Call	2.10% pa to 11.00 % pa
Others (PCFC)*	At Call	3.93 % to 10.50 % per annum
Collaterized Debt Obligations*	By the end of credit period	3.93 % to 10.50 % per annum
Unsecured Loans:		
Commercial Papers	Repayable within 365 days from date of disbursement	8.57 % to 10.00 % per annum
Loans from Banks (Repayable on demand)	Repayable within 365 days from date of disbursement	8.30 % to 10.75 % per annum
Others (PCFC)*	At Call	10.10 % per annum

Terms of repayment, nature of security & rate of interest in case of Secured Loans:

Working capital Demand Loan

(₹ in Crores)

Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari passu charge by way of hypothecation on receivables from PHL Fininvest Pvt Ltd (100% subsidiary of PEL) to PEL.	Bullet Repayment at the end of the tenor of 6 months from date of first drawdown	50.00	-
First pari passu charge on the standard assets receivables arising out of financial services loan book of the Borrower along with other lenders with minimum asset cover of 1.1x	Bullet Repayment at the end of the tenor of 6 months from date of first drawdown	125.00	-
First pari passu charge on the standard assets receivables arising out of financial services loan book of the Borrower along with other lenders with minimum asset cover of 1.1x	Bullet Repayment at the end of the tenor of 6 months from date of first drawdown	125.00	-
First pari passu charge on the standard assets receivables arising out of financial services loan book of the Borrower along with other lenders with minimum asset cover of 1.1x	Bullet Repayment at the end of the tenor of 4 months from date of first drawdown	125.00	-
First pari passu charge on the standard assets receivables arising out of financial services loan book of the Borrower along with other lenders with minimum asset cover of 1.1x	Bullet Repayment at the end of the tenor of 4 months from date of first drawdown	125.00	-
Secured by hypothecation of inventories and book debts	Repayable on Sept 18, 2020	10.00	-
Secured by hypothecation of inventories and book debts	Repayable on July 31, 2020	50.00	-
Secured by hypothecation of inventories and book debts	Repayable on May 15, 2020	15.00	-
Secured by hypothecation of inventories and book debts	Repayable on Apr 22, 2020	24.91	-
Secured by hypothecation of inventories and book debts	Repayable on Apr 11, 2020	1.66	-

(₹ in Crores)

Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari passu charge on all the movable properties of the Company i.e Plant and Machinery (excluding Current Assets and Intangible Assets), both present and future, at the below locations:(a) Pithampur,Madhya Pradesh (b) Ennore,Chennai (c) Digwal Village, Medak District, Telangana (d) Mahad,District Raigad,Maharashtra.First pari passu charge on Company s immovable properties at (a) Pithampur, Madhya Pradesh and (b) Mahad,District Raigad,Maharashtra. First pari passu charge by way of hypothecation of receivables from the loans extended for the financial services business, minimum fixed asset Cover of 1.15 x.	Bullet Repayment at the end of the tenor of 12 months from date of first drawdown	-	300.00
First pari -passu charge on the standard assets receivables arising out of financial services loan book of the borrower along with other lenders with minimum asset cover of 1.1 x where standard receivables constitute activities permitted by RBI/NHB	Bullet Repayment at the end of the tenor of 6 months from date of first drawdown .	-	500.00
Secured by hypothecation of inventories and book debts	Repayable on June 17, 2019	-	30.00
Secured by hypothecation of inventories and book debts	Repayable on April 26, 2019	-	15.00
Secured by hypothecation of inventories and book debts	Repayable on April 02, 2019	-	30.00
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	300
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	50
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	100
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	200
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	30
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	100
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	100
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	70
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	14

(₹ in Crores)

Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	8
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	100
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	13.5
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	150
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	1000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	-	15
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	**200.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	**100.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	**100.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	**14.80**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	**75.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	**24.17**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	**75.00**	-

(₹ in Crores)

Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	**50.00**	50
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	**200.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	**1,600.00**	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	Final Maturity date of each tranche drawn down under the facility shall not extend 3 months from the date of first disbursement.Facility shall be subject to review after 3 months from the date of first disbursement.	**1,200.00**	-
JP Morgan WCDL - All the assets (except carved out vaporizers financed through PNC Bank and City National Bank of Florida and intangibles acquired from fellow subsidiary) of the Company are collateralized against the WCDL from JP Morgan Chase Bank.	Repayable on demand	**134.74**	-

*These are secured by hypothecation of inventories and book debts.

Refer Note 44 for assets hypothecated/mortgaged as securities against the Secured Borrowings

Intercorporate deposit from Others

(₹ in Crores)

Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First Pari-Passu charge by way of hypothecation on the standard moveable assets including receivables & book debts, present & futures	Repayable in 6 months from drawdown date	-	500.00
	Repayable in 6 months from drawdown date	-	500.00
	Repayable in 6 months from drawdown date	-	500.00

The coupon rates for the above ICDs are NIL (Previous Year - 7.5% -9.25%).

Terms of repayment, nature of security & rate of interest in case of Unsecured Loans:

(₹ in Crores)

Nature of Security	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
Inter Corporate Deposit	Repayment on 5 April 2019 for an amount of ₹ 50 Crores	-	50.00
	Repayment on 4 April 2019 for an amount of ₹ 50 Crores	-	50.00

The coupon rates for the above ICDs are NIL (Previous Year - 9.25%).

24. OTHER FINANCIAL LIABILITIES - CURRENT

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term debt (Refer Note 18)	**13,798.38**	13,425.22
Deferred Consideration	**-**	13.83
Unclaimed Dividend (Refer Note below)	**21.68**	21.64
Lease Equalisation	**-**	2.80
Employee related liabilities	**230.96**	252.44
Contingent consideration at FVTPL	**-**	2.22
Capital Creditors	**4.25**	5.22
Security Deposits Received	**3.38**	3.33
Derivative Financial Liabilities	**17.66**	7.72
Other payables	**0.69**	0.61
TOTAL	**14,077.00**	**13,735.03**

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at the year end.

25. OTHER CURRENT LIABILITIES

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Advance From Customers#	**86.23**	122.33
Deferred Revenue#	**3.69**	285.76
Deferred grant related to assets	**0.47**	15.72
Deferred rent	**-**	11.95
Statutory Dues	**41.97**	76.48
Other grants related to assets	**27.18**	-
TOTAL	**159.54**	**512.24**

#During the current year ended March 31, 2020, the Group has recognized revenue of ₹ 378.08 Crores (Previous year: ₹ 337.80 Crores) arising from opening advance from customers/ deferred revenue as of April 01, 2019. Out of the above, revenue amounting to ₹ 295.51 Crores forms part of discontinued operations (Refer note 56 (b)).

26. CURRENT PROVISIONS

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits (Refer Note 42)	**52.66**	53.06
Provision for Expected Credit Loss on Loan Commitments / Letter of Credit (Refer Note 49 (f))	**188.19**	103.52
Provision for Wealth Tax	**-**	0.21
Provision for Litigations & Disputes*	**3.50**	3.50
TOTAL	**244.35**	**160.29**

* Refer Note 50 for movement during the year

27. CURRENT TAX LIABILITIES (NET)

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Provision for Income Tax [Net of Advance Tax of ₹ 434.63 Crores as on March 31, 2020, (Previous year ₹ 129.31 Crores)]	**212.91**	136.81
TOTAL	**212.91**	**136.81**

28. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crores)

		As at March 31, 2020	As at March 31, 2019
A	**Contingent liabilities:**		
1	Claims against the Company not acknowledged as debts:		
	- Demand dated June 5, 1984 the Government has asked for payment to the credit of the Drugs Prices Equalisation Account, the difference between the common sale price and the retention price on production of Vitamin 'A' Palmitate (Oily Form) from January 28, 1981 to March 31, 1985 not accepted by the Company. The Company has been legally advised that the demand is untenable.	**0.61**	0.61
2	Others:		
	i. Appeals filed in respect of disputed demands:		
	Income Tax		
	- where the Company is in appeal	**618.04**	630.19
	- where the Department is in appeal	**243.97**	225.30
	Sales Tax	**16.71**	16.25
	Central / State Excise / Service Tax / Customs	**73.88**	33.50
	Labour Matters	**0.29**	0.63
	Stamp Duty	**4.00**	4.00
	Legal Cases	**6.94**	8.97
	ii. Unexpired Letters of Credit	**14.23**	3.92
3	Dividend payable on Compulsorily Convertible Preference Shares and tax thereon	**-**	9.76
	Note: Future cash outflows in respect of 1 and 2(i) above are determinable only on receipt of judgments/decisions pending with various forums/authorities.		
B	**Commitments:**		
	a. Estimated amount of contracts remaining to be executed on capital account and not provided for	**95.50**	46.34
	b. The Company has imported raw materials at concessional rates, under the Advance License Scheme of the Government of India, to fulfil conditions related to quantified exports in stipulated period	**16.07**	4.46

Refer note 49 (a) in case of loan commitments

29. REVENUE FROM OPERATIONS

(₹ in Crores)

		Year Ended March 31, 2020		Year Ended March 31, 2019	
A.	**Revenue from contract with customers**				
	Sale of products (including excise duty)	**4,839.07**		4,230.44	
	Sale of Services	**508.09**		567.65	
			5,347.16		4,798.09
B.	**Income of financing activities:**				
	Interest income on instruments measured at amortised cost	**7,304.02**		6,728.49	
	Income on instruments mandatorily measured at FVTPL	**281.55**		204.48	
	Dividend income on instruments designated at FVTOCI (refer note below)	**14.48**		36.70	
	Processing/ arranger fees	**21.95**		43.72	
	Others	**0.07**		0.90	
			7,622.07		7,014.29
			12,969.23		11,812.38
	Other operating revenues:				
	Processing Charges Received	**0.17**		0.32	
	Miscellaneous Income	**98.89**		69.89	
			99.06		70.21
TOTAL			**13,068.29**		**11,882.59**

All dividends from equity investments designated as at FVTOCI recognised for both the years relate to investments held at the end of each reporting period. There was no dividend income relating to investments derecognized during the reporting period.

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by major product and timing of transfer of goods or services for each of our business segments. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

For the year ended March 31, 2020 and March 31, 2019

Pharmaceuticals

(₹ in Crores)

Revenue by product line/ timing of transfer of goods/ services	Year Ended March 31, 2020		Year Ended March 31, 2019	
	At Point in time	Over time	At Point in time	Over time
Global Pharma	4,421.08	479.83	3,896.44	518.69
Over the counter products	418.00	-	334.00	-
Total	**4,839.08**	**479.83**	**4,230.44**	**518.69**
Financial Services	-	28.25	-	48.96
Total	**-**	**28.25**	**-**	**48.96**
Total	**4,839.08**	**508.08**	**4,230.44**	**567.65**

Reconciliation of revenue recognised with contract price:

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
Sale of products and services at transaction price	5,883.47	5,246.88
Less: Discounts	(536.31)	(448.79)
Revenue recognised on sale of products and services	**5,347.16**	**4,798.09**

30. OTHER INCOME (NET)

(₹ in Crores)

	Year Ended March 31, 2020		Year Ended March 31, 2019	
Interest Income on Financial Assets				
- On Non-current Investments				
- On Current Investments	27.28		16.62	
- On Loans and Bank Deposits (at amortised costs)	134.24		131.17	
- On Receivables and Others	-		0.22	
		161.52		148.01
Dividend Income				
- On Current Investments at FVTPL		2.35		10.20
Gain on sale of investments measured at FVTPL		-		22.07
Profit on Sale of Investment		11.32		-
Other Gains & Losses:				
- Gain on Sale of Property, Plant and Equipment		2.40		-
- Exchange Gain (Net)		30.87		-
Provision no Longer Required, Written Back (Refer note below)		125.29		-
Miscellaneous income		157.36		129.33
TOTAL		**491.11**		**309.61**

Provision written back relates to write back of provisions for various expenses created in earlier years that is no longer required.

31. COST OF MATERIALS CONSUMED

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Raw and Packing Materials		
Opening Inventory	**341.65**	280.81
Add: Acquired on Merger with Piramal Phytocare Limited	-	0.26
Add: Purchases	**1,429.64**	1,278.22
Less: Closing Inventory	**394.10**	341.65
TOTAL	**1,377.19**	**1,217.64**

32. PURCHASES OF STOCK-IN-TRADE

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Traded Goods	**473.45**	289.24
TOTAL	**473.45**	**289.24**

33. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crores)

	Year Ended March 31, 2020		Year Ended March 31, 2019	
Opening Inventory:				
Work-in-Progress	**248.85**		259.87	
Finished Goods	**101.55**		100.14	
Stock-in-trade	**77.05**		71.01	
		427.45		431.02
Less: Closing Inventory:				
Work-in-Progress	**326.61**		248.85	
Finished Goods	**89.97**		101.55	
Stock-in-trade	**184.69**		77.05	
		601.27		427.45
TOTAL		**(173.82)**		**3.57**

34. EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries and Wages	**1,392.37**	1,295.18
Contribution to Provident and Other Funds (Refer Note 42)	**95.41**	82.91
Gratuity Expense (Refer Note 42)	**10.46**	7.99
Staff Welfare	**111.96**	121.64
TOTAL	**1,610.20**	**1,507.72**

35. FINANCE COSTS

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Finance Charge on financial liabilities measured at amortised cost	**5,062.51**	3,994.06
Other borrowing costs	**258.11**	106.20
TOTAL	**5,320.62**	**4,100.26**

36. OTHER EXPENSES

(₹ in Crores)

	Year Ended March 31, 2020		Year Ended March 31, 2019	
Processing Charges		**22.56**		35.00
Consumption of Stores and Spares Parts		**79.58**		102.04
Consumption of Laboratory materials		**65.06**		43.53
Power, Fuel and Water Charges		**124.33**		111.68
Repairs and Maintenance				
Buildings	**56.58**		45.91	
Plant and Machinery	**99.39**		91.29	
Others	**20.60**		16.03	
		176.57		153.23
Rent				
Premises	**10.89**		60.18	
Leasehold Land	**0.07**		0.07	
Other Assets	**27.85**		24.61	
		38.81		84.86
Rates & Taxes		**50.41**		99.09
Insurance		**34.30**		28.58
Travelling Expenses		**84.09**		80.48
Directors' Commission		**-**		2.70
Directors' Sitting Fees		**1.52**		0.73
Trade Receivables written off	**10.56**		21.86	
Less: Trade Receivables written off out of Provision for Doubtful Debts (Refer Note 10)	**(9.24)**	**1.32**	(4.54)	17.32
Expected Credit Loss on Trade Receivables (Refer Note 10)		**6.04**		8.13
Loss on Sale of Property Plant & Equipments (Net)		**0.30**		0.72
Advertisement and Business Promotion Expenses		**123.92**		114.87
Donations		**1.69**		5.10
Expenditure towards Corporate Social Responsibility activities (Refer note below)		**66.55**		57.30
Contribution to Electoral Trust		**60.00**		-
Freight		**76.60**		56.80
Export expenses		**2.24**		1.71
Clearing and Forwarding Expenses		**53.73**		55.89
Communication and Postage		**19.90**		19.65
Printing and Stationery		**11.24**		10.48
Claims		**1.95**		30.67
Legal Charges		**17.05**		13.07
Professional Charges		**237.35**		204.51
Royalty Expense		**64.70**		58.36
Information Technology Costs		**21.17**		27.10
Net Fair Value changes		**41.72**		13.49
R & D Expenses (Net) (Refer Note 46)		**71.96**		108.46
Commission on fund raising		**7.53**		9.40
Loss on Derecognition of Financial Assets		**7.02**		-
Miscellaneous Expenses		**67.97**		50.93
TOTAL		**1,639.18**		**1,674.18**

Note

Details in respect of Corporate Social Responsibility Expenditure:

- Gross amount required to be spent during the year – ₹ 10.28 Crores (Previous year ₹ 16.24 Crores)
- Amount spent during the year on Revenue Expenditure – ₹ 66.55 Crores (Previous year ₹ 57.30 Crores)
- Amount spent during the year on Capital Expenditure - ₹ Nil (Previous year ₹ Nil)

37. EXCEPTIONAL ITEMS

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Loss on Sale of Imaging Business	-	(452.25)
TOTAL	**-**	**(452.25)**

Exceptional items include:

a) In June 2018, the Company's wholly owned subsidiary, Piramal Holdings (Suisse) SA, sold its entire ownership interest in its wholly owned subsidiary Piramal Imaging SA and its subsidiaries for a cash consideration of ₹ 7.99 Crores (including working capital adjustment) and consideration contingent on future profits of the Imaging business over a period not exceeding 10 years. The fair value of the contingent consideration is insignificant. The net loss on sale amounts to ₹ 452.25 Crores on consolidated basis. The disposal group does not constitute a separate major component of the Group and therefore has not been classified as discontinued operations. The summarised break up of Net assets written off is as follows:-

Particulars	**₹ in Crores**
Intangible Assets (Neuraceq)	192.98
Molecules under development	126.79
Goodwill	14.20
Other net assets	126.27
Net Sale Consideration	(7.99)
Total Loss	**452.25**

38. OTHER COMPREHENSIVE INCOME / (EXPENSE) (NET OF TAXES)

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Fair Valuation of Equity investments	**(1,359.46)**	(528.74)
Remeasurement of post-employment benefit obligations (Refer Note 42)	**(3.15)**	(2.57)
Share of other comprehensive income of associates accounted for using the equity method	**-**	(3.60)
Deferred gains / (losses) on cash flow hedges	**(35.83)**	(2.82)
Deferred gains / (losses) on cash flow hedge of discontinued operations	**3.92**	(6.05)
Exchange differences on translation of foreign operations	**325.41**	155.93
Exchange differences on translation of discontinued operation	**115.83**	30.59
TOTAL	**(953.28)**	**(357.26)**

39. INTERESTS IN OTHER ENTITIES

a) Subsidiaries

The Group's subsidiaries at March 31, 2020 are set out below.

Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group.

The country of incorporation or registration is also their principal place of business.

Sr. No.	Name of the Company	Principal place of business / Country of incorporation	Ownership interest held by the group	Ownership interest held by non-controlling interests	Principal Activity
			% voting power held as at March 31, 2020	% voting power held as at March 31, 2020	
1	PHL Fininvest Private Limited	India	**100%**	-	Financial Services
2	Searchlight Health Private Limited ***	India	**51%**	49%	Healthcare Insights and Analytics
3	Piramal International	Mauritius	**100%**	-	Holding Company
4	Piramal Holdings (Suisse) SA	Switzerland	**100%**	-	Holding Company
5	Piramal Critical Care Italia, S.P.A**	Italy	**100%**	-	Pharmaceutical manufacturing and services

Sr. No.	Name of the Company	Principal place of business / Country of incorporation	Ownership interest held by the group % voting power held as at March 31, 2020	Ownership interest held by non-controlling interests % voting power held as at March 31, 2020	Principal Activity
6	Piramal Critical Care Deutschland GmbH**	Germany	100%	-	Pharmaceutical manufacturing and services
7	Piramal Critical Care Limited ** ##	U.K.	100%	-	Pharmaceutical manufacturing and services
8	Piramal Healthcare (Canada) Limited **	Canada	100%	-	Pharmaceutical manufacturing and services
9	Piramal Critical Care B.V. **	Netherlands	100%	-	Pharmaceutical manufacturing and services
10	Piramal Pharma Solutions B.V. **	Netherlands	100%	-	Pharmaceutical manufacturing and services
11	Piramal Critical Care Pty. Ltd. **	Australia	100%	-	Pharmaceutical manufacturing and services
12	Piramal Healthcare UK Limited **	U.K.	100%	-	Pharmaceutical manufacturing and services
13	Piramal Healthcare Pension Trustees Limited**	U.K.	100%	-	Pharmaceutical manufacturing and services
14	Piramal Critical Care South Africa (Pty) Ltd **	South Africa	100%	-	Pharmaceutical manufacturing and services
15	Piramal Dutch Holdings N.V.	Netherlands	100%	-	Holding Company
16	Piramal Healthcare Inc. **	U.S.A	100%	-	Holding Company
17	Piramal Critical Care, Inc. ** ##	U.S.A	100%	-	Pharmaceutical manufacturing and services
18	Piramal Pharma Inc.**	U.S.A	100%	-	Pharmaceutical manufacturing and services
19	Piramal Pharma Solutions Inc. **	U.S.A	100%	-	Pharmaceutical manufacturing and services
20	PEL Pharma Inc.**	U.S.A	100%	-	Holding Company
21	Ash Stevens LLC **	U.S.A	100%	-	Pharmaceutical manufacturing and services
22	DRG Holdco Inc. $ ***	U.S.A	-	-	Holding Company
23	Piramal IPP Holdings LLC (Liquated w.e.f December 31, 2019) $ ***	U.S.A	-	-	Holding Company
24	Decision Resources Inc. $ ***	U.S.A	-	-	Healthcare Insights and Analytics
25	Decision Resources International, Inc. $ ***	U.S.A	-	-	Healthcare Insights and Analytics
26	DR/Decision Resources, LLC $ ***	U.S.A	-	-	Healthcare Insights and Analytics
27	Millennium Research Group Inc. $ ***	Canada	-	-	Healthcare Insights and Analytics
28	Decision Resources Group Asia Ltd $ ***	Hong Kong	-	-	Healthcare Insights and Analytics
29	DRG UK Holdco Limited $ ***	U.K.	-	-	Holding Company
30	Decision Resources Group UK Limited $ ***	U.K.	-	-	Holding Company
31	Sigmatic Limited $ ***	U.K.	-	-	Healthcare Insights and Analytics
32	DRG Analytics & Insights Private Limited @@@ ***	India	-	-	Healthcare Insights and Analytics
33	DRG Singapore Pte Ltd $ ***	Singapore	-	-	Healthcare Insights and Analytics
34	Sharp Insight Limited $ ***	U.K.	-	-	Healthcare Insights and Analytics
35	Decision Resources Japan K.K. (w.e.f. February 5, 2019) $ ***	Japan	-	-	Healthcare Insights and Analytics
36	Piramal Dutch IM Holdco B.V.***	Netherlands	100%	-	Holding Company
37	PEL-DRG Dutch Holdco B.V.*** $	Netherlands	100%	-	Holding Company
38	Piramal Capital and Housing Finance Limited	India	100%		Financial Services
39	Piramal Fund Management Private Limited	India	100%	-	Financial Services
40	Piramal Asset Management Private Limited	India	100%		Financial Services
41	Piramal Investment Advisory Services Private Limited	India	100%	-	Financial Services
42	Piramal Investment Opportunities Fund	India	100%	-	Financial Services
43	INDIAREIT Investment Management Co. $$	Mauritius	100%	-	Financial Services
44	Piramal Asset Management Private Limited $$	Singapore	100%	-	Financial Services
45	Piramal Capital International Limited $$	Mauritius	100%	-	Financial Services
46	Piramal Securities Limited	India	100%		Financial Services

Sr. No.	Name of the Company	Principal place of business / Country of incorporation	Ownership interest held by the group	Ownership interest held by non-controlling interests	Principal Activity
			% voting power held as at March 31, 2020	% voting power held as at March 31, 2020	
47	Piramal Systems & Technologies Private Limited	India	100%	-	Holding Company
48	Piramal Technologies SA @	Switzerland	100%	-	Holding Company
49	PEL Finhold Private Limited	India	100%	-	Holding Company
50	Piramal Consumer Products Private Limited ***	India	100%	-	Holding Company
51	Piramal Pharma Limited (w.e.f. March 04, 2020)	India	100%	-	Pharmaceutical manufacturing and services

*** Refer note 56(a)

** held through Piramal Dutch Holdings N.V.

@ held through Piramal Systems & Technologies Private Limited

$ held through Piramal Dutch IM Holdco B.V.

$$ held through Piramal Fund Management Private Limited

Note on Common control transactions with subsidiaries

The Group undertook the following common control transactions:

a) on August 27, 2019, Piramal Critical Care Inc, Purchased the Inthratecal Spasticity products and certain generic injectables from Piramal Critical Care Limited, (both step down subsidiaries of the Company) . As this was a transaction between entities under common control, the assets and liabilities transferred were recorded at carrying value of transferor's book.

The Group's subsidiaries at March 31, 2019 are set out below.

Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group.

The country of incorporation or registration is also their principal place of business.

Sr. No.	Name of the Company	Principal place of business / Country of incorporation	Ownership interest held by the group	Ownership interest held by non-controlling interests	Principal Activity
			% voting power held as at March 31, 2019	% voting power held as at March 31, 2019	
1	PHL Fininvest Private Limited	India	100%	-	Financial Services
2	Searchlight Health Private Limited	India	51%	49%	Healthcare Insights and Analytics
3	Piramal International	Mauritius	100%	-	Holding Company
4	Piramal Holdings (Suisse) SA	Switzerland	100%	-	Holding Company
5	Piramal Imaging SA@@	Switzerland	-	-	Pharmaceutical manufacturing and services
6	Piramal Imaging GmbH @@	Germany	-	-	Pharmaceutical manufacturing and services
7	Piramal Imaging Limited@@	U.K.	-	-	Pharmaceutical manufacturing and services
8	Piramal Critical Care Italia, S.P.A**	Italy	100%	-	Pharmaceutical manufacturing and services
9	Piramal Critical Care Deutschland GmbH**	Germany	100%	-	Pharmaceutical manufacturing and services
10	Piramal Critical Care Limited **	U.K.	100%	-	Pharmaceutical manufacturing and services
11	Piramal Healthcare (Canada) Limited **	Canada	100%	-	Pharmaceutical manufacturing and services
12	Piramal Critical Care B.V. **	Netherlands	100%	-	Pharmaceutical manufacturing and services
13	Piramal Pharma Solutions B.V. ** (w.e.f. from October 26, 2018)	Netherlands	100%	-	Pharmaceutical manufacturing and services

Sr. No.	Name of the Company	Principal place of business / Country of incorporation	Ownership interest held by the group	Ownership interest held by non-controlling interests	Principal Activity
			% voting power held as at March 31, 2019	% voting power held as at March 31, 2019	
14	Piramal Critical Care Pty. Ltd. **	Australia	100%	-	Pharmaceutical manufacturing and services
15	Piramal Healthcare UK Limited **	U.K.	100%	-	Pharmaceutical manufacturing and services
16	Piramal Healthcare Pension Trustees Limited**	U.K.	100%	-	Pharmaceutical manufacturing and services
17	Piramal Critical Care South Africa (Pty) Ltd **	South Africa	100%	-	Pharmaceutical manufacturing and services
18	Piramal Dutch Holdings N.V.	Netherlands	100%	-	Holding Company
19	Piramal Healthcare Inc. **	U.S.A	100%	-	Holding Company
20	Piramal Critical Care, Inc. **	U.S.A	100%	-	Pharmaceutical manufacturing and services
21	Piramal Pharma Inc.**	U.S.A	100%	-	Pharmaceutical manufacturing and services
22	Piramal Pharma Solutions Inc. **	U.S.A	100%	-	Pharmaceutical manufacturing and services
23	PEL Pharma Inc.**	U.S.A	100%	-	Holding Company
24	Ash Stevens LLC **	U.S.A	100%	-	Pharmaceutical manufacturing and services
25	DRG Holdco Inc. $	U.S.A	100%	-	Holding Company
26	Piramal IPP Holdings LLC $	U.S.A	100%	-	Holding Company
27	Decision Resources Inc. $	U.S.A	100%	-	Healthcare Insights and Analytics
28	Decision Resources International, Inc. $	U.S.A	100%	-	Healthcare Insights and Analytics
29	DR/Decision Resources, LLC $	U.S.A	100%	-	Healthcare Insights and Analytics
30	Millennium Research Group Inc. $	Canada	100%	-	Healthcare Insights and Analytics
31	Decision Resources Group Asia Ltd $	Hong Kong	100%	-	Healthcare Insights and Analytics
32	DRG UK Holdco Limited $	U.K.	100%	-	Holding Company
33	Decision Resources Group UK Limited $	U.K.	100%	-	Holding Company
34	Sigmatic Limited $	U.K.	100%	-	Healthcare Insights and Analytics
35	Activate Networks Inc. (merged with Decision resources Inc. w.e.f. February 15, 2019) @@@ $	U.S.A	100%	-	Healthcare Insights and Analytics
36	DRG Analytics & Insights Private Limited @@@	India	100%	-	Healthcare Insights and Analytics
37	DRG Singapore Pte Ltd $	Singapore	100%	-	Healthcare Insights and Analytics
38	Sharp Insight Limited $	U.K.	100%	-	Healthcare Insights and Analytics
39	Context Matters Inc (merged with Decision resources Inc. w.e.f. February 15, 2019) $@@@	U.S.A	100%	-	Healthcare Insights and Analytics
40	Decision Resources Japan K.K. (w.e.f. February 5, 2019) $	Japan	100%	-	Healthcare Insights and Analytics
41	Piramal Dutch IM Holdco B.V.	Netherlands	100%	-	Holding Company
42	PEL-DRG Dutch Holdco B.V.$	Netherlands	100%	-	Holding Company
43	Piramal Capital and Housing Finance Limited (formerly known as Piramal Housing Finance Limited)	India	100%		Financial Services
44	Piramal Fund Management Private Limited	India	100%	-	Financial Services
45	Piramal Asset Management Private Limited $$ (w.e.f June 14, 2018)	India	100%		Financial Services
46	Piramal Investment Advisory Services Private Limited	India	100%	-	Financial Services
47	Piramal Investment Opportunities Fund	India	100%	-	Financial Services

Sr. No.	Name of the Company	Principal place of business / Country of incorporation	Ownership interest held by the group	Ownership interest held by non-controlling interests	Principal Activity
			% voting power held as at March 31, 2019	% voting power held as at March 31, 2019	
48	INDIAREIT Investment Management Co. $$	Mauritius	100%	-	Financial Services
49	Piramal Asset Management Private Limited $$	Singapore	100%	-	Financial Services
50	Piramal Capital International Limited $$ (w.e.f. October 5, 2018)	Mauritius	100%	-	Financial Services
51	Piramal Securities Limited (w.e.f June 07, 2018)	India	100%		Financial Services
52	Piramal Systems & Technologies Private Limited	India	100%	-	Holding Company
53	Piramal Technologies SA @	Switzerland	100%	-	Holding Company
54	PEL Finhold Private Limited	India	100%	-	Holding Company
55	Piramal Consumer Products Private Limited	India	100%	-	Holding Company

** held through Piramal Dutch Holdings N.V.

@ held through Piramal Systems & Technologies Private Limited

$ held through Piramal Dutch IM Holdco B.V.

$$ held through Piramal Fund Management Private Limited

@@ On June 25, 2018, Piramal Holdings (Suisse) SA, sold its entire ownership in these subsidiaries (Refer Note 37)

@@@ Note on Common control transactions

The Group undertook the following common control transactions:

March 2019

i. Activate Networks, Inc. and Context Matters Inc., both step down subsidiaries of the Company, have merged with Decision resources Inc. another step down subsidiary of the Company w.e.f. February 15, 2019.

ii. DRG Analytics & Insights Private Limited was a wholly owned subsidiary of Sigmatic Limited. During the year, DRG Analytics & Insights Private Limited issued shares to the Company, upon conversion of its outstanding loan and interest. Accordingly, w.e.f. August 28, 2018, 71.59% of the share capital of DRG Analytics & Insights Pvt. Ltd is held by the Company and 28.41% thereof is held by Sigmatic Limited. Further, on March 12, 2019, Sigmatic Limited has divested its entire stake in DRG Analytics & Insights Pvt. Ltd to Piramal Consumer Products Private Limited, a wholly owned subsidiary of the Company.

These transactions have no impact on the consolidated financial statements.

(b) Interest in Joint Ventures

Sr. No.	Name of the Company	Principal place of business	Carrying Amount as at (₹ in Crores)		% of ownership interest
			March 31, 2020	March 31, 2019	
1	Shrilekha Business Consultancy Private Limited (Joint venture) (Shrilekha Business Consultancy Limited)	India	3,461.34	3,148.74	74.95%

The above investments in joint ventures are accounted for using Equity Method. These are unlisted investments and hence quoted prices are not available.

Significant judgement: classification of joint venture

Shrilekha Business Consultancy Private Limited

The Group has a 74.95% interest in a joint venture called Shrilekha Business Consultancy Private Limited which was set up together with Shriram Ownership Trust to invest in Shriram Capital Limited. Shrilekha Business Consultancy Private Limited holds 26.68% in Shriram Capital Limited, thereby giving the Group an effective interest of 20%.

The principal place of business of the joint venture is in India.

Significant financial information for Shrilekha Business Consultancy Private Limited has been provided below:

Significant financial information:

Summarised Balance sheet as at:

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
Current assets	6.16	17.00
Non-current assets	3,859.73	3,450.98
Current liabilities	(20.04)	(20.04)
Non-current liabilities	(2.73)	(0.31)
Net Assets	**3,843.12**	**3,447.63**
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	6.15	0.24
Current financial liabilities (excluding trade and other payables and provisions)	(20.03)	(20.03)

Summarised statement of profit and loss

(₹ in Crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income tax expense	0.04	0.69
Share of profit from associate	521.15	365.80
Profit for the year	522.12	366.46
Other comprehensive income/ (expense), (net of tax)	-	(4.80)
Total comprehensive income	**522.12**	**361.66**

Reconciliation to carrying amounts as at:

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
Net assets	3,843.13	3,447.64
Group's share in %	74.95%	74.95%
Proportion of the Group's ownership interest	2,880.43	2,583.99
Goodwill	556.74	556.74
Dividend Distribution Tax	24.17	8.01
Carrying amount	3,461.34	3,148.74

(c) Individually immaterial joint ventures

The group has interests in the following individually immaterial joint ventures that are accounted for using the equity method:

Sr. No.	Name of the Company	Principal place of business	% of ownership interest
1	India Resurgence ARC Private Limited	India	50.00%
2	India Resurgence Asset Management Business Private Limited (formerly known as PEL Asset Resurgence Advisory Private Limited) (IRAMBPL)	India	50.00%
3	Asset Resurgence Mauritius Manager	Mauritius	50.00%
4	Piramal Ivanhoe Residential Equity Fund 1	India	50.00%
5	India Resurgence Fund - Scheme - 2	India	50.00%
6	Convergence Chemicals Private Limited (Convergence)	India	51.00%
7	India Resurgence ARC Trust I (w.e.f 3 May 2019)	India	50.00%
8	Piramal Structured Credit Opportunities Fund (PSCOF) (w.e.f 26 February 2020)	India	25.00%

Investment in India Resurgence ARC Private Limited

India Resurgence ARC Private Limited was a wholly owned subsidiary of the Company till July 18, 2017. On July 19, 2017, the Company has entered into a joint venture agreement with Bain Capital Credit India Investments (a company existing under the laws of the Republic of Mauritius) to sell its shares to the latter.

The contractual arrangement states that the Company and the other shareholder shall nominate one director each to the board in addition to the two independent directors. For any meeting of the board, the quorum shall be two directors provided that one director from each party is present. This gives both the parties a joint control over India Resurgence ARC Private Limited.

Hence with effect from July 19, 2017, the investment in India Resurgence ARC Private Limited is considered as investment in Joint Venture and accordingly this is accounted as per the equity method.

Investment in India Resurgence Asset Management Business Private Limited

India Resurgence Asset Management Business Private Limited was a wholly owned subsidiary of the Company till February 6, 2018. On February 7, 2018, the Company has entered into a joint venture agreement with Bain Capital Mauritius (a private limited company incorporated in Mauritius) to sell its shares to the latter.

The contractual arrangement states that the Company and the other shareholder shall nominate one director each to the board in addition to the two independent directors. For any meeting of the board, the quorum shall be two directors provided that one director from each party is present. This gives both the parties a joint control over India Resurgence Asset Management Business Private Limited.

Hence with effect from February 7, 2018, the investment in India Resurgence Asset Management Business Private Limited is considered as investment in Joint Venture and accordingly this is accounted as per the equity method.

Investment in Asset Resurgence Mauritius Manager

Asset Resurgence Mauritius Manager is a Joint Venture between Bain Capital Credit Member LLC and Piramal Fund Management Private Limited.

Asset Resurgence Mauritius Manager was incorporated in the Republic of Mauritius as a private company under the Mauritius Companies Act 2001 on October 10, 2017 and holds a Category I Global Business License and a CIS Manager issued by the Financial Services Commission. The principal activity of Asset Resurgence Mauritius Manager is to provide investment management services.

Investment in Piramal Ivanhoe Residential Equity Fund 1

Piramal Ivanhoe Residential Equity Fund - 1 ('Fund') is a contributory determinate investment trust organised under the Indian Trust Act 1882 and has been registered with SEBI as Category II Alternative Investment Fund.

Investment in India Resurgence Fund - Scheme - 2

India Resurgence Fund, is a Category II, SEBI registered AIF which is managed by India Resurgence Asset Management Business Private Limited, a 50:50 joint venture between Piramal Enterprises Limited and Bain Capital. India Resurgence Fund is a trust which has been set up on March 2, 2017 and registered with SEBI on June 28, 2017. India Resurgence Fund has floated India Resurgence Fund Scheme 2 for investments into distressed to control investment opportunities.

Convergence Chemicals Private Limited

Significant judgement:classification of joint venture

Convergence Chemicals Private Limited is a joint venture set up to develop, manufacture and sell speciality fluorochemicals.

The Group owns 51% equity shares of Convergence Chemicals Private Limited. The contractual arrangement states that PEL and the other shareholder shall nominate two directors each to the board and for any meeting of the board the quorum shall be two directors provided that one director from each party is present. This gives both the parties a joint control over Convergence Chemicals Private Limited. Convergence Chemicals Private Limited is a Private Limited Company whose legal form confers separation between the parties to the joint arrangement and the Company itself. Accordingly, the legal form of Convergence Chemicals Private Limited and the terms of the contractual arrangement indicate that the arrangement is a Joint Venture.

India Resurgence ARC Trust I

India Resurgence ARC Trust I ('the Trust') is declared as a Trust of India Resurgence ARC Private Limited in accordance with the Indian Trust Act, 1882 by way of a trust deed dated November 12, 2018. India Resurgence ARC Trust I is being managed by India Resurgence ARC Pvt Ltd(Trustee) and this trustee entity is joint venture between Bain Capital and Piramal Enterprise. Shareholding of Trustee entity is being held 50:50 by Bain Capital & Piramal Enterprise.

Piramal Structured Credit Opportunities Fund

Piramal Structured Credit Opportunities Fund' (the 'Fund') has been establised under the provisions of the Indian Trust Act, 1882. The Fund has received approval from the Securities and Exchange Board of India on 10 February 2020 to carry on the activity of alternate investment fund by pooling together resources and finances from institutional and high net worth investors.

Aggregate carrying amount of individually immaterial joint ventures	**522.54**
Aggregate amounts of the group's share of:	
Profit / (loss) from continuing operations	46.43
Other comprehensive income	-
Total comprehensive income	**46.43**

(d) Interest in Associates

Sr. No.	Name of the Company	Principal place of business	Carrying Amount as at (₹ in Crores)		% of ownership interest
			March 31, 2020	March 31, 2019	
1	Allergan India Private Limited (Allergan)	India	**194.37**	142.57	49%

The above investment is accounted for using Equity Method. This is an unlisted investment and hence quoted prices are not available.

Allergan India Private Limited is mainly engaged in trading of opthalmic products.

Allergan India Private Limited

Significant judgement: classification of associate

The Group owns 49% equity shares of Allergan India Private Limited. As per the terms of the contractual agreement with Allergan Pharmaceuticals (Ireland) Limited, the company by virtue of its shareholding neither has the power to direct the relevant activities of the company, nor has the right to appoint majority of the Directors. The company only has a right to participate in the policy making processes. Accordingly Allergan India Private Limited has been considered as an Associate.

Significant financial information for associate

Summarised Balance sheet as at:

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
Current assets	**385.40**	270.58
Non-current assets	**42.32**	52.93
Current liabilities	**(55.40)**	(65.67)
Non-current liabilities	**-**	-
Net Assets	**372.32**	**257.84**

Summarised statement of profit and loss for the year ended:

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
Revenue	**379.50**	400.39
Profit for the year	**103.60**	104.06
Other comprehensive income/ (expense)	**-**	0.37
Total comprehensive income	**103.60**	104.43
Dividends received	**-**	-

Reconciliation to carrying amounts as at:

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
Net assets	372.32	257.84
Group's share in %	49%	49%
Proportion of the Group's ownership interest	182.44	126.34
Others	(1.36)	2.94
Dividend Distribution Tax	13.29	13.29
Carrying amount	**194.37**	**142.57**

Contingent liabilities as at:

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
Share of associate's contingent liabilities		
- Claims against the company not acknowledged as debt	2.84	1.46
- Disputed demands for income tax, sales tax and service tax matters	16.99	17.43
Total contingent liabilities	**19.83**	**18.89**

(e) Individually immaterial associates

The group has interests in the following individually immaterial associates that are accounted for using the equity method:

Sr. No.	Name of the Company	Principal place of business	% of ownership interest
1	Bluebird Aero Systems Limited	Israel	27.83%
2	Piramal Phytocare Limited (Refer note 59)	India	-

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
Aggregate carrying amount of individually immaterial associates	39.99	39.99
Aggregate amounts of the group's share of:		
Profit / (loss) from continuing operations	-	1.00
Other comprehensive income	-	-
Total comprehensive income/ (Loss)	**-**	**1.00**

(f) Share of profits from Associates and Joint Venture for the year ended:

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
Share of profits from Joint Ventures	437.76	267.39
Share of profits from Associates	51.80	51.99
Total share of profits from Associates and Joint Venture	**489.56**	**319.38**

40. TRANSFER OF FINANCIAL ASSETS

Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

(₹ in Crores)

Securitisations/ Assigments	Year Ended March 31, 2020	Year Ended March 31, 2019
Carrying amount of transferred assets measured at amortised cost	5,075	-
Carrying amount of associated liabilities measured at amortised cost	3,923	-
Fair value of assets	4,134	-
Fair value of associated liabilities	2,774	-
Net position at Fair value	1,360	-

The Group has entered into a securitization transaction with Catalyst Trusteeship Limited (unrelated and unconsolidated entity). The Group does not hold any equity or other interest and does not control this entity. The Group is exposed to first loss amounting to ₹ 1,016.67 Crores (being 30%) of the amount securitised in addition to credit enhancement provided in the form of deposits is ₹ 473.96 Crores and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables.

Accordingly, Loan portfolio assets of ₹ 3,388.90 Crores are not derecognised and proceeds received of ₹ 2,372.23 Crores is recorded as financial liability under Debt securities.

41 GOODWILL

Movement in Goodwill on Consolidation during the year:

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	**5,939.45**	5,632.55
Less: Written off during the year (Refer Note 56(b) and 37)	**(5,096.98)**	(14.20)
Add: Currency translation differences	**296.60**	321.10
Closing balance	**1,139.07**	**5,939.45**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or group of CGUs, which are benefited from the synergies of the acquisition. Goodwill is reviewed for any impairment at the operating segment, which is represented through group of CGUs.

The following table presents the allocation of goodwill to reportable segments:

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Healthcare Insights and Analytics	-	4,886.57
Pharmaceuticals	**874.17**	802.58
Financial Services	**264.90**	250.30
Total	**1,139.07**	**5,939.45**

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value - in - use.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. The financial projections basis which the future cash flows have been estimated consider (a) the increase in economic uncertainties due to COVID-19, (b) reassessment of the discount rates, (c) revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit.

As of March 31, 2020 and March 31, 2019, the recoverable amount was computed using the discounted cash flow method for which the estimated cash flows for a period of 5 years in the Pharmaceuticals and Financial Services segment were developed using internal forecasts, and a pre-tax discount rate of 10.77% to 13.68% respectively. The cash flows beyond 5 years have been extrapolated assuming 2% to 5% growth rates, depending on the cash generating unit and the country of operations.

As on March 31, 2019, the fair value of the Healthcare Insights and Analytics segment was determined based on weighted average of the valuation derived from the market approach and income approach. The market approach was based using information of comparable guideline public companies and other significant unobservable inputs. The fair value is classified as a level 3 fair value measurement. The income approach was based on internal forecasts over a reasonable period, considering a pre-tax discount rate of 12.04% & terminal growth rate of 2.87%.

The management believes that any possible changes in the key assumptions would not cause the carrying amount to exceed the recoverable amount of cash generating unit.

Based on the above, no impairment was identified as of March 31, 2020 and March 31, 2019 as the recoverable value of the segments exceeded the carrying values.

42 EMPLOYEE BENEFITS:

Brief description of the Plans:

Other Long Term Employee Benefit Obligations

Leave Encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Consolidated Statement of Profit and Loss in the year in which they arise.

Long Term Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

Defined Contribution plans

The Group's defined contribution plans are Provident Fund (in case of certain employees), Superannuation, Overseas Social Security Plans, Employees State Insurance Fund and Employees' Pension Scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) and 401(k) plan contribution(in case of US subsidiaries). The Group has no further obligation beyond making contributions to such plans.

Post-employment benefit plans:

Gratuity for employees in India is paid as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for the number of years of service. The Group has both funded and non funded plans and makes contributions to recognised funds in India in case of funded plans.

The Group's Gratuity Plan is administered by an insurer and the Investments are made in various schemes of the trust. The Group funds the plan on a periodical basis.

In case of certain employees, the Provident fund is administered through an in-house trust. Periodic contributions to the trust are invested in various instruments considering the return, maturity, safety, etc., within the overall ambit of the Provident Fund Trust Rules and investment pattern notified through the Ministry of Labour investment guidelines for exempted provident funds.

In case of a foreign subsidiary, the subsidiary sponsors a defined benefit retirement plan. The benefits are based on employees' years of experience and final remuneration. The plan was funded through a separate trustee-administered fund.The pension cost for the main defined plans is established in accordance with the advice of independent qualified actuary. In previous year, this fund was closed to future accrual of benefits with effect from November 15, 2017. The surplus of ₹ Nil (Previous year- ₹ 6.22 Crores (GBP 727,400)) was reversed in other comprehensive income as the fund was closed to future accruals and there are no active members.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, equity, mutual funds and other debt instruments.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The Group has both funded and non funded plans and makes contributions to recognised funds in India in case of funded plans. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Group. The contributions made to the trust are recognised as plan assets. Plan assets in the Provident fund trust are governed by local regulations, including limits on contributions in each class of investments.

The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations, with the objective that assets of the gratuity / provident fund obligations match the benefit payments as they fall due. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets consists of government and corporate bonds, although the Group also invests in equities, cash and mutual funds. The plan asset mix is in compliance with the requirements of the regulations in case of Provident fund.

In case of an overseas subsidiary, the pension plans were funded through a separate trustee - administered fund. The subsidiary employs a building block approach in determining the long term rate of return on pension plan assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles.

I. Charge to the Consolidated Statement of Profit and Loss based on Defined Contribution Plans:

(₹ in Crores)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Employer's contribution to Regional Provident Fund Office	**13.20**	10.77
Employer's contribution to Superannuation Fund	**0.26**	0.30
Employer's contribution to Employees' State Insurance	**0.70**	1.02
Employer's contribution to Employees' Pension Scheme 1995	**5.42**	4.64
Contribution to Pension Fund	**44.10**	38.73
401 (k) Plan contribution	**43.78**	36.02
TOTAL	**107.46**	**91.48**

Included in Contribution to Provident and Other Funds and R&D Expenses disclosed under Other Expenses (Refer Note 34 and 36)

II. Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2020

A. Change in Defined Benefit Obligation

(₹ in Crores)

Particulars	(Funded)						(Non-Funded)	
	Gratuity		Pension		Provident Fund		Gratuity	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Present Value of Defined Benefit Obligation as at beginning of the year	**62.53**	54.35	**525.02**	570.18	**233.66**	211.59	**12.86**	9.02
Interest Cost	**4.57**	4.30	**15.30**	13.61	**20.78**	18.04	**0.96**	0.70
Current Service Cost	**4.23**	4.94	**-**	-	**12.22**	11.35	**2.89**	2.20
Past Service Cost	**-**	-	**-**	-	**-**	-	**-**	-
Contributions from plan participants	**-**	-	**-**	-	**20.81**	17.57	**-**	-
Liability Transferred In for employees joined	**0.24**	0.61	**-**	-	**8.60**	5.60	**-**	-
Liability Transferred Out for employees left	**(0.25)**	(0.69)	**-**	-	**-**	-	**-**	-
Liability acquired on acquisition of a subsidiary	**-**	-	**-**	-	**-**	-	**-**	-
Benefits Paid	**(3.50)**	(3.38)	**(31.99)**	(23.75)	**(25.30)**	(30.49)	**(1.20)**	(0.55)
Reduction on disposal of discontinued operations	**(2.54)**	-	**-**	-	**-**	-	**-**	-
(Gains)/Losses on Curtailment	**-**	-	**-**	-	**-**	-	**-**	-
Actuarial (Gains)/loss - due to change in Demographic Assumptions	**-**	-	**-**	-	**-**	-	**-**	-
Actuarial (Gains)/loss - due to change in Financial Assumptions	**2.32**	0.45	**67.69**	(21.14)	**-**	-	**1.21**	0.14
Actuarial (Gains)/loss - due to experience adjustments	**0.29**	1.95	**-**	-	**-**	-	**(0.22)**	1.35
Exchange Differences on Foreign Plans	**-**	-	**16.63**	(13.88)	**-**	-	**-**	-
Present Value of Defined Benefit Obligation as at the end of the year	**67.89**	**62.53**	**592.65**	**525.02**	**270.77**	**233.66**	**16.50**	**12.86**

B. Changes in the Fair Value of Plan Assets

(₹ in Crores)

Particulars	(Funded)						(Non-Funded)	
	Gratuity		Pension		Provident Fund		Gratuity	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Fair Value of Plan Assets as at beginning of the year	**25.76**	26.95	**678.48**	697.58	**233.66**	211.59	**-**	-
Interest Income	**1.93**	2.09	**19.84**	17.17	**20.78**	18.04	**-**	-
Contributions from employer	**-**	0.18	**-**	-	**33.03**	11.35	**-**	-
Contributions from plan participants	**-**	-	**-**	-	**-**	17.57	**-**	-
Assets Transferred In for employees joined	**-**	-	**-**	-	**8.60**	5.60	**-**	-
Reduction on disposal of discontinued operations	**(0.58)**	-	**-**	-	**-**	-	**-**	-
Benefits Paid from the fund	**(3.50)**	(3.38)	**(31.99)**	(23.75)	**(25.30)**	(30.49)	**-**	-
Return on Plan Assets, Excluding Interest Income	**(0.60)**	(0.08)	**58.85**	(13.37)	**-**	-	**-**	-
Administration cost	**-**	-	**(3.59)**	-	**-**	-	**-**	-
Exchange Differences on Foreign Plans	**-**	-	**21.49**	0.85	**-**	-	**-**	-
Fair Value of Plan Asset as at the end of the year	**23.01**	**25.76**	**743.08**	**678.48**	**270.77**	**233.66**	**-**	**-**

C. Amount recognised in the Balance Sheet

(₹ in Crores)

Particulars	(Funded)						(Non-Funded)	
	Gratuity		Pension		Provident Fund		Gratuity	
	As at March 31,		As at March 31,		As at March 31,		As at March 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Present Value of Defined Benefit Obligation as at the end of the year	**67.89**	62.53	**592.65**	525.02	**270.77**	233.66	**16.50**	12.86
Fair Value of Plan Assets As at end of the year	**23.01**	25.76	**743.08**	678.48	**270.77**	233.66	**-**	-
Funded Status	**-**	-	**(150.43)**	(153.46)	**-**	-	**-**	-
Asset Ceiling	**-**	-	**150.43**	153.46	**-**	-	**-**	-
Effect of currency translations	**-**	-	**-**	-	**-**	-	**-**	-
Net Liability recognised in the Balance Sheet (Refer Notes 20 and 26)	**44.88**	**36.77**	**-**	**-**	**-**	**-**	**16.50**	**12.86**

(₹ in Crores)

Particulars	(Funded)						(Non-Funded)	
	Gratuity		Pension		Provident Fund		Gratuity	
	As at March 31,		As at March 31,		As at March 31,		As at March 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Recognised under:								
Non Current provision (Refer Note 20)	**44.88**	36.77	**-**	-	**-**	-	**16.20**	12.86
Current provision (Refer Note 26)	**-**	-	**-**	-	**-**	-	**0.30**	-

The Provident Fund has a surplus that is not recognised on the basis that future economic benefits are not available to the Group in the form of a reduction in future contributions or a cash refund due to local regulations.

The Group has no legal obligation to settle the deficit in the funded plan (Gratuity) with an immediate contribution or additional one off contributions.

D. Expenses recognised in Consolidated Statement of Profit and Loss

(₹ in Crores)

Particulars	(Funded)						(Non-Funded)	
	Gratuity		Pension		Provident Fund		Gratuity	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Current Service Cost	**4.23**	4.94	**-**	-	**12.22**	11.35	**2.89**	2.20
Past Service Cost	**-**	-	**-**	-	**-**	-	**-**	-
Net interest Cost	**2.64**	2.21	**-**	-	**-**	-	**0.96**	0.70
(Gains)/Losses on Curtailments and settlements	**-**	-	**-**	-	**-**	-	**-**	-
Total Expenses / (Income) recognised in the Statement of Profit And Loss*	**6.87**	**7.15**	**-**	**-**	**12.22**	**11.35**	**3.85**	**2.90**

*Included in Salaries and Wages, Contribution to Provident and Other Funds, Gratuity Fund and Research and Development Expenses (Refer Note 34 and 36)

E. Expenses Recognized in the Other Comprehensive Income (OCI) for Current Year

(₹ in Crores)

Particulars	(Funded)						(Non-Funded)	
	Gratuity		Pension		Provident Fund		Gratuity	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Actuarial (Gains)/Losses on Obligation For the Period - Due to changes in demographic assumptions	**-**	-	**-**	-	**-**	-	**-**	-
Actuarial (Gains)/Losses on Obligation For the Period - Due to changes in financial assumptions	**2.32**	0.45	**67.69**	21.14	**-**	-	**1.21**	0.14
Actuarial (Gains)/Losses on Obligation For the Period - Due to experience adjustment	**0.29**	1.95	**-**	-	**-**	-	**(0.22)**	1.35
Return on Plan Assets, Excluding Interest Income	**0.60**	0.08	**(58.85)**	(13.37)	**-**	-	**-**	-
Change in Asset Ceiling	**-**	-	**(8.84)**	(7.77)	**-**	-	**-**	-
Net (Income)/Expense For the Period Recognized in OCI	**3.21**	**2.48**	**-**	**-**	**-**	**-**	**0.99**	**1.49**

F. Significant Actuarial Assumptions:

Figures in (%)

Particulars	(Funded)						(Non-Funded)	
	Gratuity		Pension		Provident Fund		Gratuity	
	As at March 31,		As at March 31,		As at March 31,		As at March 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Discount Rate (per annum)	6.56	7.48 - 7.68	2.00	2.90	6.56	7.64	6.56-6.59	7.64
Salary escalation rate	9% for 3 years then 6%	6.00-11.00	-	-	NA	NA	9.00	9.00
Expected Rate of return on Plan Assets (per annum)	6.56	7.48 - 7.68	2.00	2.90	6.56	7.64	-	-

The expected rate of return on plan assets is based on market expectations at the closing of the year. The rate of return on long-term bonds is taken as reference for this purpose.

In case of certain employees, the Provident Fund contribution is made to a Trust administered by the Group. In terms of the Guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of Provident fund liability based on the assumptions listed above and determined that there is no shortfall at the end of each reporting period.

G. Movements in the present value of net defined benefit obligation are as follows:

(₹ in Crores)

Particulars	(Funded)				(Non-Funded)	
	Gratuity		Pension		Gratuity	
	As at March 31,		As at March 31,		As at March 31,	
	2020	2019	2020	2019	2020	2019
Opening Net Liability/(asset)	36.77	27.40	-	-	12.86	9.02
Expenses Recognized in Statement of Profit or Loss	6.87	7.15	-	-	3.85	2.90
Expenses Recognized in OCI	3.21	2.48	-	-	0.99	1.49
Exchange Fluctuation	-	-	-	-	-	-
Net Liability/(Asset) Transfer In	0.24	0.61	-	-	-	-
Net (Liability)/Asset Transfer Out	(0.25)	(0.69)	-	-	-	-
Balance in relation to the discontinued operations	(1.96)	-	-	-	-	-
Net asset added on acquisition of subsidiary	-	-	-	-	-	-
Benefit Paid Directly by the Employer	-	-	-	-	(1.20)	(0.55)
Employer's Contribution	-	(0.18)	-	-	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	**44.88**	**36.77**	**-**	**-**	**16.50**	**12.86**

H. Category of Assets

(₹ in Crores)

Particulars	(Funded)					
	Gratuity		Pension		Provident Fund	
	As at March 31,		As at March 31,		As at March 31,	
	2020	2019	2020	2019	2020	2019
Government of India Assets (Central & State)	9.44	6.58	-	-	113.45	95.29
Public Sector Unit Bonds	-	-	-	-	18.33	23.96
Debt Instruments	-	-	485.34	522.43	-	-
Corporate Bonds	9.85	14.61	-	-	87.29	66.24
Fixed Deposits under Special Deposit Schemes of Central Government*	1.29	1.40	-	-	28.22	27.99
Insurance fund*	-	0.58	-	-	-	-
Equity Shares of Listed Entities/ Mutual funds	2.35	2.53	-	-	20.43	16.03
Global Equities	-	-	257.73	156.05	-	-
Others*	0.08	0.06	-	-	3.05	4.15
Total	**23.01**	**25.76**	**743.07**	**678.48**	**270.77**	**233.66**

* Except these, all the other investments are quoted.

Piramal

I. Other Details

Funded Gratuity

Particulars	As at March 31, 2020	As at March 31, 2019
Number of Active Members	4,122	4,320
Per Month Salary For Active Members	12.45	13.75
Average Expected Future Service (Years)	8 Years	7-8 Years
Projected Benefit Obligation (PBO) (₹ In crores)	67.89	62.53
Prescribed Contribution For Next Year (12 Months) (₹ In crores)	**12.45**	**13.75**

J. Cash Flow Projection: From the Fund

(₹ in Crores)

Projected Benefits Payable in Future Years From the Date of Reporting	Estimated for the year ended March 31, 2020	Estimated for the year ended March 31, 2019
1st Following Year	20.96	19.20
2nd Following Year	4.52	3.67
3rd Following Year	4.52	4.74
4th Following Year	4.77	4.94
5th Following Year	5.28	4.60
Sum of Years 6 To 10	24.53	24.59

The Group's Gratuity Plan is administered by an insurer and the Investments are made in various schemes of the trust. The Group funds the plan on a periodical basis.

In case of certain employees, the Provident fund is administered through an in-house trust. Periodic contributions to the trust are invested in various instruments considering the return, maturity, safety, etc., within the overall ambit of the Provident Fund Trust Rules and investment pattern notified through the Ministry of Labour investment guidelines for exempted provident funds.

Weighted average duration of the defined benefit obligation is in the range of 7 - 9 years (Previous year 7 - 11 years)

K. Sensitivity Analysis

(₹ in Crores)

Projected Benefit Obligation	Gratuity - Funded		Pension - Funded		Gratuity - Non Funded	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Impact of +1% Change in Rate of Discounting	(3.17)	(3.00)	-	-	(1.12)	(0.83)
Impact of -1% Change in Rate of Discounting	3.57	3.39	-	-	1.28	0.95
Impact of +1% Change in Rate of Salary Increase	3.52	3.33	-	-	1.23	0.92
Impact of -1% Change in Rate of Salary Increase	(3.19)	(3.02)	-	-	(1.11)	(0.83)

The above sensitivity analyses are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The liability for Long term Service Awards (Non – Funded) as at year end is ₹ 2.73 crores (Previous year - ₹ 2.49 Crores)

The liability for Leave Encashment (Non – Funded) as at year end is ₹ 53.65 Crores (Previous year ₹ 47.85 Crores)

43 RELATED PARTY DISCLOSURES

1. List of related parties

A. Controlling Entities

The Ajay G. Piramal Foundation @

Piramal Phytocare Limited Senior Employees Option Trust @*

The Sri Krishna Trust through its Trustees, Mr. Ajay Piramal and Dr.(Mrs.) Swati A. Piramal @

Anand Piramal Trust @

Nandini Piramal Trust @

Aasan Info Solutions (India) Private Limited @

Piramal Welfare Trust through its Trustee, Piramal Corporate Services Limited @

PRL Realtors LLP @

V3 Designs LLP @

@There are no transactions during the year.

*during the year it became non promoter- non public.

B. Subsidiaries - Refer Note 39 (a) for list of subsidiaries.

C. Other related parties

Entities controlled by Key Management Personnel*:

Aasan Corporate Solutions Private Limited (Aasan Corporate Solutions)

Gopikrishna Piramal Memorial Hospital (GPMH)

Piramal Corporate Services Limited (PCSL)

Brickex Advisors Private Limited

Piramal Glass Limited (PGL)

Piramal Water Private Limited

Piramal Glass USA Inc.

PRL Developers Private Limited (PRL)

PRL Agastya Private Limited

Piramal Trusteeship Services Private Limited

Piramal Estates Private Limited

Glider Buildcon Realtors Private Limited

Ansa Deco Glass Private Limited

Piramal Glass Ceylon Limited

*where there are transactions during the current or previous year

Employee Benefit Trusts

Staff Provident Fund of Piramal Healthcare Limited (PPFT)

D. Associates and Joint Ventures - Refer Note 39(b), (c) & (d)

E. Other Intermediaries

Shriram Transport Finance Company Limited (Shriram Transport) (upto June 17, 2019)

Shriram City Union Finance Limited (Shriram City Union)

F. Key Management Personnel

Mr. Ajay G. Piramal

Dr. (Mrs.) Swati A. Piramal

Ms. Nandini Piramal

Mr. Vijay Shah (resigned from being a Whole-Time Director and continued as Non-Executive Non-Independent Director of the Company w.e.f. 11th May, 2020')

G. Relatives of Key Management Personnel

Mr. Anand Piramal [Son of Mr. Ajay G. Piramal and Dr. (Mrs.) Swati A. Piramal]

Mr. Peter De Young [Husband of Ms. Nandini Piramal]

H. Non Executive/Independent Directors

Dr. R. A. Mashelkar

Mr. Gautam Banerjee

Mr. Goverdhan Mehta

Mr. N. Vaghul

Mr. S. Ramadorai

Mr. Deepak Satwalekar

Mr. Keki Dadiseth

Mr. Siddharth N Mehta (Resigned w.e.f. 4th February, 2020)

Mrs. Arundhati Bhattacharya (w.e.f. October 25, 2018 and Resigned w.e.f. 16th April, 2020)

2. Details of transactions with related parties.

(₹ in Crores)

Details of Transactions#	Jointly Controlled Entities		Associates & its subsidiaries		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Purchase of Goods								
- PGL	-	-	-	-	5.43	3.13	5.43	3.13
- Piramal Glass USA Inc.	-	-	-	-	5.43	3.69	5.43	3.69
- Convergence	102.96	83.42	-	-	-	-	102.96	83.42
- Others	-	-	-	-	0.02	-	0.02	-
TOTAL	**102.96**	**83.42**	**-**	**-**	**10.88**	**6.82**	**113.84**	**90.24**
Sale of Goods								
- Allergan	-	-	80.33	74.35	-	-	80.33	74.35
TOTAL	**-**	**-**	**80.33**	**74.35**	**-**	**-**	**80.33**	**74.35**
Amenities Charges								
- Aasan Corporate Solutions	-	-	-	-	-	0.83	-	0.83
TOTAL	**-**	**-**	**-**	**-**	**-**	**0.83**	**-**	**0.83**
Rendering of Services								
- Allergan	-	-	1.50	1.67	-	-	1.50	1.67
- PGL	-	-	-	-	0.27	0.32	0.27	0.32
TOTAL	**-**	**-**	**1.50**	**1.67**	**0.27**	**0.32**	**1.77**	**1.99**
Receiving of services								
- PRL Agastya Private Limited	-	-	-	-	6.04	6.75	6.04	6.75
TOTAL	**-**	**-**	**-**	**-**	**6.04**	**6.75**	**6.04**	**6.75**
Royalty Expense								
- PCSL	-	-	-	-	55.11	54.65	55.11	54.65
TOTAL	**-**	**-**	**-**	**-**	**55.11**	**54.65**	**55.11**	**54.65**
Rent Expense								
- GPMH	-	-	-	-	0.85	1.04	0.85	1.04
- Aasan Corporate Solutions	-	-	-	-	28.40	25.16	28.40	25.16
TOTAL	**-**	**-**	**-**	**-**	**29.25**	**26.20**	**29.25**	**26.20**

(₹ in Crores)

Details of Transactions#	Jointly Controlled Entities		Associates & its subsidiaries		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Commission Expense								
- Brickex Advisors Private Limited	-	-	-	-	-	11.13	-	11.13
TOTAL	**-**	**-**	**-**	**-**	**-**	**11.13**	**-**	**11.13**
Professional Fees								
- Piramal Trusteeship Services Private Limited	-	-	-	-	**0.09**	*	**0.09**	*
- PSCOF	**0.23**				-	-	**0.23**	*
TOTAL	**0.23**	**-**	**-**	**-**	**0.09**	**-**	**0.32**	**-**
Guarantee Commission Income								
- Convergence	**0.26**	0.30	-	-	-	-	**0.26**	0.30
TOTAL	**0.26**	**0.30**	**-**	**-**	**-**	**-**	**0.26**	**0.30**
Reimbursements of expenses recovered								
- PGL	-	-	-	-	**0.82**	0.61	**0.82**	0.61
- Piramal Glass USA Inc.	-	-	-	-	**0.89**	1.39	**0.89**	1.39
- Aasan Corporate Solutions	-	-	-	-	**1.75**	-	**1.75**	-
- Convergence	**0.12**	0.08	-	-	-	-	**0.12**	0.08
- PRL	-	-	-	-	**0.15**	0.15	**0.15**	0.15
- IRAMBPL	**2.40**	21.80	-	-	-	-	**2.40**	21.80
- Ansa Decoglass Private Limited	-	-	-	-	**0.07**	-	**0.07**	-
- Glider Buildcon Realtors Private Limited	-	-	-	-	**0.14**	-	**0.14**	-
- Others	-	-	-	-	**0.43**	0.01	**0.43**	0.01
TOTAL	**2.52**	**21.88**	**-**	**-**	**4.25**	**2.16**	**6.77**	**24.04**

* below rounding off norms adopted by the Group

(₹ in Crores)

Details of Transactions#	Jointly Controlled Entities		Associates & its subsidiaries		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Reimbursements of expenses								
- Aasan Corporate Solutions	-	-	-	-	**1.77**	1.09	**1.77**	1.09
- Brickex Advisors Private Limited	-	-	-	-	**9.47**	-	**9.47**	-
- IRAMBPL	**1.91**	8.00	-	-	-	-	**1.91**	8.00
- Others	-	-	-	-	-	0.06	-	0.06
TOTAL	**1.91**	**8.00**	**-**	**-**	**11.24**	**1.15**	**13.15**	**9.15**
Sale of Land								
- Ansa Decoglass Private Limited	-	-	-	-	**0.02**	-	**0.02**	-
TOTAL	**-**	**-**	**-**	**-**	**0.02**	**-**	**0.02**	**-**
Security deposit placed							-	-
- Aasan Corporate Solutions	-	-	-	-	**1.85**	4.88	**1.85**	4.88
TOTAL	**-**	**-**	**-**	**-**	**1.85**	**4.88**	**1.85**	**4.88**
Security deposit refunded								
- Aasan Corporate Solutions	-	-	-	-	**2.11**	-	**2.11**	-
TOTAL	**-**	**-**	**-**	**-**	**2.11**	**-**	**2.11**	**-**
Advance given for acquisition of assets								
- PGL	-	-	-	-	**346.92**	-	**346.92**	-
TOTAL	**-**	**-**	**-**	**-**	**346.92**	**-**	**346.92**	**-**
Refund of advance given for acquisition of assets								
- PGL	-	-	-	-	**346.92**	-	**346.92**	-
TOTAL	**-**	**-**	**-**	**-**	**346.92**	**-**	**346.92**	**-**
Dividend Income								
- Shriram Transport	-	-	-	24.86	-	-	-	24.86
- Shrilekha Business Consultancy	-	-	**78.73**	23.34	-	-	**78.73**	23.34

(₹ in Crores)

Details of Transactions#	Jointly Controlled Entities		Associates & its subsidiaries		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
- Shriram City Union	-	-	14.48	11.84	-	-	14.48	11.84
- Allergan	-	-	-	61.25	-	-	-	61.25
- India Resurgence Fund - Scheme 2	18.23	4.94	-	-	-	-	18.23	4.94
- PSCOF	0.51	-	-	-	-	-	0.51	-
TOTAL	18.74	4.94	93.21	121.29	-	-	111.95	126.23
Finance granted /(repayments) - Net (including loans and Equity contribution in cash or in kind)								
- Convergence	(4.50)	(3.56)	-	-	-	-	(4.50)	(3.56)
- Asset Resurgence Mauritius Manager	-	0.69	-	-	-	-	-	0.69
- IRAMBPL	5.00	4.75	-	-	-	-	5.00	4.75
- IRAPL	3.00	50.00	-	-	-	-	3.00	50.00
- Piramal Ivanhoe Residential Equity Fund 1	(6.78)	122.07	-	-	-	-	(6.78)	122.07
- India Resurgence Fund - Scheme 2	29.13	158.07	-	-	-	-	29.13	158.07
- India Resurgence ARC Trust 1	53.95	-	-	-	-	-	53.95	-
- PSCOF	36.01	-	-	-	-	-	36.01	-
TOTAL	115.81	332.02	-	-	-	-	115.81	332.02
Investment in Debentures								
- IRAMBPL	22.50	-	-	-	-	-	22.50	-
TOTAL	22.50	-	-	-	-	-	22.50	-
Interest received on loans/ investments								
- Convergence	2.70	3.28	-	-	-	-	2.70	3.28
- PGL	0.57	-	-	-	-	-	0.57	-
TOTAL	3.27	3.28	-	-	-	-	3.27	3.28
Contribution to Funds								
- PPFT	-	-	-	-	32.41	28.92	32.41	28.92
TOTAL	-	-	-	-	32.41	28.92	32.41	28.92

All the transactions were made on normal commercial terms and conditions and at market rates.

Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

(₹ in Crores)

Particulars	2020	2019
Short-term employee benefits (excluding perquisites)	33.04	31.84
Post-employment benefits	3.13	3.08
Other long-term benefits	0.53	0.75
Commission and other benefits to non-executive/independent directors	1.09	3.30
Total	37.79	38.97

Payments made to the directors and other members of key managerial personnel are approved by the Nomination & Remuneration Committee.

Excludes transactions with related parties in their capacity as shareholders.

3. Balances of related parties.

(₹ in Crores)

Account Balances	Jointly Controlled Entities		Associates & its subsidiaries		Other Related Parties		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Trade Receivables								
- Piramal Glass USA Inc	-	-	-	-	-	0.01	-	0.01
- Brickex Advisors Private Limited	-	-	-	-	1.53	-	1.53	-
- Aasan Corporate Solutions	-	-	-	-	6.83	6.94	6.83	6.94
- Allergan	-	-	9.44	13.50	-	-	9.44	13.50
- PRL Agastya Private Limited	-	-	-	-	0.38	-	0.38	-
- Others	-	-	-	-	0.24	-	0.24	-
TOTAL	-	-	9.44	13.50	8.98	6.95	18.42	20.45
Advance to Vendor								
- PGL	-	-	-	-	1.72	1.78	1.72	1.78
TOTAL	-	-	-	-	1.72	1.78	1.72	1.78
Loans and Advances								
- Convergence	24.50	33.08	-	-	-	-	24.50	33.08
TOTAL	24.50	33.08	-	-	-	-	24.50	33.08
Long-Term Financial Assets								
- Aasan Corporate Solutions	-	-	-	-	7.28	7.28	7.28	7.28
TOTAL	-	-	-	-	7.28	7.28	7.28	7.28
Investments in Debentures								
- IRAMBPL	22.50	-	-	-	-	-	22.50	-
TOTAL	22.50	-	-	-	-	-	22.50	-
Trade Payables								
- Piramal Glass USA Inc	-	-	-	-	0.66	0.14	0.66	0.14
- PGL	-	-	-	-	0.36	0.38	0.36	0.38
- PCSL	-	-	-	-	9.52	25.02	9.52	25.02
- Aasan Corporate Solutions	-	-	-	-	0.14	0.04	0.14	0.04
- IRAMBPL	-	8.00	-	-	-	-	-	8.00
- PRL Agastya Private Limited	-	-	-	-	-	0.56	-	0.56
- Brickex Advisors Private Limited	-	-	-	-	-	1.62	-	1.62
- Convergence	14.98	9.13	-	-	-	-	14.98	9.13
TOTAL	14.98	17.13	-	-	10.68	27.76	25.66	44.89
Current Account balances with related parties								
- PGL	-	-	-	-	(0.59)	1.36	(0.59)	1.36
- IRAMBPL	(0.04)	42.39	-	-	-	-	(0.04)	42.39
- Convergence	0.07	0.03	-	-	-	-	0.07	0.03
- PRL	-	-	-	-	0.24	0.18	0.24	0.18
- Glider Buildcon Realtors Private Limited	-	-	-	-	0.17	-	0.17	-
- Others	-	0.04	-	-	0.06	-	0.06	0.04
TOTAL	0.03	42.46	-	-	(0.12)	1.54	(0.09)	44.00

All outstanding balances are unsecured and are repayable in cash.

44 Property, Plant & Equipment, Brands and Trademarks, Investment in Non Convertible Debentures, Inter Corporate Deposits and Other Financial Assets are mortgaged / hypothecated to the extent of ₹ 33,036.28 Crores (As on March 31, 2019 ₹ 39,829.16 Crores) as a security against long term secured borrowings as at March 31, 2020.

Plant & Equipment, Inventories, Trade receivables, Investment in Non Convertible Debentures and Inter Corporate Deposits are hypothecated as a security to the extent of ₹ 6,296.39 Crores (As on March 31, 2019 ₹ 3,565.69 Crores) against short term secured borrowings as at March 31, 2020.

45 Earnings Per Share (EPS) - EPS is calculated by dividing the profit/ (loss) attributable to the owners of Piramal Enterprises Limited by the weighted average number of equity shares outstanding during the year. The earnings and weighted average numbers of equity shares used in calculating basic and diluted earnings per equity share are as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic EPS for the year (₹)		
From continuing operations	**(26.25)**	83.15
From discontinued operations	**27.39**	(10.95)
Total basic EPS	**1.14**	**72.20**
Diluted EPS for the year (₹)		
From continuing operations	**(26.25)**	82.81
From discontinued operations	**27.39**	(10.91)
Total diluted EPS	**1.14**	**71.90**
Face value per share (₹)	**2.00**	2.00

Basic and Diluted EPS for the year ended March 31, 2019, presented above have been retrospectively adjusted for the bonus element in rights issue (Refer Note 58(b)) and on account of merger with Piramal Phytocare Limited (Refer Note 59)

The Profit/ (Loss) attributable to the owners of Piramal Enterprises Limited and weighted average number of equity shares used in calculation of basic and diluted earnings per share are as follows:

(a) Profit/ (Loss) attributable to the owners of Piramal Enterprises Limited used in calculation of basic and diluted earnings per share

(₹ in Crores)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
1.	Profit/ (Loss) from continuing operations attributable to owners of Piramal Enterprises Limited	**(553.31)**	1,689.62
2.	Profit/ (Loss) from discontinued operations attributable to owners of Piramal Enterprises Limited	**577.34**	(222.56)
3.	Profit for the year attributable to owners of Piramal Enterprises Limited (1+2)	**24.03**	1,467.06

(b) Weighted average number of shares used in calculation of basic and diluted earnings per share

Number of Shares

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
1.	Weighted Average Number of Equity Shares for calculating Basic EPS (nos.)	**21,07,72,008**	20,32,05,439
2.	Weighted Average Potential Equity Shares in respect of right shares reserved for CCD holders and right shares held in abeyance (nos.)	**8,92,700**	8,18,720
3.	Total Weighted Average Number of Equity Shares for calculating Diluted EPS (nos.) (1+2)	**21,16,64,708**	20,40,24,159

The following additional information is presented to disclose the effect on net profit/ (loss) from continuing operations after tax and share of profits of associates and joint ventures, Basic and Diluted EPS, without the effect of tax adjustment of prior years (Refer note 52) and loss on disposal of subsidiary (Refer Note 37).

(₹ in Crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit /(loss) from continuing operations after tax and share of profit of associates and joint ventures		
As reported in the consolidated financial results	**(553.31)**	1,689.62
Add: Impact of Tax adjustment of prior years (Refer Note 52)	**1,757.59**	-
Add: Loss on sale of imaging business (Refer Note 37)	**-**	452.25
Adjusted Profit from continuing operations after tax and share of profit of associates and joint ventures	**1,204.28**	**2,141.87**
Basic EPS for the period (₹)		
As reported in the consolidated financial results	**(26.25)**	83.15
Add: Impact of Tax adjustment of prior years (Refer Note 52)	**83.39**	-
Add: Impact of loss on sale of imaging business (Refer Note 37)	**-**	22.25
Adjusted Basic EPS	**57.14**	**105.40**
Diluted EPS for the period (₹)		
As reported in the consolidated financial results	**(26.25)**	82.81
Add: Impact of Tax adjustment of prior years (Refer Note 52)	**83.15**	-
Add: Impact of loss on sale of imaging business (Refer Note 37)	**-**	22.17
Adjusted Diluted EPS	**56.90**	**104.98**

46(a) The Company conducts research and development to find new sustainable chemical routes for pharmaceutical & herbal products. The company is undertaking development activities for Oral Solids and Sterile Injectables, apart from other Active Pharmaceutical Ingredients.

The Company has research and development centers in Mumbai, Ennore and Ahmedabad.

Details of additions to Property, Plant & Equipments, Intangibles under Development and Revenue Expenditure for Department of Scientific & Industrial Research (DSIR) Recognised research and development facilities / division of the Company at Mumbai, Ennore and Ahmedabad for the year are as follows;

(₹ in Crores)

Description	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue Expenditure*	**112.42**	96.01
TOTAL	**112.42**	**96.01**
Capital Expenditure, Net		
Additions to Property, Plant & Equipments	**4.27**	9.66
Additions to Intangibles under Development	**7.30**	16.50
TOTAL	**11.57**	**26.16**

* The amount included in Note 36, under R & D Expenses (Net) does not include ₹ 81.54 Crores (Previous Year ₹ 68.09 Crores) relating to Ahmedabad location.

(b) In addition to the above, R & D Expenses (Net) included under Note 36 "Other Expenses" also includes expenditure incurred by the Group.

47 The Consolidated results for the year ended March 31, 2020 includes the results for Piramal Critical Care Italia S.P.A, Piramal Holdings (Suisse) SA, Piramal Technologies SA, Piramal Critical Care Deutschland GmbH, Piramal Healthcare Canada Limited, Piramal Critical Care BV, Piramal Dutch Holdings N.V., Ash Stevens LLC, Piramal Pharma Solutions Inc, Piramal Critical Care Pty Limited, Piramal Healthcare Pension Trustees Limited, Piramal Critical Care South Africa (Pty) Ltd, Piramal Pharma Solutions B.V and PEL Pharma Inc based on audited accounts upto their respective financial year ending December 31, 2019 and for Piramal Dutch IM Holdco BV, PEL DRG Dutch Holdco BV upto February 28, 2020 and management estimates prepared by respective Company's Management for the interim period ending March 31, 2020. The results of Bluebird Aero Systems Limited, Piramal International, Piramal Critical Care South Africa (Pty) Ltd, Piramal Pharma Solutions B.V, Allergan India Private Limited, Piramal Capital International Limited, India Resurgence Asset Management Business Private Limited, Asset Resurgence Mauritius Manager, India resurgence Fund scheme II, India Resurgence ARC Private Limited, Piramal Ivanhoe Residential Equity Fund,India Resurgence ARC Trust I, Piramal Structured Credit Opportunities Fund, Piramal Pharma Limited and Searchlight Health Private Limited are based on management estimates for the year ended March 31, 2020 as audited results were unavailable. The combined Revenues from operations for the year ended March 31, 2020 for all the above companies is ₹ 906.60 crores. The combined profit/(loss) for the year ended March 31, 2020 for all the above companies to the Consolidated Profit and Loss is ₹ 205.38 crores.

48 CAPITAL MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt (borrowings as detailed in notes 18, 23 and 24 offset by cash and bank balances) and total equity of the Group.

The Group determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through non convertible debt securities or other long-term /short-term borrowings.The Group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

The capital components of the Group are as given below:

(₹ in Crores)

	As at March 31, 2020	As at March 31, 2019
Equity	**30,571.59**	27,233.30
Total Equity	**30,571.59**	**27,233.30**
Borrowings - Non Current	**20,306.25**	27,033.07
Borrowings - Current	**7,949.91**	15,578.42
Current Maturities of Long Term Debt	**13,798.38**	13,425.22
Total Debt	**42,054.54**	**56,036.71**
Cash & Cash equivalents	**(4,340.94)**	(811.73)
Net Debt	**37,713.60**	**55,224.98**
Debt/Equity Ratio	**1.23**	**2.03**

The terms of the Secured and unsecured loans and borrowings contain certain financial covenants primarily requiring the Company and it's subsidiaries to maintain financial ratios like Total Debt to Total Net Worth, Interest Coverage Ratio, Fixed Asset Cover ratio, Minimum net worth conditions, etc. The Company and it's subsidiaries are broadly in compliance with the said covenants and banks have generally waived / condoned such covenants.

49 RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk.

The Group has an independent and dedicated Enterprise Risk Management (ERM) system to identify, manage and mitigate business risks. Board has approved the Asset Liability Management Policy and the formation of Asset Liability Management Committee (ALCO). The ALCO includes the Group's senior management and an external industry expert. It defines the strategy for managing liquidity and interest rate risks in the business.

This note explains the sources of risk which the group is exposed to and how the group manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Management
Liquidity risk	Borrowings and other liabilities	ALCO deliberates on the static liquidity gap statement, future asset growth plans, tenor of assets, market liquidity and pricing of various sources of funds. It decides on the optimal funding mix taking into consideration the asset strategy and a focus on diversifying sources of funds.
Market risk - Interest rate	Long-term borrowings at variable rates	ALCO reviews the interest rate gap statement and the mix of floating and fixed rate assets and liabilities. The Risk Management Group has also initiated a scenario analysis to assess the short-term impact of interest rates on net interest income (NII).
Market risk - Securities price risks	Equity Investment	The Group continue to effectively evaluate various risks involved in underlying assets, before and after making any such strategic investments.
Market risk - Foreign exchange	Transactions denominated in foreign currency	The centralised treasury function aggregates the foreign exchange exposure and takes measures to hedge the exposure based on prevalent macroeconomic conditions.
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Diversification of bank deposits, credit limits and letters of credit Each investment in financial services is assessed by the investment team as well as independent risk team on the risk-return framework. The combined analysis of these teams is presented to the Investment Committee for investment decision. The risk is being partly mitigated by setting up a concentration risk framework, which incentivises business units to diversify portfolio across counterparties, sectors and geographies.

a. Liquidity Risk Management

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Group has formulated an Asset Liability Management Policy. The Asset Liability Management Committee (ALCO) is responsible for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities. The Group has access to undrawn borrowing facilities at the end of each reporting period, as detailed below:

The Group has the following undrawn credit lines available as at the end of the reporting period.

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
- Undrawn credit lines	15,418.64	15,146.53
	15,418.64	15,146.53

Note: This includes Non-Convertible Debentures, Inter Corporate Deposits and Commercial Papers where only credit rating has been obtained and which can be issued, if required, within a short period of time. Further, the facilities related to Commercial Papers are generally rolled over.

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of reporting period ends respectively has been considered.

(₹ in Crores)

Maturities of Financial Liabilities	As at March 31, 2020			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Borrowings	24,494.81	15,090.64	6,786.44	3,311.00
Trade Payables	989.83	-	-	-
Derivative Financial Liabilities	17.66	-	-	-
Lease Liabilities	57.15	77.41	27.29	134.29
Other Financial Liabilities	260.97	0.72	-	-
	25,820.42	15,168.77	6,813.73	3,445.29

(₹ in Crores)

Maturities of Financial Liabilities	As at March 31, 2019			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Borrowings	32,005.64	24,522.40	6,532.17	4,257.53
Trade Payables	960.87	-	-	-
Derivative Financial Liabilities	7.72	-	-	-
Other Financial Liabilities	301.70	77.98	-	-
	33,275.93	24,600.38	6,532.17	4,257.53

The following tables detail the Group's expected maturity for its non-derivative financial assets. The tables have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis. Hence, maturities of the relevant assets have been considered below.

(₹ in Crores)

Maturities of Financial Assets	As at March 31, 2020			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Investments & Loans (Gross of ECL)	11,704.95	27,522.33	25,966.28	11,097.86
Security deposits*	500.89	458.65	-	-
Trade Receivables (Gross of ECL)	1,370.82	-	-	-
	13,576.66	27,980.98	25,966.28	11,097.86

*to the extent considered for the group liquidity management

(₹ in Crores)

Maturities of Financial Assets	As at March 31, 2019			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Investments & Loans (Gross of ECL)	15,309.28	27,624.21	20,741.83	16,778.42
Trade Receivables (Gross of ECL)	1,459.58	-	-	-
	16,768.86	**27,624.21**	**20,741.83**	**16,778.42**

The balances disclosed in the table above are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

In assessing whether the going concern assumption is appropriate, the Group has considered a range of factors relating to current and expected profitability, debt repayment schedule and potential sources of replacement financing. The Group has performed sensitivity analysis on such factors considered and based on current indicators of future economic conditions; there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Because of the uncertainties resulting from COVID-19, the impact of this pandemic may be different from those estimated as on the date of approval of these financial statements and the Group will continue to monitor any changes to the future economic conditions.

For the year ended March 31, 2020, due to outbreak of Covid-19 pandemic, RBI vide circular DOR.No.BP.BC.47/21.04.048/2019-20 dated 27 March 2020 has directed HFC Companies to provide moratorium of 3 months to its customer / borrower on all payments falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers classified as standard.

Accordingly, the Group's subsidiary has followed the direction issued by RBI and has proposed a moratorium of three months on the payment of all principal instalments and/ or interest, as applicable, falling due between March 1, 2020 and May 31, 2020. The Group has also availed moratoriums on their borrowings in line with these directions. Therefore, the maturities of the financial assets and financial liabilities, to the extent applicable have been impacted as a consequence of this RBI direction.

In case of loan commitments, the expected maturities are as under:

(₹ in Crores)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Upto 1 year	1 to 3 years	Upto 1 year	1 to 3 years
Commitment to invest in non-convertible debentures	-	-	231.15	-
Commitment to invest in Loans / Inter Company Deposits	**1,356.66**	-	741.26	-
Commitment to invest in AIF	-	**19.75**	-	54.62
Letter of comforts issued	**0.75**	-	449.17	-
TOTAL	**1,357.41**	**19.75**	**1,421.58**	**54.62**

Group has below commitments to invest in AIF in addition to above which will be invested as and when suitable investment opportunity arises:

Commitment as on March 31, 2020

Fund Name	Total Commitment (USD Mio)	Balance Commitment (USD Mio)	Total Commitment (₹ Crores)	Balance Commitment (₹ Crores)
India Resurgence Fund - Scheme 2	**100.00**	**75.26**	**756.70**	**569.49**
Piramal Ivanhoe Residential Equity Fund 1	**750.00**	**668.76**	**5,675.25**	**5,060.54**
Nyca Investment Fund III, LP	**5.00**	**3.50**	**37.84**	**26.48**
India Resurgence Fund - Scheme 1	**867.91**	**658.77**	**6,567.47**	**4,984.91**
Piramal Structured Credit Opportunities Fund	-	-	**2,147.40**	**1,998.20**

Commitment as on March 31, 2019

Fund Name	Total Commitment (USD Mio)	Balance Commitment (USD Mio)	Total Commitment (₹ Crores)	Balance Commitment (₹ Crores)
India Resurgence Fund - Scheme 2	100.00	77.14	691.63	533.56
Piramal Ivanhoe Residential Equity Fund 1	250.00	232.35	1,729.08	1,607.01

b. Interest Rate Risk Management

The Group is exposed to interest rate risk as it has assets and liabilities based on floating interest rates as well. The Group has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Variable rate borrowings	**26,765.70**	33,590.49
Fixed rate borrowings	**15,742.88**	22,781.65
	42,508.58	**56,372.14**

The sensitivity analysis below has been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liabilities/assets outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates. The basis risk between various benchmarks used to reset the floating rate assets and liabilities has been considered to be insignificant.

If interest rates related to borrowings had been 100 basis points higher/lower and all other variables were held constant for INR loans, the Group's

- Profit before tax for the year ended/Other Equity(pre tax) as on March 31, 2020 would decrease/increase by ₹ 252.80 Crores (Previous year ₹ 285.31 Crores) respectively. This is attributable to the Group’s exposure to borrowings at floating interest rates.

If interest rates related to borrowings had been 25 basis points higher/lower and all other variables were held constant for Foreign currency loans, the Group's

- Profit before tax for the year ended/Other Equity(pre tax) as on March 31, 2020 would decrease/increase by ₹ 3.63 Crores (Previous year ₹ 12.77 Crores) respectively. This is attributable to the Group’s exposure to borrowings at floating interest rates.

If interest rates related to loans given / debentures invested had been 100 basis points higher/lower and all other variables were held constant, the Group's

- Profit before tax for the year ended/Other Equity(pre tax) as on March 31, 2020 would increase/decrease by ₹ 267.07 Crores (Previous year ₹ 349.16 Crores) respectively. This is attributable to the Group’s exposure to lendings at floating interest rates.

Out of the total floating rate borrowings, the Group has entered into Interest Rate Swap (IRS) for the loan liability amounting to NIL (Previous Year: ₹ 1,982.56 Crores (USD 286.65 million)) and Cross Currency Interest Rate Swap (CCIRS) for the loan liability amounting to NIL (Previous Year: NIL). The Group has designated the IRS and CCIRS (hedging instrument) and the Floating rate financial liability (hedged item) into a hedging relationship and applies hedge accounting (Refer Note 49 (e)).

c. Other price risks

The Group is exposed to equity price risks arising from equity investments and classified in the balance sheet at fair value through Other Comprehensive Income.

Equity price sensitivity analysis:

The table below summarises the impact of increases/decreases on the Group's Equity and OCI for the period. Analysis is based on the assumption that equity index had increased/decreased by 5% with all the other variables held constant, and these investments moved in the line with the index.

(₹ in Crores)

Particulars	Impact on OCI	
	As at March 31, 2020	As at March 31, 2019
NSE Nifty 100, Increase by 5%	**24.62**	205.22
NSE Nifty 100, Decrease by 5%	**(24.62)**	(205.22)

The Group has designated the following securities as FVTOCI Investments (Refer note 4):
Shriram City Union Finance Limited

The Group chose this presentation alternative because the investment were made for strategic purposes rather than with a view to profit on subsequent sale, and there are no plans to dispose of these investments.

d. Foreign Currency Risk Management

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

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

a) Derivatives outstanding as at the reporting date

i. Hedge of firm commitment and highly probable forecast transactions	As at March 31, 2020		As at March 31, 2019	
	FC in Millions	₹ In Crores	FC in Millions	₹ In Crores
Forward contracts to sell USD / INR	**76.00**	**587.31**	45.00	320.44
Forward contracts to sell EUR / USD	-	-	9.00	71.92

b) Particulars of unhedged foreign currency exposures as at the reporting date

Currencies	As at March 31, 2020		As at March 31, 2019	
	Trade receivables		Trade receivables	
	FC in illions	₹ in Crores	FC in Millions	₹ in Crores
EUR	**17.98**	**149.16**	12.06	93.66
USD	**71.65**	**542.14**	79.98	553.14
GBP	**6.75**	**63.09**	3.98	35.98
AUD	**0.35**	**1.53**	0.07	0.35
CAD	**5.00**	**26.55**	0.41	2.11
ZAR	**65.62**	**27.76**	36.62	17.50
SGD	**0.01**	**0.04**	0.02	0.09
HKD	**0.41**	**0.40**	-	-
IDR	**59,730.60**	**27.48**	-	-
YEN	**134.22**	**9.34**	-	-

Currencies	As at March 31, 2020		As at March 31, 2019	
	Trade payables		Trade payables	
	FC in illions	₹ in Crores	FC in Millions	₹ in Crores
CHF	**1.33**	**10.98**	0.39	2.72
EUR	**1.31**	**10.79**	5.48	42.54
GBP	**3.02**	**28.18**	0.48	4.39
JPY	**1.37**	**0.10**	0.58	0.04
SEK	**0.03**	**0.02**	0.03	0.02
USD	**26.18**	**190.32**	20.10	139.02
INR	**62.58**	**6.26**	6.45	0.65
THB	**0.45**	**0.07**	0.29	0.06
AUD	**0.01**	**0.05**	*	*
CAD	**0.04**	**0.22**	*	*
SGD	*	*	*	*
IDR	**77.27**	**0.04**	-	-
NZD	*	*	*	*
AED	**0.03**	**0.06**	-	-

Currencies	As at March 31, 2020		As at March 31, 2019	
	Loan from Banks		Loan from Banks	
	FC in illions	₹ in Crores	FC in Millions	₹ in Crores
USD	**32.38**	**245.05**	121.02	836.95
EUR	**-**	**-**	4.02	31.23

Currencies	As at March 31, 2020				As at March 31, 2019			
	Loans		Current Account Balances		Loans		Current Account Balances	
	FC in illions	₹ in Crores	FC in illions	₹ in Crores	FC in illions	₹ in Crores	FC in Millions	₹ in Crores
USD	**239.65**	**1,813.46**	**16.44**	**124.43**	517.25	3,577.29	20.54	142.06
GBP	**14.50**	**135.41**	**0.39**	**3.67**	22.44	203.11	0.17	1.54
EUR	**12.08**	**99.95**	**1.75**	**14.51**	46.99	364.89	7.34	57.03
CHF	**10.77**	**84.16**	**0.16**	**1.22**	10.45	72.53	0.18	1.23

Currencies	As at March 31, 2020		As at March 31, 2019	
	Loans taken and interest payable		Loans taken and interest payable	
	FC in illions	₹ in Crores	FC in Millions	₹ in Crores
EUR	**9.89**	**81.83**	52.63	408.72
USD	**57.13**	**432.28**	0.23	1.60
GBP	**15.22**	**142.10**	18.00	162.86
CHF	**4.73**	**36.95**	4.75	32.96

Currencies	As at March 31, 2020		As at March 31, 2019	
	Cash & Cash Equivalents		Cash & Cash Equivalents	
	FC in illions	₹ in Crores	FC in Millions	₹ in Crores
USD	**15.52**	**117.47**	5.61	38.82
GBP	**0.02**	**0.22**	0.01	0.05
CHF	**-**	**-**	0.10	0.67
EUR	**(9.05)**	**(74.90)**	0.35	2.74
IDR	**8,204.70**	**3.77**	-	-

* - Below the rounding off threshold applied by the Group

Note: Loan from/ to Related Parties includes loans in respect of which foreign exchange gain/ loss is transferred to Other Comprehensive Income

Of the above, the Group is mainly exposed to USD, GBP, EUR & CHF. Hence the following table analyses the Group's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against INR.

Particulars	Increase/Decrease	For the year ended March 31, 2020				For the year ended March 31, 2019			
		Total Assets in FC (In Millions)	Total Liabilities in FC (In Millions)	Change in exchange rate	Impact on Profit or Loss/ Other Equity for the year (₹ In Crores)	Total Assets in FC (In Millions)	Total Liabilities in FC (In Millions)	Change in exchange rate	Impact on Profit or Loss/ Other Equity for the year (₹ In Crores)
USD	Increase by 5%#	**343.26**	**115.70**	**3.78**	**86.10**	623.38	141.35	3.46	166.69
USD	Decrease by 5%#	**343.26**	**115.70**	**(3.78)**	**(86.10)**	623.38	141.35	(3.46)	(166.69)
GBP	Increase by 5%#	**21.67**	**18.24**	**4.67**	**1.60**	26.60	18.48	4.52	3.67
GBP	Decrease by 5%#	**21.67**	**18.24**	**(4.67)**	**(1.60)**	26.60	18.48	(4.52)	(3.67)
EUR	Increase by 5%#	**22.76**	**11.22**	**4.14**	**4.78**	66.74	62.13	3.88	1.79
EUR	Decrease by 5%#	**22.76**	**11.22**	**(4.14)**	**(4.78)**	66.74	62.13	(3.88)	(1.79)
CHF	Increase by 5%#	**10.92**	**6.06**	**3.91**	**1.90**	10.72	5.14	3.47	1.94
CHF	Decrease by 5%#	**10.92**	**6.06**	**(3.91)**	**(1.90)**	10.72	5.14	(3.47)	(1.94)

Holding all the variables constant

e. Accounting for cash flow hedge

(i) Cross-currency Interest Rate Swap

The Group has taken foreign currency floating rate borrowings which are linked to LIBOR. For managing the foreign currency risk and interest rate risk arising from changes in LIBOR on such borrowings, the Group has enterred into cross-currency interest rate swap (CCIRS) for the entire loan liability. The Group has designated the CCIRS (hedging instrument) and the borrowing (hedged item) into a hedging relationship and applies hedge accounting.

Under the terms of the CCIRS, the Group pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on LIBOR in foreign currency. As the critical terms of the hedged item and the hedging instrument (notional, interest periods, underlying and fixed rates) are matching and the interest cashflows are off-setting, an economic relationship exists between the two. This ensures that the hedging instrument and hedged item have values that generally move in the opposite direction.

Hedge Effectiveness Testing is assessed at designation date of the hedging relationship, and on an ongoing basis. The ongoing assessment is performed at a minimum at each reporting date or upon a significant change in circumstances affecting the hedge effectiveness requirements, whichever comes first.

Following table provides quantitative information regarding the hedging instrument as on March 31, 2020:

(₹ in Crores)

Type of hedge and risks	Nominal value (Liabilities)	Carrying amount of hedging instruments (included under "other current and non-current financial liabilities") (Liabilities)	Maturity date	Hedge ratio	Average contracted fixed interest rate	Changes in fair value of hedging instrument used as the basis for recognising hedge effectiveness	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
Cash Flow Hedge							
Foreign currency and Interest rate risk	522.64	17.84	June- 24	1:1	9.30%	(19.37)	37.21

Following table provides the effects of hedge accounting on financial performance for the year ended March 31, 2020:

(₹ in Crores)

Type of hedge	Changes in the value of hedging instruments recognised in Other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedge reserve to profit or loss	Line-item affected in statement of profit or loss because of reclassification
Cash flow hedge				
Interest Rate risk and Foreign Exchange Risk	(19.37)	-	(7.75)	Finance Cost
			44.97	Foreign Exchange (gain)/loss

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

(₹ in Crores)

Particulars	Amount
As on March 31, 2018	**7.85**
Changes in fair value of CCIRS	-
Amounts reclassified to profit or loss	-
Deferred taxes related to above	-
As on March 31, 2019	**7.85**
Changes in fair value of CCIRS	17.84
Amounts reclassified to profit or loss	29.15
Deferred taxes related to above	4.89
As on March 31, 2020	**(14.27)**

(ii) Interest Rate Swap

The Group has taken floating rate borrowings which is linked to 3 months revolving LIBOR. For managing the interest rate risk arising from changes in LIBOR on such borrowings, the Group has entered into Interest rate swap (IRS) for the loan liability amounting to ₹ Nil (USD: Nil) as at year end March 31, 2020 and ₹ 1,982.56 Crores (USD 286.65 million) as at March 31, 2019. The Group has designated the IRS (hedging instrument) and the Floating rate financial liability (hedged item) into a hedging relationship and applies hedge accounting.

Under the terms of the IRS, the Group pays interest at the fixed rate to the swap counterparty in USD and receives the floating interest payments based on LIBOR in USD. As the critical terms of the hedged item and the hedging instrument (notional, interest periods, underlying and fixed rates) are matching and the interest cashflows are off-setting, an economic relationship exists beteween the two. This ensures that the hedging instrument and hedged item have values that generally move in the opposite direction.

Hedge Effectiveness Testing is assessed at designation date of the hedging relationship, and on an ongoing basis. The ongoing assessment is performed at a minimum at each reporting date or upon a significant change in circumstances affecting the hedge effectiveness requirements, whichever comes first.

Following table provides quantitative information regarding the hedging instrument as on March 31, 2020:

(₹ in Crores)

	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Gain / (Loss) due to change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Interest rate swaps	-	-	-	(43.77)	(8.15)	-	Not applicable	35.59	Not applicable

The table below provides a profile of the timing of the notional amounts of the Group's hedging instruments (based on residual tenor) along with the average price or rate as applicable by risk category:

	As at 31 March 2020			
	Total	Less than 1 year	1-5 years	Over 5 years
Interest rate risk:				
Notional principal amount (₹ in crores)	NA			
Average fixed interest rates				

The tables below provide details of the Group's hedged items under cash flow hedges:

(₹ in Crores)

	As at 31 March 2020		
		Balance in cash flow hedge reserve	
	Change in the value of hedged item for the year	Where hedge accounting is continued	Where hedge accounting is discontinued
Borrowings (Floating rate)	**Not applicable**	**Not applicable**	**Not applicable**

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

(₹ in Crores)

	Movement in Cash flow hedge reserve for the year ended
	31-Mar-20
Opening balance	**(8.18)**
Effective portion of changes in fair value:	
a) Interest rate risk	**43.77**
Net amount reclassified to profit or loss:	
a) Interest rate risk	**(35.59)**
Tax on movements on reserves during the year	-
Closing balance	-

Disclosure of effects of hedge accounting on financial performance:

(₹ in Crores)

Type of hedge	Gain/(Loss) due to change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognisd in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Interest rate risk	(8.15)	-	35.59	Not applicable

Following table provides quantitative information regarding the hedging instrument as on March 31, 2019:

(₹ in Crores)

	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Gain / (Loss) due to change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
Interest rate swaps	1,982.56	-	(7.72)	(14.86)	(12.52)	-	Not applicable	(2.34)	Not applicable

The table below provides a profile of the timing of the notional amounts of the Group's hedging instruments (based on residual tenor) along with the average price or rate as applicable by risk category:

	As at 31 March 2019			
	Total	Less than 1 year	1-5 years	Over 5 years
Interest rate risk:				
Notional principal amount (₹ in crores)	1,982.56	381.26	1,601.30	-
Average fixed interest rates	4.968% p.a	4.968% p.a	4.968% p.a	-

The tables below provide details of the Group's hedged items under cash flow hedges:

(₹ in Crores)

	As at 31 March 2019		
		Balance in cash flow hedge reserve	
	Change in the value of hedged item for the year	Where hedge accounting is continued	Where hedge accounting is discontinued
Borrowings (Floating rate)	(2.34)	(8.18)	Not applicable

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

(₹ in Crores)

	Movement in Cash flow hedge reserve for the year ended
	31-Mar-19
Opening balance	4.34
Effective portion of changes in fair value:	
a) Interest rate risk	(14.86)
Net amount reclassified to profit or loss:	
a) Interest rate risk	2.34
Tax on movements on reserves during the year	
Closing balance	**(8.18)**

Disclosure of effects of hedge accounting on financial performance:

(₹ in Crores)

Type of hedge	Gain/(Loss) due to change in the value of the hedging instrument recognised in OCI	Hedge ineffectiness recognisd in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Interest rate risk	(12.52)	-	(2.34)	Not applicable

(iii) Accounting for cash flow hedge

The objective of hedge accounting is to represent, in the Group's financial statements, the effect of the Group's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss. As part of its risk management strategy, the Group makes use of financial derivative instruments, such as foreign currency range forwards and forward exchange contracts for hedging the risk arising on account of highly probable foreign currency forecast sales.

The Group has a Board approved policy on assessment, measurement and monitoring of hedge effectiveness which provides a guideline for the evaluation of hedge effectiveness, treatment and monitoring of the hedge effective position from an accounting and risk monitoring perspective. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Group assesses hedge effectiveness on prospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective in offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

For derivative contracts designated as hedge, the Group documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The derivative contracts have been taken to hedge foreign currency fluctuations risk arising on account of highly probable foreign currency forecast sales.

The Group applies cash flow hedge to hedge the variability arising out of foreign exchange currency fluctuations on account of highly probable forecast sales. Such contracts are generally designated as cash flow hedges.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The forward exchange forward contracts are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1. Further, the entity has excluded the foreign currency basis spread and takes such excluded element through the income statement. Accordingly, the Group designates only the spot rate in the hedging relationship.

Hedge effectiveness is assessed through the application of dollar offset method and designation of spot rate as the hedging instrument. The excluded portion of the foreign currency basis spread is taken directly through income statement.

The table below enumerates the Group's hedging strategy, typical composition of the Group's hedge portfolio, the instruments used to hedge risk exposures and the type of hedging relationship for the year ended March 31, 2020:

Sr No	Type of risk/ hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Foreign Currency hedge	Highly probable forecast sales	Foreign currency denominated highly probable forecast sales is converted into functional currency using a forward contract.	Foreign exchange forward contracts	Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over–the–counter market. Further, the foreign currency basis spread is separated and accounted for at FVTPL. Accordingly, only the spot rate has been designated in the hedging relationship.	Cash flow hedge

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at March 31, 2020

(in Crores)

	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffective ness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item in profit or loss affected by the reclassifica tion
Foreign exchange forward contracts	**7.60 (USD)**	-	**(17.66)**	**(22.96)**	-	**Not applicable**	**4.99**	**Revenue**

As at March 31, 2019

(in Crores)

	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments – Liabilities	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffective ness	Amount reclassified from cash flow hedging reserve to profit or loss	Line item in profit or loss affected by the reclassifica tion
Foreign exchange forward contracts	4.50 (USD)	11.61	-	3.33	-	Not applicable	-	Not applicable
Foreign exchange forward contracts	0.90 (Euro)	0.88	-	0.32	-	Not applicable	-	Not applicable

The table below provides a profile of the timing of the notional amounts of the Group's hedging instruments (based on residual tenor) along with the average price or rate as applicable by risk category:

	As at March 31, 2020				As at 31 March 2019			
	Total	Upto 1 year	1-5 years	Over 5 years	Total	Upto 1 year	1-5 years	Over 5 years
Foreign currency risk:								
Forward exchange contracts	**7.60 Crores (USD)**	**7.60 Crores (USD)**	-	-	4.50 Crores (USD)	4.50 Crores (USD)	-	-
Average INR:USD forward contract rate	**77.28**	**77.28**	-	-	70.83	70.83	-	-

(iii) The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

(₹ in Crores)

Movement in Cash flow hedge reserve for the years ended	**March 31, 2020**
As on April 1, 2018	
Effective portion of changes in fair value:	
Foreign exchange forward contracts	**5.61**
Deferred taxes related to above	**(1.96)**
As on March 31, 2019	**3.65**
Effective portion of changes in fair value:	
Foreign exchange forward contracts	**(30.68)**
Tax on movements on reserves during the year	**7.72**
Net amount reclassified to profit or loss:	**-**
Foreign exchange forward contracts	**6.67**
Tax on movements on reserves during the year	**(1.68)**
Closing balance	**(14.32)**

(f) Credit Risk

Typically, the receivables of the Group can be classified in 2 categories:

1. Pharma and Healthcare Insights and Analytics Trade Receivables
2. Financial Services business - (i) Loan Book primarily comprising of Real estate developers, Infrastructure Companies, Retail Housing Finance and Others; and (ii) Strategic Investment made in other body corporates.

Please refer Note 10 for risk mitigation techniques followed for Pharma and Healthcare Insights and Analytics Trade Receivables. Risk mitigation measures for Financial Services business are explained in the note below.

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Retail lending:

For retail lending the credit policy has been reviewed and approved by Risk Team. The Credit Risk management structure includes credit policies and procedures. The Credit Policy defines customer segments, income assessment criteria, underwriting standards, target market definition, appraisal and approval processes, product limits, Delegation of Authority metrics (DoA) and cover risk assessment for product offerings etc. to ensure consistency of credit buying patterns.

Wholesale lending:

For wholesale lending business, the Group's Risk management team has developed proprietary internal rating model to evaluate risk return trade-off for the loans and investments made by the Group. The output of traditional credit rating model is an estimate of probability of default. These models are different from the traditional credit rating models as they integrate both probability of default and loss given default into a single model.

The lending exposure includes lending to the below sectors

Sectors	Exposure as at	
	March 31, 2020	**March 31, 2019**
Real Estate	**74.70%**	71.63%
CFG	**12.32%**	16.13%
Retail Housing Finance	**11.42%**	9.53%
Others	**1.57%**	2.71%

Credit Risk Management

The credit risk on liquid funds and other financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies or mutual funds.

For retail lending business, credit risk management is achieved by considering various factors like:

- Assessment of borrower's capability to pay – a detailed assessment of borrower's capability to pay is conducted. The approach to the assessment is uniform across the entire Group and is spelt out in the Credit Policy. For construction finance deals, the underlying project, the financial capability, past track record of repayments of the promoters are assessed by an independent risk team.
- Security cover – this is an assessment of the value of security under stress scenario which is further adjusted for factors like liquidity, enforceability, transparency in valuation, etc of the collateral.
- Geographic region – the Group monitors loan performances in a particular region to assess if there is any stress due to natural calamities, etc impacting the performance of loans in a particular geographic region

For wholesale lending business, credit risk management is achieved by considering various factors like:

- Cash flow at risk – This is an assessment of the standalone project or business from which interest servicing and principal repayment is expected to be done.
- Security cover – This is an assessment of the value of the security under stress scenario which is further adjusted for factors like liquidity, enforceability, transparency in valuation etc. of the collateral.
- Promoter strength – This is an assessment of the promoter from financial, management and performance perspective.
- Exit – This is an assessment of the liquidity of the loan or investment.

The output from each of the analysis is converted to a risk weight equivalent. Each of the four components of the risk analysis are assigned a specific weight which differ based on type of investment. The risk weight is then converted into capital requirement. The required capital and the return is combined to create a metric which is used for deal assessment.

Based on the above assessment the risk team categorises the deals in to the below Risk Grades

- Good	Deals with very high risk adjusted returns
- Investment Grade	Deals with high risk adjusted returns
- Management Review Grade	Deals with risk adjusted returns required as per lending policy
- Not Advisable Grade	Deals with lower than required risk adjusted returns

Further, a periodic review of the performance of the portfolio is also carried out by the Risk Group. The Risk Group adjusts the stress case considered during the initial approval based on actual performance of the deal, developments in the sector, regulatory changes etc. The deal level output is combined to form a portfolio snapshot. The trends from portfolio are used to provide strategic inputs to the management.

Provision for Expected Credit Loss

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking parameters, which are both qualitative and quantitative. These parameters have been detailed in Note no.vii of Significant Accounting Policies. Based on the result yielded by the above assessment the Financial assets are classified into (1) Standard (Performing) Asset, (2) Significant Credit Deteriorated (Under-Performing) Asset (3) Default (Non-Performing) Asset (Credit Impaired).

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

For the purpose of expected credit loss analysis the Group defines default as any asset with more than 90 days overdues. This is also as per the rebuttable presumption provided by the standard.

The Group provides for expected credit loss based on the following:

Category - Description	Basis for Recognition of Expected Credit Loss
Stage 1 - Standard (Performing) Assets	12 month ECL
Stage 2 - Significant Credit Deteriorated Assets	Life time ECL
Stage 3 - Default (Non-Performing) Assets (Credit Impaired)	Loss Given Default (LGD)

The Company has developed a PD Matrix consisting of various parameters suitably tailored for various facilities like grade of the borrower, past overdue history, status from monthly asset monitoring report, deal IRR, deal tenure remaining etc.

Based on these parameters the Company has computed the PD. The Company has also built in model scorecard to determine the internal LGD. However, since there has been no default history to substantiate the internal LGD, the Company has made use of a combination of both internal as well as external LGD.

Impact of Covid -19 pandemic on the credit risk

The outbreak of Covid-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The Group through it's financial services segment offers long term and short term wholesale lending primarily to the real estate and infrastructure sector. In accordance with Reserve Bank of India (RBI) guidelines, the Group has proposed a moratorium benefit on the payment of all principal instalments and / or interest, to all eligible borrowers classified as standard, even if overdue as on February 29, 2020 excluding the collections already made in the month of March 2020 and which shall be subject to approval by the management on a case to case basis. Accordingly, for all such accounts where the moratorium is granted, the asset classification will remain standstill during the moratorium period. (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the Group's policy).

The Group ran a scenario analysis using proprietary algorithm-based risk models on the portfolio taking into account the current Covid-19 related impact.

Further the Group has, based on current available information estimated and applied management overlays, for the purpose of determination of the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts up to the date of approval of these financial results.

Accordingly, the Group has estimated and recognised an additional expected credit loss of ₹ 1,903 Crores on certain financial assets, on account of the anticipated effect of the global health pandemic. As a result of uncertainties resulting from COVID-19, the impact of this pandemic may be different from those estimated as on the date of approval of these financial results and the Group will continue to monitor any changes to the future economic conditions.

Expected Credit Loss as at the end of the reporting period:

(₹ in Crores)

Particulars	As at March 31, 2020			
	Asset Group	**Gross Carrying Amount (Exposure)**	**Expected Credit Loss**	**Carrying Amount net of impairment provision**
Very High quality liquid assets	Other Financial Assets and Loans to related parties and others	**6,074.33**	**-**	**6,074.33**
Assets for which credit risk has not significantly increased from initial recognition	Investments at amortised cost	**10,809.19**	**558.61**	**10,250.58**
	Loans at amortised cost	**38,374.01**	**1,293.87**	**37,080.14**
Assets for which credit risk has increased significantly but are not credit impaired	Investments at amortised cost	**645.30**	**223.75**	**421.55**
	Loans at amortised cost	**639.29**	**216.05**	**423.24**
Assets for which credit risk has increased significantly and are credit impaired	Investments at amortised cost	**495.61**	**213.84**	**281.77**
	Loans at amortised cost	**715.05**	**277.92**	**437.13**
Total		**57,752.78**	**2,784.04**	**54,968.74**

(₹ in Crores)

Particulars	As at March 31, 2019			
	Asset Group	**Gross Carrying Amount (Exposure)**	**Expected Credit Loss**	**Carrying Amount net of impairment provision**
Very High quality liquid assets	Other Financial Assets and Loans to related parties and others	1,914.33	-	1,914.33
Assets for which credit risk has not significantly increased from initial recognition	Investments at amortised cost	16,197.17	222.01	15,975.16
	Loans at amortised cost	37,452.35	516.29	36,936.06
Assets for which credit risk has increased significantly but are not credit impaired	Investments at amortised cost	537.13	66.74	470.39
	Loans at amortised cost	184.96	24.86	160.10
Assets for which credit risk has increased significantly and are credit impaired	Investments at amortised cost	324.64	34.96	289.68
	Loans at amortised cost	258.43	133.50	124.93
		56,869.01	**998.36**	**55,870.65**

a) Reconciliation of Loss Allowance

For the year ended March 31, 2020

(₹ in Crores)

Investments and Loans	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time expected losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired	**Financial assets which are credit-impaired**
Balance at the beginning of the year	**738.30**	**91.60**	**168.46**
Transferred to 12-month ECL	**49.06**	**(49.06)**	**-**
Transferred to Lifetime ECL not credit impaired	**(21.62)**	**21.62**	**-**
Transferred to Lifetime ECL credit impaired - collective provision	**(2.67)**	**(4.56)**	**7.23**
Transferred to Lifetime ECL credit impaired - specific provision	**-**	**-**	**-**
Charge to Statement of Profit and Loss (*)	**-**	**-**	**-**
On Account of Rate Change	**1,366.62**	**393.55**	**316.06**
On Account of Disbursements	**212.46**	**-**	**-**
On Account of Repayments	**(489.67)**	**(13.35)**	**-**
Balance at the end of the year	**1,852.48**	**439.80**	**491.76**

(*) The reason for increase in provision is due to increase in the loans & investments which is partially offset by a reduction in rate of ECL.

For the year ended March 31, 2019

(₹ in Crores)

Investments and Loans	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time expected losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets which are credit-impaired
Balance at the beginning of the year	635.71	11.65	119.09
Transferred to 12-month ECL	1.58	(1.58)	-
Transferred to Lifetime ECL not credit impaired	(13.72)	13.72	-
Transferred to Lifetime ECL credit impaired - collective provision	(2.43)	-	2.43
Transferred to Lifetime ECL credit impaired - specific provision	-	(9.91)	9.91
Charge to Statement of Profit and Loss (*)			
On Account of Rate Change	(11.51)	77.72	37.03
On Account of Disbursements	367.46	-	-
On Account of Repayments	(238.79)	-	-
Balance at the end of the year	**738.30**	**91.60**	**168.46**

(*) The reason for increase in provision is due to increase in the loans & investments which is partially offset by a reduction in rate of ECL.

b) Expected Credit Loss on undrawn loan commitments / letter of comfort:

(₹ in Crores)

Particulars	March 31, 2020	March 31, 2019
Opening balance	**103.52**	11.07
Movement during the year	**84.67**	92.45
Closing balance	**188.19**	**103.52**

c) The amounts of Financial Assets outstanding in the Balance Sheet along with the undrawn loan commitments and letter of comforts issued (refer note 49 (a)) as at the end of the reporting period represent the maximum exposure to credit risk.

Description of Collateral held as security and other credit enhancements

The Group generally ensures a security cover of 100-200% of the proposed facility amount. The Group periodically monitors the quality as well as the value of the security to meet the prescribed limits. The collateral held by the Group varies on case to case basis and includes:

i) First / Subservient charge on the Land and / or Building of the project or other projects

ii) First / Subservient charge on the fixed and current assets of the borrower

iii) Hypothecation over receivables from funded project or other projects of the borrower

iv) Pledge on Shares of the borrower or their related parties

v) Pledge on investment in shares made by borrower entity

vi) Guarantees of Promoters / Promoter Undertakings

vii) Post dated / Undated cheques

As at the reporting date, the ratio of value of the collateral held as security for the credit impaired financial assets to the exposure at default for these assets is assessed at 0% to 85%.

d) The credit impaired assets as at the reporting dates were secured by charge on land and building and project receivables amounting to:

(₹ in Crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Value of Security	**718.90**	327.19

50 MOVEMENT IN PROVISIONS:

(₹ in Crores)

Particulars	Litigations / Disputes		Provisions for Grants - Committed		Onerous Contracts		Incentive	
	As at March 31,		As at March 31,		As at March 31,		As at March 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Balances as at the beginning of the year	3.50	3.50	-	6.34	0.09	1.29	-	29.64
Additions	-	-	-	-		0.01	-	-
Unwinding of Discount	-	-		0.19	-	-	-	-
Amount used	-	-		(6.53)	(0.03)	(1.27)	-	-
Revaluation of closing balances	-	-	-	-	0.05	0.06	-	-
Unused amounts reversed	-	-	-	-	-	-	-	(29.64)
Balances as at the end of the year	**3.50**	**3.50**	**-**	**-**	**0.11**	**0.09**	**-**	**-**
Classified as Non-current (Refer note 20)	-	-	-	-	0.11	0.09	-	-
Classified as Current (Refer note 26)	3.50	3.50	-	-	-	-	-	-
Total	**3.50**	**3.50**	**-**	**-**	**0.11**	**0.09**	**-**	**-**

Provision for litigation / disputes represents claims against the Group not acknowledged as debts that are expected to materialise in respect of matters under litigation. Future cash outflows are determinable only on receipt of judgments/decisions pending with various forums/authorities.

Provision for Onerous contracts represents the amounts provided for contracts where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Provision for incentive which represented stock-based compensation for certain employees in a subsidiary was written back during the year ended March 31, 2019, as it was not longer payable.

51 The Chief Operating Decision maker of the Company examines the Group's performance both from a product offerings and from a geographic perspective. From a product perspective, the management has identified the following reportable segments:

1. Pharmaceuticals Manufacturing and Services
2. Financial Services
3. Healthcare Insights & Analytics

1. Pharmaceuticals Manufacturing and Services: In this segment, the Group has a strong presence in Pharma Solutions, Critical Care and Consumer Products Services . The Company and certain subsidairies act as a Contract Development and manufacturing organization offering both APIs and formulations. The Group's critical care business deals in the inhalation anesthesia market. The group's consumer products business is primarily an India-centric consumer healthcare business with strong brands portfolio.

2. Financial Services: Company's financial services segment offers a complete suite of financial products to meet the diverse needs of its customers. The Company lends to various real estate developers and under special situation opportunities in various sectors and has investments in Shriram Group, through which the Company has exposure to retail financing segments.

3. Healthcare Insights and Analytics: Operations were discontinued in the current year. The segment information reported below does not include any amounts for the discontinued operations, which are described in detailed Note No. 56.

(₹ in Crores)

Particulars	Pharmaceuticals manufacturing and services		Financial services		Total	
	March 2020	March 2019	March 2020	March 2019	March 2020	March 2019
Revenue from operations	5,418.87	4,819.15	7,649.42	7,063.44	13,068.29	11,882.59
Segment Results after exceptional item	1,433.55	523.28	355.30	2,450.74	1,788.85	2,974.02
Add: Net Unallocated Income					93.90	8.26
Less: Finance cost (Unallocated)					444.89	359.30
Less: Depreciation					520.30	400.52
Total Profit Before Tax and share of net profit of associates and joint ventures, after exceptional items					917.56	2,222.46
Add: Share of net profit of associates and joint ventures accounted for using the equity method					489.56	319.38
Profit after share of net profit of associates and joint ventures and before tax					1,407.12	2,541.84
Less: Tax Expenses					1,960.43	852.22
Profit/ (Loss) from continuing operations after tax and share of profit of associates and joint ventures					(553.31)	1,689.62

Included in the above Segment results, is the Exceptional Item as mentioned below:

(₹ in Crores)

Particulars	Pharmaceuticals manufacturing and services		Total	
	March 2020	March 2019	March 2020	March 2019
Loss on Sale of Imaging Business	-	(452.25)	-	(452.25)
Total	-	(452.25)	-	(452.25)

Segment results of Pharmaceuticals manufacturing and services segment represent Earnings before Interest, Tax, Depreciation and Amortisation and Segment results of Financial services represent Earnings before Tax, Depreciation and Amortisation.

Other Information

(₹ in Crores)

Particulars	Pharmaceuticals manufacturing and services		Financial services		Total	
	March 2020	March 2019	March 2020	March 2019	March 2020	March 2019
Segment Assets	9,521.78	8,590.67	60,672.94	66,039.41	70,194.72	74,630.08
Unallocable Corporate Assets					4,713.86	5,256.17
Total Assets					74,908.58	79,886.25
Segment Liabilities	1,511.67	1,410.15	41,279.11	47,182.32	42,790.78	48,592.47
Unallocable Corporate Liabilities					1,546.21	9,356.89
Total Liabilities					44,336.99	57,949.36
Net Capital Expenditure (for continuing operations)	361.02	398.90	17.95	32.02	378.97	430.92
Depreciation and amortisation expense	476.24	379.11	35.18	7.61	511.42	386.72
Unallocable depreciation expense					8.88	13.80
Non Cash expenditure other than depreciation and amortisation	90.30	9.17	1,875.59	340.39	1,965.89	349.56
The above segment assets and unallocated assets include:						
Investment in associates and joint ventures accounted for by the equity method					4,218.24	3,693.72

Geographical Segments

(₹ in Crores)

Particulars	Within India		Outside India		Eliminations		Total	
	March 2020	March 2019	March 2020	March 2019	March 2020	March 2019	March 2020	March 2019
Revenue from operations	**8,621.19**	8,417.46	**4,447.10**	4,236.27	**-**	(771.14)	**13,068.29**	11,882.59
Carrying amount of Non current Assets*	**2,086.77**	2,315.95	**4,912.43**	9,622.21	**-**	(139.63)	**6,999.20**	11,798.53

* Other than Financial assets, deferred tax assets and Net Advance Tax Paid

No customer contributed more than 10% of the total revenue of the Group

All the amounts presented above for the year ended March 31, 2019, have been retrospectively adjusted on account of merger with Piramal Phytocare Limited (Refer Note 59)

52. INCOME TAXES RELATING TO OPERATIONS

a) Tax expense recognised in statement of profit and loss

(₹ in Crores)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
In respect of the current year	**365.75**	708.76
In respect of prior years	**11.84**	13.66
	377.59	**722.42**
Deferred tax		
Deferred Tax, net	**(123.46)**	138.71
Tax adjustment for earlier years on account of new tax regime being opted *	**1,757.59**	-
	1,634.13	**138.71**
Total tax expense recognised	**2,011.72**	**861.13**
Total tax expense attributble to		
from continuing operations	**1,960.43**	852.22
from discontinuing operations	**51.29**	8.91

b) Tax (expense)/ benefits recognised in other comprehensive income

(₹ in Crores)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Exchange loss on long term loans transferred to OCI	**47.56**	49.66
Fair value remeasurement of hedging instruments entered into for cash flow hedges	**(10.92)**	1.96
Changes in fair values of equity instruments	**-**	(22.95)
Remeasurement of defined benefit obligation	**(1.05)**	(1.40)
Changes in fair values of debt instruments	**-**	(2.56)
Total tax expense recognised	**35.59**	**24.71**

c) Deferred tax balances

(₹ in Crores)

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated Balance sheet:	As at March 31, 2020	As at March 31, 2019
Deferred tax assets (net)	**2,372.32**	4,068.45
Deferred tax liabilities (net)	**(8.22)**	(19.47)
	2,364.10	**4,048.98**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Movement of deferred tax during the year ended March 31, 2020

(₹ in Crores)

Particulars	Opening balance	Recognised in statement of profit and loss	Foreign Currency Translation Impact	Recognised in other comprehensive income	MAT credit utilised	Closing balance
Deferred tax (liabilities)/assets in relation to:						
Measurement of financial assets at amortised cost / fair value	59.07	25.39	-	-	-	84.46
Provision for expected credit loss on financial assets (including commitments)	373.76	365.49	-	-	-	739.25
Other Provisions	35.28	2.02	2.79	-	-	40.09
Amortisation of expenses which are allowed in current year	0.32	(0.09)	-	-	-	0.23
Disallowances for items allowed on payment basis	70.90	(16.82)	0.67	1.05	-	55.80
Recognition of lease rent expense	1.24	0.07	-	-	-	1.31
Unrealised profit margin on inventory	38.18	(15.26)	-	-	-	22.92
Goodwill on merger of wholly owned subsidiaries (Refer Note 39 (a))	2,336.28	(1,077.99)	-	-	-	1,258.29
Property, Plant and Equipment and Intangible assets	(288.67)	51.72	(5.09)	-	-	(242.04)
Measurement of financial liabilities at amortised cost	(117.44)	30.35	-	-	-	(87.09)
Fair value measurement of derivative contracts	(4.36)	(2.11)	-	10.92	-	4.45
Share of undistributed earnings of associates	(13.03)	13.03	-	-	-	-
Other temporary differences	10.94	(3.05)	0.70	-	-	8.59
Exchange differences on long term loans designated as net investments transferred to OCI	-	47.56	-	(47.56)	-	-
Brought forward losses	588.87	(128.70)	17.67	-	-	477.84
Unused tax credit (MAT credit entitlement)	957.64	(925.74)	-	-	(31.90)	-
Total	4,048.98	(1,634.13)	16.74	(35.59)	(31.90)	2,364.10

Movement of deferred tax during the year ended March 31, 2019

(₹ in Crores)

Particulars	Opening balance	Recognised in statement of profit and loss	Foreign Currency Translation Impact	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:					
Measurement of financial assets at amortised cost / fair value	67.21	(31.09)	-	22.95	59.07
Provision for expected credit loss on financial assets (including commitments)	260.40	113.36	-	-	373.76
Other Provisions	7.34	27.94	-	-	35.28
Amortisation of expenses which are allowed in current year	1.45	(1.13)	-	-	0.32
Disallowances for items allowed on payment basis	92.87	(23.37)	-	1.40	70.90
Recognition of lease rent expense	2.12	(0.88)	-	-	1.24
Unrealised profit margin on inventory	36.97	1.21	-	-	38.18
Goodwill on merger of wholly owned subsidiaries (Refer Note 39 (a))	3,569.18	(1,232.90)	-	-	2,336.28
Property, Plant and Equipment and Intangible assets	(254.43)	(34.24)	-	-	(288.67)
Measurement of financial liabilities at amortised cost	(6.25)	(111.19)	-	-	(117.44)
Fair value measurement of derivative contracts	(14.41)	12.01	-	(1.96)	(4.36)
Fair Valuation of Investment	(11.74)	11.74	-	-	-
Unamortised Distribution Expenses	(4.02)	4.02	-	-	-
Share of undistributed earnings of associates	(16.37)	3.34	-	-	(13.03)
Other temporary differences	1.69	6.66	0.03	2.56	10.94
Exchange differences on long term loans designated as net investments transferred to OCI	-	49.66	-	(49.66)	-
Brought forward losses	91.74	499.98	(2.85)	-	588.87
Unused tax credit (MAT credit entitlement)	391.47	566.17	-	-	957.64
Total	**4,215.22**	**(138.71)**	**(2.82)**	**(24.71)**	**4,048.98**

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Consolidated Profit before tax from continuing and discontinuing operations	**1,543.30**	2,005.84
Income tax expense calculated at 25.17% (2018-19: 34.944%)	**388.45**	**700.92**
Effect of expenses that are not deductible in determining taxable profit	**87.19**	67.86
Utilisation of previously unrecognised tax losses	**(26.70)**	(42.45)
Effect of incomes which are taxed at different rates	**(17.85)**	123.28
Effect of incomes which are exempt from tax	**(192.96)**	(29.70)
Effect of expenses for which weighted deduction under tax laws is allowed	**-**	(6.01)
Deferred tax asset created on unrecogised tax losses of previous years	**(108.07)**	(2.26)
Tax provision for earlier years	**11.84**	13.66
Tax losses for which no deferred income tax is recognised	**68.81**	128.88
Temporary differences for which no deferred income tax was recognised	**21.25**	11.21
Unrealised profit margin on inventory on which deferred tax asset is not created	**(2.45)**	2.31
Effect of deduction in tax for interest on Compulsory Convertible Debentures	**(13.03)**	(110.09)
Deferred tax liability created on share of undistributed earnings of associates	**(13.03)**	2.85
Fair value gain on FVTPL instruments	**(17.11)**	(5.41)
Effect on deferred tax balances due to the changes in income tax rate	**26.58**	3.77
Tax adjustment for earlier years on account of new tax regime being opted *	**1,757.59**	-
Effect of difference in amortised cost and carrying amount of loan portfolio	**23.41**	-
Others	**17.80**	2.31
Income tax expense recognised in consolidated statement of profit and loss	**2,011.72**	**861.13**

The tax rate used for the reconciliations above is the corporate tax rate of 25.17% for the year 2019-20 and 34.944% for the year 2018-19 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

In assessing the realizability of deferred tax assets, the Group considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits (after considering the Covid-19 impact) during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Group considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income taxes are deductible, the Group believes that it is probable that the Group will realize the benefits of this deferred tax asset. The amount of deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry-forward period are reduced.

In addition to this, during the year, the Group has recognized Deferred Tax Asset of ₹ 108.07 Crores (Previous Year: ₹ 2.26 Crores) on unused tax losses, considering profits in the past 2 years and reasonable certainty of realisation of such deferred tax asset in the future years.

Deferred tax asset amounting to ₹ 328.77 crores and ₹ 565.97 crores (excluding the amount already recognised to the extent of Deferred Tax Liabilties amounting ₹ 102.69 Crores and ₹ 39.73 Crores) as at March 31, 2020 and March 31, 2019, respectively in respect of unused tax losses, temporary differences and tax credits was not recognized by the Group, considering that the Company and its subsidiaries had a history of tax losses for recent years. Unrecognized Deferred tax of ₹ 71.84 Crores and ₹ 174.64 Crores as at March 31, 2020 and March 31, 2019 are attributable to carry forward tax losses which are not subject to expiration dates. The remaining unrecognized deferred tax of ₹ 256.93 Crores and ₹ 391.33 Crores as at March 31, 2020 and March 31, 2019 respectively are attributable to carry forward tax losses which expires in various years upto December 31, 2037.

*The Company and some of its Indian subsidiaries have exercised the option of lower tax rate permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act'). Accordingly, the Company and some of its Indian subsidiaries had recognised provision for income tax for the year ended March 31, 2020 basis the rate provided in the said Amendment Act. The Company has re-measured the opening balance of Deferred Tax Assets (net) including Minimum Alternate Tax (MAT) as at April 1, 2019 and accounted net tax expense of ₹ 1,757.59 crores relating to the same during the current year.

Deferred income taxes are not recognised on the undistributed earnings of subsidiaries, associates or joint ventures, where it is expected that the earnings will not be distributed in the foreseeable future or where the tax credit can be availed by the holding company

53 (a). Disclosures mandated by Schedule III by way of additional information

Name of the entity	Net Assets (total assets minus total liabilities) as at March 31, 2020		Share in Profit for the year ended March 31, 2020		Share in Other Comprehensive Expense for the year ended March 31, 2020		Share in Total Comprehensive Loss for the year ended March 31, 2020	
	As a % of Consolidated net assets	Amount (₹ in Crores)	As a % of Consolidated profit	Amount (₹ in Crores)	As a % of Consolidated Other Comprehensive Expense	Amount (₹ in Crores)	As a % of Consolidated Total Comprehensive Loss	Amount (₹ in Crores)
Parent								
Piramal Enterprises Limited	74.02%	22,627.98	685.11%	144.85	144.75%	(1,379.83)	132.49%	(1,234.98)
Subsidiaries								
Indian								
PHL Fininvest Private Limited	15.42%	4,715.44	422.61%	89.35	0.06%	(0.58)	-9.52%	88.77
Searchlight Health Private Limited	0.00%	-	-14.66%	(3.10)	0.00%	-	0.33%	(3.10)
Piramal Fund Management Private Limited	0.09%	26.73	-248.77%	(52.60)	-0.01%	0.13	5.63%	(52.47)
Piramal Capital and Housing Finance Limited	66.90%	20,451.55	144.11%	30.47	1.52%	(14.53)	-1.71%	15.94
PEL Finhold Private Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
Piramal Investment Advisory Services Private Limited	0.00%	0.41	-12.52%	(2.65)	0.00%	-	0.28%	(2.65)
Piramal Consumer Products Private Limited	0.07%	21.39	35.80%	7.57	0.00%	-	-0.81%	7.57
Piramal Systems & Technologies Private Limited	-0.09%	(28.93)	-21.45%	(4.54)	0.01%	(0.07)	0.49%	(4.61)
Piramal Investment Opportunities Fund	0.02%	5.00	0.00%	-	0.00%	-	0.00%	-

Name of the entity	Net Assets (total assets minus total liabilities) as at March 31, 2020		Share in Profit for the year ended March 31, 2020		Share in Other Comprehensive Expense for the year ended March 31, 2020		Share in Total Comprehensive Loss for the year ended March 31, 2020	
	As a % of Consolidated net assets	Amount (₹ in Crores)	As a % of Consolidated profit	Amount (₹ in Crores)	As a % of Consolidated Other Comprehensive Expense	Amount (₹ in Crores)	As a % of Consolidated Total Comprehensive Loss	Amount (₹ in Crores)
Piramal Asset Management Private Limited	-0.01%	(4.23)	-24.10%	(5.09)	0.00%	-	0.55%	(5.09)
Piramal Securities Limited	0.03%	9.46	-59.52%	(12.58)	0.00%	-	1.35%	(12.58)
Foreign								-
Piramal International	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Piramal Holdings (Suisse) SA	0.04%	11.62	-271.84%	(57.47)	-5.53%	52.75	0.51%	(4.72)
Piramal Technologies SA	0.00%	-	0.00%	-	0.00%	-	0.00%	-
INDIAREIT Investment Management Co.	0.33%	102.17	57.27%	12.11	0.00%	-	-1.30%	12.11
Piramal Asset Management Private Limited	0.01%	3.49	8.43%	1.78	0.00%	-	-0.19%	1.78
Piramal Dutch Holdings N.V.	6.32%	1,931.05	-102.07%	(21.58)	5.62%	(53.62)	8.07%	(75.20)
Piramal Healthcare Inc.	4.00%	1,223.51	149.94%	31.70	0.00%	-	-3.40%	31.70
Piramal Critical Care, Inc.	2.30%	704.48	1145.69%	242.23	0.00%	-	-25.99%	242.23
Piramal Pharma Inc.	0.05%	14.71	1.84%	0.39	0.00%	-	-0.04%	0.39
PEL Pharma Inc.	-0.03%	(9.96)	-104.62%	(22.12)	0.00%	-	2.37%	(22.12)
Ash Stevens LLC	1.59%	485.61	261.65%	55.32	0.00%	-	-5.93%	55.32
Piramal Pharma Solutions Inc.	-1.09%	(333.00)	-441.09%	(93.26)	0.00%	-	10.00%	(93.26)
Piramal Critical Care Italia, S.P.A	0.03%	10.52	-18.61%	(3.94)	-0.07%	0.71	0.35%	(3.23)
Piramal Critical Care Deutschland GmbH	0.03%	7.99	-52.97%	(11.20)	-0.01%	0.07	1.19%	(11.13)
Piramal Healthcare (UK) Limited	2.03%	619.39	744.36%	157.38	-2.06%	19.62	-18.99%	177.00
Piramal Healthcare Pension Trustees Limited	0.00%		0.00%		0.00%	0.00%	0.00%	-
Piramal Critical Care Limited	0.78%	237.84	-371.47%	(78.54)	-2.61%	24.87	5.76%	(53.67)
Piramal Healthcare (Canada) Limited	1.44%	440.18	954.08%	201.72	-0.63%	6.02	-22.29%	207.74
Piramal Critical Care South Africa (Pty) Ltd	0.01%	3.98	5.75%	1.21	0.05%	(0.52)	-0.07%	0.69
Piramal Critical Care B.V.	0.03%	9.87	27.14%	5.74	-0.06%	0.53	-0.67%	6.27
Piramal Critical Care Pty. Ltd.	0.01%	1.96	-1.71%	(0.36)	0.02%	(0.16)	0.06%	(0.52)
Piramal Dutch IM Holdco B.V.	0.46%	141.97	-24.41%	(5.16)	-0.02%	0.18	0.53%	(4.98)
PEL-DRG Dutch Holdco B.V. (and Subsidaries)	1.27%	387.74	3082.63%	651.75	-5.63%	53.65	-75.68%	705.40
Non Controlling Interests in all subsidiaries	0.00%	-	-13.67%	(2.89)	0.00%	-	0.31%	(2.89)
Associates (Investment as per the equity method)								-
Indian								-
Allergan India Private Limited	0.64%	194.37	245.00%	51.80	0.00%	-	-5.56%	51.80
Shriram Capital Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
Foreign								-
Bluebird Aero Systems Limited	0.13%	39.99	0.00%	-	0.00%	-	0.00%	-
Joint Venture (Investment as per the equity method)								-
Indian								-
Convergence Chemicals Private Limited	0.12%	37.53	33.77%	7.14	0.00%	-	-0.77%	7.14
Shrilekha Business Consultancy Private Limited	11.32%	3,461.34	1850.90%	391.33	0.00%	-	-41.98%	391.33
India Resurgence ARC Private Limited	0.17%	51.36	-11.11%	(2.35)	0.00%	-	0.25%	(2.35)

Name of the entity	Net Assets (total assets minus total liabilities) as at March 31, 2020		Share in Profit for the year ended March 31, 2020		Share in Other Comprehensive Expense for the year ended March 31, 2020		Share in Total Comprehensive Loss for the year ended March 31, 2020	
	As a % of Consolidated net assets	Amount (₹ in Crores)	As a % of Consolidated profit	Amount (₹ in Crores)	As a % of Consolidated Other Comprehensive Expense	Amount (₹ in Crores)	As a % of Consolidated Total Comprehensive Loss	Amount (₹ in Crores)
India Resurgence Asset Management Business Private Limited	**0.02%**	**5.00**	**0.00%**	**-**	**0.00%**	**-**	**0.00%**	**-**
Piramal Ivanhoe Residential Equity Fund 1	**0.46%**	**139.82**	**113.51%**	**24.00**	**0.00%**	**-**	**-2.57%**	**24.00**
India Resurgence Fund Scheme II	**0.63%**	**193.75**	**62.15%**	**13.14**	**0.00%**	**-**	**-1.41%**	**13.14**
India Resurgence ARC Trust I	**0.18%**	**53.95**	**0.00%**	**-**	**0.00%**	**-**	**0.00%**	**-**
Piramal Structured Credit Opportunities Fund	**0.12%**	**36.01**	**0.00%**	**-**	**0.00%**	**-**	**0.00%**	**-**
Foreign								**-**
Asset Resurgence Mauritius Manager	**0.02%**	**5.11**	**21.23%**	**4.49**	**0.00%**	**0.00%**	**-0.48%**	**4.49**
Consolidation Adjustments	**-89.84%**	**(27,466.58)**	**-8158.39%**	**(1,724.90)**	**-35.40%**	**337.50**	**148.84%**	**(1,387.40)**
Total	**100.00%**	**30,571.59**	**100.00%**	**21.14**	**100.00%**	**(953.28)**	**100.00%**	**(932.14)**

53 (b). Disclosures mandated by Schedule III by way of additional information

(₹ in Crores)

Name of the entity	Net Assets (total assets minus total liabilities) as at March 31, 2019		Share in Profit or (loss) for the year ended March 31, 2019		Share in Other Comprehensive Income for the year ended March 31, 2019		Share in Total Comprehensive Income for the year ended March 31, 2019	
	As a % of Consolidated net assets	Amount (₹ in Crores)	As a % of Consolidated profit/ (loss)	Amount (₹ in Crores)	As a % of Consolidated Other Comprehensive Income/ (Expense)	Amount (₹ in Crores)	As a % of Consolidated Total Comprehensive Income/ (Loss)	Amount (₹ in Crores)
Parent								
Piramal Enterprises Limited (Refer note 59)	71.60%	19,491.93	-59.29%	(868.01)	147.49%	(526.93)	-126.03%	(1,394.94)
Subsidiaries								
Indian								
PHL Fininvest Private Limited	10.01%	2,724.96	5.33%	78.00	0.00%	-	7.05%	78.00
Searchlight Health Private Limited	0.07%	18.19	-0.41%	(6.07)	0.00%	-	-0.55%	(6.07)
Piramal Fund Management Private Limited	0.19%	52.66	-2.45%	(35.90)	-0.05%	0.17	-3.23%	(35.73)
Piramal Capital and Housing Finance Limited	71.74%	19,530.99	98.52%	1,442.46	0.22%	(0.77)	130.25%	1,441.69
PEL Finhold Private Limited	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Piramal Investment Advisory Services Private Limited	0.01%	3.08	0.00%	-	0.00%	-	0.00%	-
Piramal Consumer Products Private Limited	0.05%	13.79	-0.05%	(0.77)	0.00%	-	-0.07%	(0.77)
Piramal Systems & Technologies Private Limited	-0.01%	(3.88)	-0.09%	(1.35)	-0.02%	0.07	-0.12%	(1.28)
Piramal Investment Opportunities Fund	0.06%	15.00	0.05%	0.79	0.00%	-	0.07%	0.79
Piramal Asset Management Private Limited	0.00%	(0.11)	-0.01%	(0.12)	0.00%	-	-0.01%	(0.12)
Piramal Securities Limited	0.02%	4.73	-1.04%	(15.27)	0.04%	(0.14)	-1.39%	(15.41)

(₹ in Crores)

Name of the entity	Net Assets (total assets minus total liabilities) as at March 31, 2019		Share in Profit or (loss) for the year ended March 31, 2019		Share in Other Comprehensive Income for the year ended March 31, 2019		Share in Total Comprehensive Income for the year ended March 31, 2019	
	As a % of Consolidated net assets	Amount (₹ in Crores)	As a % of Consolidated profit/ (loss)	Amount (₹ in Crores)	As a % of Consolidated Other Comprehensive Income/ (Expense)	Amount (₹ in Crores)	As a % of Consolidated Total Comprehensive Income/ (Loss)	Amount (₹ in Crores)
Foreign								-
Piramal International	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Piramal Holdings (Suisse) SA	0.06%	17.66	-93.01%	(1,361.78)	11.06%	(39.52)	-126.61%	(1,401.30)
Piramal Imaging SA	0.00%	-	-1.28%	(18.70)	-2.69%	9.60	-0.82%	(9.10)
Piramal Imaging GmbH	0.00%	-	0.03%	0.39	0.04%	(0.14)	0.02%	0.25
Piramal Imaging Limited	0.00%	-	1.97%	28.88	4.42%	(15.79)	1.18%	13.09
Piramal Technologies SA	0.02%	4.50	-0.15%	(2.25)	-0.30%	1.08	-0.11%	(1.17)
INDIAREIT Investment Management Co.	0.30%	81.57	0.75%	11.05	0.00%	-	1.00%	11.05
Piramal Asset Management Private Limited	0.01%	1.45	-0.04%	(0.56)	0.00%	-	-0.05%	(0.56)
Piramal Dutch Holdings N.V.	7.99%	2,174.43	-1.48%	(21.60)	-35.45%	126.66	9.49%	105.06
Piramal Healthcare Inc.	3.99%	1,087.38	1.33%	19.45	0.00%	-	1.76%	19.45
Piramal Critical Care, Inc.	1.64%	447.24	11.91%	174.41	0.00%	-	15.76%	174.41
Piramal Pharma Inc.	-0.13%	(35.35)	-1.73%	(25.32)	0.00%	-	-2.29%	(25.32)
PEL Pharma Inc.	0.05%	12.40	-1.33%	(19.41)	0.00%	-	-1.75%	(19.41)
Ash Stevens LLC	1.41%	383.45	2.35%	34.47	0.00%	-	3.11%	34.47
Piramal Pharma Solutions Inc.	-0.78%	(212.90)	-6.90%	(101.01)	0.00%	-	-9.13%	(101.01)
Piramal Critical Care Italia, S.P.A	0.05%	13.75	0.07%	0.97	0.12%	(0.44)	0.05%	0.53
Piramal Critical Care Deutschland GmbH	0.02%	4.65	-0.74%	(10.79)	0.11%	(0.40)	-1.01%	(11.19)
Piramal Healthcare (UK) Limited	1.63%	442.40	4.46%	65.36	2.30%	(8.22)	5.16%	57.14
Piramal Healthcare Pension Trustees Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Piramal Critical Care Limited	0.96%	262.21	0.71%	10.42	-2.32%	8.30	1.69%	18.72
Piramal Healthcare (Canada) Limited	0.85%	232.45	4.70%	68.88	-0.07%	0.24	6.24%	69.12
Piramal Critical Care South Africa (Pty) Ltd	0.01%	3.29	0.08%	1.17	0.02%	(0.08)	0.10%	1.09
Piramal Critical Care B.V.	0.01%	3.60	-0.30%	(4.34)	0.03%	(0.12)	-0.40%	(4.46)
Piramal Critical Care Pty. Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Piramal Dutch IM Holdco B.V.	0.55%	149.71	0.42%	6.14	-2.30%	8.20	1.30%	14.34
PEL-DRG Dutch Holdco B.V. (and Subsidaries)	-1.68%	(458.28)	-12.85%	(188.10)	9.24%	(33.02)	-19.98%	(221.12)
Non Controlling Interests in all subsidiaries	0.03%	9.03	-0.20%	(2.97)	0.00%	-	-0.27%	(2.97)
Associates (Investment as per the equity method)								-
Indian								-
Allergan India Private Limited	0.52%	142.57	3.48%	50.99	0.00%	-	4.61%	50.99
Shriram Capital Limited	0.00%	0.01	0.00%	-	1.01%	(3.60)	-0.33%	(3.60)
Foreign							-	
Bluebird Aero Systems Limited	0.15%	39.99	0.07%	1.00	0.00%	-	0.09%	1.00
Joint Venture (Investment as per the equity method)								-
Indian								-
Convergence Chemicals Private Limited	0.11%	30.39	0.12%	1.79	0.00%	-	0.16%	1.79
Shrilekha Business Consultancy Private Limited	11.57%	3,148.74	18.76%	274.62	0.00%	-	24.81%	274.62

(₹ in Crores)

Name of the entity	Net Assets (total assets minus total liabilities) as at March 31, 2019		Share in Profit or (loss) for the year ended March 31, 2019		Share in Other Comprehensive Income for the year ended March 31, 2019		Share in Total Comprehensive Income for the year ended March 31, 2019	
	As a % of Consolidated net assets	Amount (₹ in Crores)	As a % of Consolidated profit/ (loss)	Amount (₹ in Crores)	As a % of Consolidated Other Comprehensive Income/ (Expense)	Amount (₹ in Crores)	As a % of Consolidated Total Comprehensive Income/ (Loss)	Amount (₹ in Crores)
India Resurgence ARC Private Limited	0.19%	50.71	-0.02%	(0.32)	0.00%	-	-0.03%	(0.32)
India Resurgence Asset Management Business Private Limited	0.00%	-	-0.90%	(13.20)	0.00%	-	-1.19%	(13.20)
Piramal Ivanhoe Residential Equity Fund 1	0.45%	122.60	0.15%	2.20	0.00%	-	0.20%	2.20
India Resurgence Fund Scheme II	0.58%	158.71	0.16%	2.30	0.00%	-	0.21%	2.30
Foreign								-
Asset Resurgence Mauritius Manager	0.00%	0.62	0.00%	0.06	0.00%	-	0.01%	0.06
Consolidation Adjustments	-84.29%	(22,946.05)	128.82%	1,886.14	-32.91%	117.59	181.03%	2,003.73
Total	**100.00%**	**27,224.27**	**100.00%**	**1,464.09**	**100.00%**	**(357.26)**	**100.00%**	**1,106.83**

54 FAIR VALUE MEASUREMENT

Financial Instruments by category:

a) Categories of Financial Instruments:

(₹ in Crores)

	March 31, 2020			March 31, 2019		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Investments	**3,210.47**	**492.47**	**11,521.61**	1,224.06	4,104.34	16,725.00
Loans	**889.89**	**-**	**34,490.38**	674.84	-	38,110.49
Cash & Bank Balances	**-**	**-**	**4,771.12**	-	-	918.57
Trade Receivables	**-**	**-**	**1,324.39**	-	-	1,403.33
Other Financial Assets	**17.84**	**-**	**1,649.94**	12.49	-	1,020.12
	4,118.20	**492.47**	**53,757.44**	**1,911.39**	**4,104.34**	**58,177.51**
Financial liabilities						
Borrowings (including Current Maturities of Long Term Debt)	**-**	**-**	**42,054.54**	-	-	56,036.71
Trade Payables	**-**	**-**	**989.83**	-	-	960.87
Other Financial Liabilities	**17.66**	**-**	**445.35**	81.68	-	306.10
	17.66	**-**	**43,489.72**	**81.68**	**-**	**57,303.68**

b) Fair Value Hierarchy and Method of Valuation

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Crores)

Financial Assets	March 31, 2020					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTPL - Recurring Fair Value Measurements						
Investments						
Investments in Preference Shares		-			-	-
Investments in Equity Shares		10.33			10.33	10.33
Investments in Share warrants		1.48			1.48	1.48
Investments in debentures or bonds						
Redeemable Non-Convertible Debentures	i.	2,626.21			2,626.21	2,626.21
Investments in Mutual Funds	ii.	6.68	6.68			6.68
Investment in Alternative Investment Fund/Venture Capital Funds	vi.	565.79	406.00		159.79	565.79
Loans						
Term Loans	i.	889.89			889.89	889.89
Other Financial Assets						
Derivative Financial Assets	iii.	17.84		17.84		17.84
Measured at FVTOCI						
Investments in Equity Instruments	ii.	492.47	492.47			492.47
Measured at Amortised Cost for which fair values are disclosed						
Investments						
Investments in debentures or bonds (Gross of Expected Credit Loss)	iv.	12,517.51			13,767.54	13,767.54
Loans						
Term Loans (Gross of Expected Credit Loss)	iv.	36,111.83			37,568.10	37,568.10
Intercorporate Deposits (Gross of Expected Credit Loss)	iv.	119.77			119.03	119.03
Financial Liabilities						
Measured at FVTPL - Recurring Fair Value Measurements						
Contingent Consideration	vii.	0.00			0.00	0.00
Derivative Financial Liabilities	iii.	17.66		17.66		17.66
Measured at Amortised Cost for which fair values are disclosed						
Borrowings (including Current Maturities of Long Term Debt) (Gross)	v.	42,054.54			43,382.46	43,382.46

(₹ in Crores)

Financial Assets	March 31, 2019					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTPL - Recurring Fair Value Measurements						
Investments						
Investments in Preference Shares		1.81			1.81	1.81
Investments in debentures or bonds						
Redeemable Non-Convertible Debentures	i.	1,023.88			1,023.88	1,023.88
Investments in Mutual Funds	ii.	25.66	25.66			25.66
Investment in Alternative Investment Fund/Venture Capital Funds	vi.	172.71			172.71	172.71
Loans						
Term Loans	i.	674.84			674.84	674.84
Other Financial Assets						
Derivative Financial Assets	iii.	12.49		12.49		12.49

(₹ in Crores)

Financial Assets	March 31, 2019					
	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTOCI						
Investments in Equity Instruments	ii.	4,104.34	4,104.34			4,104.34
Measured at Amortised Cost for which fair values are disclosed						
Investments						
Investments in debentures or bonds (Gross of Expected Credit Loss)	iv.	17,048.72			17,337.74	17,337.74
Loans						
Term Loans (Gross of Expected Credit Loss)	iv.	38,619.84			38,401.87	38,401.87
Intercorporate Deposits (Gross of Expected Credit Loss)	iv.	121.03			120.93	120.93
Financial Liabilities						
Measured at FVTPL - Recurring Fair Value Measurements						
Contingent Consideration	vii.	73.96			73.96	73.96
Derivative Financial Liabilities	iii.	7.72		7.72		7.72
Measured at Amortised Cost for which fair values are disclosed						
Borrowings (including Current Maturities of Long Term Debt) (Gross)	v.	56,036.71			56,466.99	56,466.99

Except for those financial instruments for which the carrying amounts are mentioned in the above table, the Company considers that the carrying amounts recognised in the financial statements approximate their fair values.

For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-thecounter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration, Debentures, Term Loans, investment in Alternate Investment Funds and ICDs included in level 3.

Valuation techniques used to determine the fair values:

i. Discounted cash flow method has been used to determine the fair value. The yield used for discounting has been determined based on trades, market polls, levels for similar issuer with same maturity, spread over matrices, etc. For instruments where the returns are linked to the share price of the investee company the equity price has been derived using Monte Carlo simulation and local volatility model using the inputs like spot rate, volatility surface, term structures and risk free rates from globally accepted 3rd party vendor for these data.

ii. This includes listed equity instruments and mutual funds which are fair valued using quoted prices and closing NAV in the market.

iii. This includes forward exchange contracts and cross currency interest rate swap. The fair value of the forward exchange contract is determined using forward exchange rate at the balance sheet date. The fair value of cross currency interest rate swap is calculated as the present value of future cash flow based on observable yield curves and forward exchange rates.

iv. Discounted cash flow method has been used to determine the fair value. The discounting factor used has been arrived at after adjusting the rate of interest for the financial assets by the difference in the Government Securities rates from date of initial recognition to the reporting dates.

v. Fair values of borrowings are based on discounted cash flow using a current borrowing rate. They are classified as Level 3 values hierarchy due to the use of unobservable inputs, including own credit risk. The discounting factor used has been arrived at after adjusting the rate of interest for the financial liabilities by the difference in the Government Securities rates from date of initial recognition to the reporting dates.

vi. Discounted cash flow method has been used to determine the fair value. The discounting factor has been computed using a mix of past trends as well as likely rate of return of the underlying projects.

vii. Discounted cash flow method has been used to determine the fair value of contingent consideration.

c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the period ended March 31, 2020 and March 31, 2019.

(₹ in Crores)

	Term loans	Debentures	Alternative Investment Fund/Venture Capital Fund	Equity Shares	Share Warrants	Preference Shares	Contingent Consideration	Total
As at April 1, 2018	223.82	921.19	183.12	-	-	1.70	125.70	1,455.53
Acquisitions	390.15	3.73	21.28	-	-	-	-	-
Additional Accruals	-	-	-	-	-	-	-	-
Losses recognised in profit or loss	-	-	-	-	-	-	-	100.31
Gains / (Losses) recognised in profit or loss	68.45	139.67	(14.97)	-	-	-	(32.56)	160.59
Exchange Fluctations	-	-	-	-	-	0.11	0.26	0.37
Payments	(7.58)	-	-	-	-	-	(19.43)	(27.01)
Realisations	-	(40.71)	(16.72)	-	-	-	-	(57.43)
As at March 31, 2019	674.84	1,023.88	172.71	-	-	1.81	73.96	1,947.20
Acquisitions	205.07	1,771.72	453.49		4.48	-	-	2,434.76
Additional Accruals	-	-	-	10.67		-	-	10.67
Gains / (Losses) recognised in profit or loss	33.43	52.69	(56.25)	(0.34)	(3.00)	6.01	75.63	108.17
Gains / (Losses) recognised in other comprehensive income	-	-	-	-	-	-	-	-
Exchange Fluctations	-	-	-	-	-	(0.02)	1.67	1.65
Payments	-	-	-	-	-	-	-	-
Realisations	(23.45)	(222.08)	(4.16)	-	-	(7.80)	-	(257.49)
As at March 31, 2020	**889.89**	**2,626.21**	**565.79**	**10.33**	**1.48**	**-**	**-**	**4,093.70**

d) Valuation Process

The Company engages external valuation consultants to fair value below mentioned financial instruments measured at FVTPL. The main level 3 inputs used for investment in AIF / Venture capital fund, contingent consideration, term loans and debentures are as follows:

1) For Non Convertible Debentures and Term Loans, Waterfall approach has been used to arrive at the yields for securities held by the Company. For determining the equity prices Monte Carlo simulations and local volatility model using the inputs like spot rate, volatility surface, term structures and risk free rates from globally accepted third party vendor for these data have been used.

2) For Alternative Investment Fund/Venture Capital Fund, Discounted cash flow method has been used to determine the fair value. The discounting factor has been computed using a mix of past trends as well as likely rate of return of the underlying projects.

3) For Contingent consideration, fair value has been estimated by allocating probability to achievement of financial milestones. Discount rate is determined using Capital Asset Pricing Model.

e) **Sensitivity for instruments:**

(₹ in Crores)

Nature of the instrument	Fair value As on March 31, 2020	Fair value As on March 31, 2019	Significant unobservable inputs*	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2020		Sensitivity Impact for the year ended March 31, 2019	
					FV Increase	FV Decrease	FV Increase	FV Decrease
Non Convertible Debentures	2,626.21	1,023.88	Discount rate	0.7%	(4.91)	5.05	1.22	(1.21)
			Equity component (projections)	10%	-	-	0.11	(0.06)
Term Loans	889.89	674.84	Discount rate	0.7%	(8.12)	8.32	15.91	(15.55)
			Equity component	10%	(11.10)	34.33	19.73	(14.60)
Alternative Investment Fund/Venture Capital Fund	565.79	172.71	Discount rate	1%	-	-	0.12	(0.15)
			Cash Flow	5%	2.38	(2.38)	8.98	(0.64)
Contingent Consideration	0.00	73.96	Discount rate	1%	-	-	0.89	(0.78)
			Expected Cash Outflow	10%	-	-	7.53	(7.83)

* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

f) Management uses its best judgment in estimating the fair value of its financial instruments (including impact on account of Covid-19). However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Group could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

55 LEASES

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

Right-of-use assets

Category of Asset	Opening as on 1st April, 2019	Additions during 2019-20	Deductions during 2019-20	Depreciation for 2019-20	Foreign currency translation impact	Closing as on 31st March, 2020
Building	423.21	8.08	176.14	92.97	4.23	166.41
Leasehold Land	5.85	-	-	0.07	-	5.78
Storage unit	1.08	-	-	0.60	-	0.48
Guest House	0.68	-	-	0.38	-	0.30
Equipments	0.93	-	-	0.32	0.04	0.65
IT Assets	12.37	-	-	4.34	-	8.03
Total	**444.12**	**8.08**	**176.14**	**98.68**	**4.27**	**181.65**

Lease liabilities as on 1st April, 2019	438.28

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases	
Interest expense on lease liabilities (included in finance cost)	26.76
Expense relating to short-term leases (included in Operating Expenses)	21.47
Expense relating to leases of low-value assets (other than short term leases as disclosed above) (included in Operating expenses)	17.34

The difference between the lease obligation recorded as of March 31, 2019 under Ind AS 17 disclosed under Note 45 of the 2019 Annual Report and the value of the lease liability as of April 1, 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised, in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 ranges between 2.51% to 11.77%.

The bifurcation below provides details regarding the contractual maturities of lease liabilities as of March 31,2020 on an undiscounted basis:

1 year	57.15
1-3 years	77.41
3-5 years	27.29
More than 5 years	134.29

56 (a) Discontinued operations

(i) Disposal of Healthcare Insights and Analytics business:

The Board of Directors of the Company, at their meeting held on January 17, 2020 approved the divestment of the entire stake in the Healthcare Insights and Analytics business (the "Transaction"), held by the Company directly and through its wholly owned subsidiaries, to Clarivate Analytics Plc. and its subsidiaries, for an aggregate consideration of approximately USD 950 million. Post the approval by shareholders of the Company at the Extra-ordinary General Meeting held on February 13, 2020 and receipt of necessary regulatory approvals, the Transaction was completed on February 28, 2020 (closing date). USD 900 million was received, on the closing date and the balance USD 50 million would be received at the end of twelve months from the closing of the transaction. Consequently, Profit before tax and tax expenses relating to the Healthcare Insights and Analytics business have been disclosed separately as Discontinued operations. The previous periods have been represented in the Statement to give effect to the presentation requirements of Ind AS 105: Non-current Assets Held for Sale and Discontinued Operations.

As on March 31, 2020, Sale proceeds of one of subsidiary of Healthcare Insights and Analytics business was pending to be received, which was subsequently received post year end. Hence the business of subsidiary has been classified as held for sale. The impairement loss of ₹ 14.78 Crores was recognised on reclassification of the assets and liabilities as held for sale.

(ii) Analysis of profit/ (loss) for the year from discontinued operations:

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from operations	1,354.79	1,332.20
Other income	20.78	3.18
Total Income (I)	**1,375.57**	**1,335.38**
Employee benefits expense	775.64	761.67
Other expenses, (Net)	731.67	790.33
Total Expenses (II)	**1,507.31**	**1,552.00**
Profit/(Loss) before exceptional items and tax ((I)-(II))	**(131.74)**	(216.62)
Add:Gain on disposal (net of transaction cost)	757.48	-
Profit/(Loss) before tax	**625.74**	**(216.62)**
Less:Tax expense	51.29	8.91
Profit/(Loss) from discontinued operations after tax	**574.45**	(225.53)
Other Comprehensive Income and (Expense) (OCI)		
(a) Deferred gains / (losses) on cash flow hedge	3.92	(6.05)
(b) Exchange differences on translation of financial statements	115.83	30.59
	119.75	**24.54**
Total Comprehensive Income, net of tax expense	**694.20**	**200.99**

(iii) Cash flows from discontinued operations

(₹ in Crores)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Net cash inflows/ (outflows) from operating activities	271.96	237.19
Net cash inflows/ (outflows) from investing activities	4,383.85	(164.72)
Net cash inflows/ (outflows) from financing activities	(4,743.71)	(23.29)

56 (b) Disposal of a subsidiary

(i) Consideration received

	(₹ in Crores)
Consideration received in cash and cash equivalents	6,477.88
Contingent consideration	425.17
Total consideration received	**6,903.05**

(ii) Analysis of asset and liabilities over which control was lost as on date of sale:

Assets	
Property, Plant & Equipment	30.53
Goodwill	5,079.21
Other Intangible Assets	276.28
Intangible Assets under development	28.63
Right Of Use Assets	152.23
Trade receivables	301.02
Other assets	164.71
Total assets	**6,032.61**
Liabilities	
Lease liabilities	155.28
Trade payables	27.30
Current tax liabilities	6.39
Deferred revenue	318.88
Other liabilities	49.38
Total liabilities	**557.23**
Net assets disposed off	**5,475.38**

(iii) Gain on disposal

Consideration received	6,903.05
Less: Net assets disposed off	(5,475.38)
Less: transaction cost	(593.10)
Less: exchange loss in respect of net assets reclassified to profit & loss	(62.31)
Gain on disposal	**772.26**

The gain on disposal is included in profit/ (loss) for the year from discontinued operations (Refer note 56 (a)

57 The Group operates an incentive plan arrangement for certain employees of certain subsidiaries. The scheme provides a cash payment to the employees based on a specific number of phantom shares at grant and share price of Piramal Enterprises Limited, the ultimate parent company at the vesting date. The Cash payment is dependent on the performance of the underlying shares of Piramal Enterprises Limited and continued employment on vesting date. The fair values of the award is calculated using the Black Scholes model at the grant date. The fair value is updated at each reporting date as the awards are accounted as cash settled plan. The inputs to the models are based on the Piramal Enterprises Limited historic data, the risk free rate and the weighted average fair value of shares in the scheme at the reporting date. The amount expensed/ (reversed) in the current year relating to the plan is ₹ Nil (Previous Year: ₹ (0.61) Crores). The Group considers these amount as not material and accordingly has not provided further disclosures as required by IND AS 102 "Share Based Payments".

58(a) (i) On December 19, 2019, 115,894 Compulsorily Convertible Debentures ("CCD") having face value of ₹ 151,000 per CCD were allotted to Caisse de dépôt et placement du Québec for an aggregate amount of ₹ 1,749.99 crores. Each CCD is convertible into 100 equity shares having face value of ₹ 2 each.

(ii) During the three months ended June 30, 2019, 548,120 equity shares were allotted by the Company pursuant to optional conversion of 13,703 CCDs and 13,638,080 Equity shares were allotted pursuant to compulsory conversion of outstanding 340,952 CCDs on maturity, respectively.

On October 25, 2017, 464,330 Compulsorily Convertible Debentures ("CCD") having face value of ₹ 107,600 per CCD were allotted to the CCD holders for an aggregate amount of ₹ 4,996.19 crores. Each CCD was convertible into 40 equity shares of ₹ 2 each. 225,000 equity shares were allotted by the Company pursuant to optional conversion of 5,625 CCDs by the CCD holders and 4,162,000 equity shares were allotted by the Company pursuant to optional conversion of 104,050 CCDs by the CCD holders during the year ended March 31, 2018 and March 31, 2019, respectively.

58(b) (i) On December 24, 2019, the Company offered 27,929,649 equity shares under Rights Issue at a price of ₹ 1,300 per share (including premium of ₹ 1,298 per share). Out of the aforesaid issue, 26,385,861 equity shares were allotted by the Company on January 29, 2020 and 1,535,944 Rights Equity shares have been reserved for the CCD Holder (as per regulation 74(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018) and 7,844 Rights Equity Shares have been kept in abeyance.

Accordingly, basic and diluted EPS for the year ended March 31,2019 has been retrospectively adjusted for the bonus element in rights issue.

(ii) On March 8, 2018, the Company had issued 8,310,275 equity shares under Rights Issue at a price of ₹ 2,380 per share (including premium of ₹ 2,378 per share). Out of this rights issue, 11,298 and 7,485,574 equity shares were allotted by the Company during the year ended March 31, 2019 and year ended March 31, 2018, respectively.

During the three months ended June 30, 2019 and September 30, 2019, 213,392 and 66 equity shares, respectively, were allotted by the Company under Rights Issue at a price of ₹ 2,380 per share (including premium of ₹ 2,378 per share) to the CCD holders out of the Right Equity shares reserved for them (as per regulation 53 of erstwhile Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009) and shares held in abeyance.

As on March 31, 2020, 24,573 Rights equity shares have been kept in abeyance. 575,372 Rights equity shares reserved for the CCD holders (as per regulation 53 of erstwhile Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009) have not been subscribed by them and these unsubscribed rights shall be dealt with by the Board of Directors of the Company, in accordance with the law and hence are considered to be dilutive in nature.

58(c) Proceeds from the rights issue have been utilised upto March 31, 2020 in the following manner:

In case of fresh rights issue of equity shares during the year (Refer note 58(b)(i)):

(₹ in Crores)

Particulars	Planned	Actual till 31/03/2020
a) Repayment or prepayment, in full or in part, of certain borrowings in Piramal Enterprises Ltd & Piramal Capital Housing Finance Ltd	2,900.00	**2,900.00**
b) General Corporate Purposes	718.31	**517.62**
Add: Issue related expenses #	12.54	**12.54**
Total	**3,630.85**	**3,430.16**
Less: Rights Shares held in Abeyance (Refer note 58 (b))	(1.02)	-
Less: Rights Shares reserved in favour of Compulsorily Convertible Debenture Holders (Refer note 58 (a))	(199.67)	-
Total	**3,430.16**	**3,430.16**

Issue expenses of ₹ 14.77 Crores were incurred as against the estimated expenses of ₹ 12.54 Crores. This is pending withdrawal from monitoring bank account.

In case of rights issue of equity shares made in financial year 2017-18 (Refer note 58(b)(ii)):

(₹ in Crores)

Particulars	Planned	Actual until 31/03/2020
a) Investment in Piramal Capital and Housing Finance Limited (formerly known as Piramal Housing Finance Limited) (wholly owned subsidiary)	750.00	**750.00**
b) Repayment or pre-payment, in full or part, of certain borrowings availed by the Company	1,000.00	**1,000.00**
c) General Corporate Purposes	216.22	**79.32**
Add: Issue related expenses	11.63	**8.65**
Total	**1,977.85**	**1,837.97**
Less: Rights Shares held in Abeyance (Refer note 58 (b))	(5.85)	-
Less: Rights Shares reserved in favour of Compulsorily Convertible Debenture Holders (Refer note 58 (a))	(136.95)	-
Less: Interest Income received from Fixed Deposits placed with Banks from Rights Issue Proceeds	-	**(2.92)**
Total	**1,835.05**	**1,835.05**

59 The National Company Law Tribunal had approved a “Scheme of Amalgamation” (“Scheme”) of Piramal Phytocare Limited ("Transferor company"), an associate of the Company, with the Company and its respective shareholders vide it's order dated November 4, 2019 . Pursuant to the necessary filings with Registrar of Companies, Mumbai, the Scheme has become effective from December 2, 2019 with the appointed date of April 1, 2018. As prescribed by the Scheme, 305,865 equity shares of the Company of ₹ 2/- each were issued to the shareholders of Transferor Company on December 13, 2019, as a consideration in the ratio of 1 fully paid up equity share of ₹ 2 each of the Company for every 70 equity shares of ₹ 10 each held in transferor Company.

The amalgamation has been accounted for under the "pooling of interest" method referred to in Appendix C of Ind AS 103 - Business Combinations of Entities under Common Control, as prescribed by the Scheme. Accordingly, all the assets, liabilities and reserves of transferor company as on April 01, 2018 have been aggregated with those of the Company at their respective book values. The comparative financial information in the financial statements of the Company have been restated for the accounting impact of merger, as if the merger had occurred from the beginning of the comparative period. The difference of ₹ 21.35 Crores between the net value of assets, liabilities and reserves of the transferor company acquired and the sum of (a) the face value of new shares issued and allotted pursuant to merger and (b) the carrying value of investment of the Company in equity shares of transferor Company being cancelled has been transferred to capital reserve of the Company, as prescribed by the Scheme. The impact of merger is not significant on the financial statements and EPS of the Company.

The book value of assets, liabilities and reserves taken over from the transferor companies as on the appointed date were transferred to the Company as mentioned below:

		(₹ In Crores)
Assets		
Non-Current Assets		
Property, Plant & Equipment	0.31	
Investments	4.55	
Other Non Current Assets	0.31	5.17
Current Assets		
Inventories	0.32	
Financial Assets:		
Trade Receivables	1.00	
Cash & Cash equivalents	1.98	
Bank balances other than above	0.00	
Other Financial Assets	0.21	
Other Current Assets	3.96	7.47
Total Assets (I)		**12.64**
Liabilities		
Non-Current Liabilities		
Provisions	0.45	0.45
Current Liabilities		
Financial Liabilities:		
Trade payables	2.90	
Other Financial Liabilities	1.18	
Other Current Liabilities	19.94	
Provisions	1.05	25.07
Total Liabilities (II)		**25.52**
Reserves		
Securities Premium	2.50	
Surplus in Statement of Profit and Loss	(41.34)	(38.84)
Total Reserves (III)		**(38.84)**
Net value of Assets, liabilities and reserves (I-II-III)		25.96
Less: Carrying value of investment of the Company in equity shares of transferor Company being cancelled		(4.55)
Less: Face value of new shares issued and allotted pursuant to merger		(0.06)
Amount Credited to Capital Reserves (Refer Note 17)		**21.35**

60 The financial statements have been approved for issue by Company's Board of Directors on May 11, 2020.

Signature to note 1 to 60 of the Consolidated financial statements.

For and on behalf of the Board of Directors

Ajay G. Piramal
Chairman

Vivek Valsaraj
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai, May 11, 2020

NOTICE

NOTICE is hereby given that the 73rd Annual General Meeting ('AGM') of the Members of Piramal Enterprises Limited will be held on Thursday, July 30, 2020 at 3.00 p.m. Indian Standard Time ('IST') through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended on March 31, 2020 and the Reports of the Board of Directors and Auditors thereon.

2. To declare final dividend on equity shares for the financial year ended March 31, 2020.

3. To appoint a Director in place of Mr. Vijay Shah (DIN:00021276), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Appointment of Mr. Rajesh Laddha as Director

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Rajesh Laddha (DIN: 02228042), who was appointed as an Additional Director of the Company with effect from May 11, 2020 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act and Articles of Association of the Company, and who is eligible for appointment as a Director of the Company and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. Appointment of Mr. Rajesh Laddha as a Whole-Time Director

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT subject to and in accordance with the provisions of Sections 196, 197, 203 and Schedule V read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members be and is hereby accorded to the appointment of Mr. Rajesh Laddha (DIN: 02228042), as Whole-Time Director, designated as 'Executive Director' of the Company, liable to retire by rotation, for a term of three years effective from May 11, 2020 upon the terms and conditions including payment of remuneration, perquisites and benefits as set out in the draft of the agreement to be entered into between the Company and Mr. Rajesh Laddha and main terms of which are set out hereunder, which have been approved and recommended by the Nomination and Remuneration Committee and the Board of Directors, which draft agreement is hereby approved, with liberty and power to the Board of Directors ('the Board' which term shall include its duly empowered Committee(s) constituted/to be constituted by it to exercise its powers including the powers conferred by this resolution) to redesignate him and/or reallocate his duties and responsibilities and to grant annual increments and to alter and vary from time to time the terms and conditions of Mr. Laddha's appointment, including the amount and type of perquisites, allowances and benefits to be provided to Mr. Laddha subject to the applicable provisions of the Act, including Schedule V thereof:

a. Basic Salary: ₹ 1,81,04,400 p.a. (i.e. ₹ 15,08,700 p.m.)

b. Perquisites and Allowances: Mr. Laddha will be entitled to perquisites, benefits and allowances like furnished residential accommodation (or house rent allowance in lieu thereof), special allowance, reimbursement of expenses in respect of gas, electricity and water, reimbursement of telephone expenses, furnishing and repairs, medical reimbursement for self and family, leave travel allowance, personal accident insurance, leave and encashment of leave, contributions to provident fund and superannuation or annuity fund, gratuity and/or contribution to gratuity fund, chauffeur driven Company maintained/leased cars (or allowances in lieu thereof) and such other payments in the nature of perquisites, benefits and allowances as per the Company's policy in force from time to time or as may otherwise be decided by the Board;

In arriving at the value of perquisites, in so far as there exists a provision for valuation of such perquisites under the Income Tax Rules, the value shall be determined on the basis of the Income Tax Rules in force from time to time;

PROVIDED THAT the Total Fixed Pay (as defined hereinbelow) for FY 20-21 shall not exceed ₹ 4,57,32,600 p.a., with authority to the Board to grant such annual increments and/or revisions in the Total Fixed Pay and/or in the components thereof from time to time during the tenure of his appointment, subject to the applicable provisions of Schedule V of the Act, as may be amended from time to time; PROVIDED THAT such annual increments and/ or revisions shall not exceed 20% p.a. of Mr. Laddha's last drawn Total Fixed Pay or such other amount as may approved by the Board from time to time;

PROVIDED FURTHER THAT the limits referred to herein shall not apply to those components of his perquisites which, as per the Company's policy in force from time to time, are reimbursable at actuals;

Total Fixed Pay: For the purpose of this resolution, the term 'Total Fixed Pay' shall mean the aggregate of and shall include all fixed components (including basic salary) of Mr. Laddha's remuneration, all allowances and the value of all perquisites as per the Company's Policy in force from time to time, excluding Performance Linked Incentive;

c. Performance Linked Incentive: In addition to Total Fixed Pay, Mr. Laddha shall also be entitled to Performance

Linked Incentive of such amount as may be determined by the Board for each financial year of the Company or part thereof, subject to the applicable provisions of Schedule V of the Act, taking into consideration various criteria, including the performance of Mr. Laddha and the performance of the Company; PROVIDED THAT the total Performance Linked Incentive shall not exceed 45% p.a. of Mr. Laddha's last drawn Total Fixed Pay or such other amount as may approved by the Board from time to time;

RESOLVED FURTHER THAT if in any financial year, the Company has no profits or its profits are inadequate, Mr. Laddha shall be entitled to receive the aforesaid remuneration, perquisites, performance linked incentive and benefits on the same terms as set out above, subject to compliance with the applicable provisions of Schedule V of the Act."

6. Restructuring of the pharmaceutical business of the Company

To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and applicable rules made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof), applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the provisions of the Memorandum of Association and the Articles of Association of the Company, and in accordance with the Foreign Exchange Management Act, 1999, as amended and the applicable rules and regulations made thereunder, including the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004, as amended, and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, and subject to other applicable rules, regulations, directions, and guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India, Reserve Bank of India, Government of India, BSE Limited and National Stock Exchange of India Limited and/or any other competent authorities, from time to time, to the extent applicable, and subject to approval of lenders, third parties and statutory/governmental authorities as may be required and subject to such terms and conditions as may be imposed by them and which may be agreed to by the Board of Directors of the Company ('the Board', which term shall include its duly empowered Committee(s) constituted/to be constituted by it to exercise its powers including the powers conferred by this resolution), the consent of the shareholders of the Company ('Members'), be and is hereby accorded to the Board by way of special resolution for sale and transfer of the pharmaceutical business of the Company in the following manner ('Proposed Transaction'):

(i) transfer of the pharmaceutical business of the Company located in India and conducted through the manufacturing plants/R&D facility of the Company located at the following locations:

a. Plot No. 67-70, Sector II-I/A, Pithampur, District Dhar, 454 775;

b. Digwal Village, Kohir Mandal, Sangareddy District, Telangana, 502 321;

c. Ennore Express Highway, Ernavur Village, Ennore, Chennai, 600 057;

d. Plot Nos. 18 and 19 - PHARMEZ, Village Matoda, Sarkhejbawala, NH 8A, Taluka Sanand, Ahmedabad, 382 213;

e. R&D facility at A wing, Hiranandani Business Park, Saki Vihar Road, Chandivali, Andheri (East), Mumbai, 400 072, which is proposed to be shifted to Plot No. R-856, TTC Industrial Area, Rabale, P.O. Ghansoli, Navi Mumbai, 400 701; and

f. Other facilities including office spaces, laboratories and warehouses which are owned/leased by the Company in connection with the above business;

(ii) transfer of the over the counter consumer healthcare products business of the Company,

along with assets and liabilities, contracts, transferable permits and licenses, intellectual property, employees, employees benefit funds, business records, insurance policies, goodwill, tax and fiscal benefits (including the entire shareholding of the Company in Allergan India Private Limited), pertaining to (i) and (ii) above, in accordance with terms and conditions set out in the business transfer agreement dated June 26, 2020 ('BTA') executed between the Company and Piramal Pharma Limited ('PPL'), a wholly owned subsidiary of the Company, as a going concern on a slump sale basis to PPL, for an aggregate consideration of ₹ 2,150,00,00,000 (Rupees Two Thousand One Hundred Fifty Crores), to be discharged in one or more tranches, in the manner and on the terms recorded in the BTA;

(iii) sale of the entire direct shareholding of the Company in: (a) Piramal Dutch Holdings N.V.; (b) PEL Pharma Inc.; and (c) Convergence Chemicals Private Limited, to PPL, for an aggregate consideration of ₹ 2,152,00,00,000 (Rupees Two Thousand One Hundred Fifty Two Crores) in the manner and on the terms recorded in the share purchase agreement dated June 26, 2020 executed between the Company and PPL;

(iv) sale of the entire direct shareholding of the Company in Piramal Healthcare Inc. to PPL for an aggregate consideration of ₹ 185,00,00,000 (Rupees One Hundred Eighty Five Crores) to be discharged by way of issuance and allotment of equity shares of PPL to the Company, in the manner and on the terms recorded in the share purchase agreement dated June 26, 2020 executed between the Company and PPL;

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all actions and to do all such acts, deeds, matters and things in this connection and incidental to the Proposed Transaction including performance of obligations under the share subscription agreement dated June 26, 2020 and shareholders' agreement dated June 26, 2020 executed between the Company, PPL and CA Clover Intermediate II Investments, including filing of any documents or information, as may be considered necessary to give effect to this resolution, to resolve and settle all questions, difficulties or doubts that may arise in regard to the Proposed Transaction, as may be considered necessary, without being required to seek any further consent or approval of the Members to this end;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Director or Officer(s) or Authorized Representative(s) of the Company in order to give effect to this resolution."

7. Ratification of remuneration of Cost Auditor

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s. G. R. Kulkarni & Associates, Cost Accountants, Mumbai (Registration No. 00168), appointed by the Board of Directors of the Company ('the Board', which term shall include its duly empowered Committee(s) constituted/to be constituted by it to exercise its powers including the powers conferred by this resolution) as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021, amounting to ₹ 7 Lakhs (Rupees Seven Lakhs only) plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses, be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient for or in connection with this resolution and to settle any question or difficulty that may arise in this regard in the best interest of the Company."

8. Issue of Non-Convertible Debentures on Private Placement Basis

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the provisions of the Articles of Association of the Company and subject to compliance with such other provisions of law as may be applicable, approval of the Members be and is hereby accorded to the Board of Directors of the Company ('the Board', which term shall include its duly empowered Committee(s) constituted/to be constituted by it to exercise its powers including the powers conferred by this resolution), to offer or invite subscriptions for secured/unsecured non-convertible debentures ('Debentures'), in one or more series/tranches, on private placement basis, on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company, including as to when the Debentures be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected therewith or incidental thereto PROVIDED THAT the total amount that may be so raised in the aggregate, by such offer or invitation for subscriptions of the Debentures, and outstanding at any point of time, shall be within the overall borrowing limit as approved by the Members under Section 180(1)(c) of the Act;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient for or in connection with this resolution and to settle any question or difficulty that may arise in this regard in the best interest of the Company."

NOTES:

1. In view of the outbreak of the Covid-19 pandemic and restrictions imposed on the movement of people, the Ministry of Corporate Affairs ('MCA') has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'the Circulars') permitted holding of the AGM through VC/OAVM, without physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') and the Circulars, the 73rd AGM of the Company is being held through VC/OAVM.

2. Since this AGM is being held through VC/OVAM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy by the Members under Section 105 of the Act will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

   However, in pursuance of Section 112 and Section 113 of the Act, Corporate Members are entitled to appoint their authorized representatives to attend the AGM through VC/OAVM on their behalf and to vote through electronic means.

3. Participation of Members through VC/OVAM shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.

4. The Explanatory Statement pursuant to Section 102 of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto. The Board of Directors have considered and decided to include the item nos. 4, 5, 6, 7 and 8 of this Notice as Special Business at the ensuing AGM, as they are unavoidable in nature.

5. In accordance with, the circulars issued by MCA and Securities and Exchange Board of India ('SEBI'), owing to the difficulties involved in dispatching of physical copies of the Annual Report of the Company and the Notice of AGM, the same are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s) ('DP').

6. Members may note that this Notice and Annual Report shall also be available on the Company's website www.piramal.com, websites of the Stock Exchanges i.e. BSE

Limited ('BSE') and National Stock Exchange of India Limited ('NSE') at www.bseindia.com and www.nseindia.com respectively, and on the website of National Securities Depository Limited ('NSDL') at https://www.evoting.nsdl.com.

7. The Register of Members and Transfer Books of the Company will remain closed from Saturday, July 18, 2020 to Thursday, July 30, 2020 (both days inclusive).

8. The final dividend for the financial year ended March 31, 2020, as recommended by the Board, if declared at the AGM, will be paid on or after Thursday, July 30, 2020, to those persons or their mandate:

    a. whose names appear as Beneficial Owners as at the end of business hours on Friday, July 17, 2020 in the list of Beneficial Owners to be furnished by NSDL and Central Depository Services (India) Limited ('CDSL') in respect of the shares held in electronic form; and

    b. whose names appear as Members in the Register of Members of the Company as at the end of the business hours on Friday, July 17, 2020 after giving effect to:

        (i). valid request(s) received for transmission/ transposition of shares; and

        (ii). valid requests of transfer of shares in physical form (re-lodgment cases i.e. requests for transfer(s) which were received prior to April 1, 2019 and returned due to deficiency in the documents) lodged with the Company/its Registrar & Transfer Agent ('RTA') on or before Friday, July 17, 2020.

9. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source ('TDS') at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to complete and/or update their residential status, PAN, category as per the Income Tax Act, 1961 with their DP or in case shares are held in physical form, with the Company by sending documents through e-mail to peldivtax@linkintime.co.in by Wednesday, July 15, 2020. Detailed information in this regard is available on the Company's website at https://www.piramal.com/investor/overview/.

10. In line with the General Circular No. 20/2020 dated May 5, 2020 issued by the MCA, in case the Company is unable to pay the dividend to any Member directly in their bank account through the electronic mode, due to non-availability of their latest bank account details, the Company shall dispatch the dividend warrant/cheque to such Members, upon normalization of the postal services.

11. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend. The Company or its RTA cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend to their DP only.

12. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). Further, the shares in respect of dividends which remain unclaimed for 7 consecutive years or more are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

13. As per Regulation 40 of the Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or its RTA, Link Intime India Private Limited ('Link Intime') for the same.

14. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the DPs with whom they maintain their demat accounts. Members holding shares in physical form are requested to submit their PAN to Link Intime.

15. Section 72 of the Act provides for Nomination by the Members of the Company in the prescribed Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, the Member may submit the same in Form No. SH-14. Both these forms are available on the website of the Company under the section, 'Shareholder Services'. Members are requested to avail this facility.

16. Members who have not registered their e-mail addresses so far are requested to register the same with their DPs in case the shares are held by them in electronic form and with Link Intime in case the shares are held by them in physical form for receiving all communication including Annual Report, Notices, etc. from the Company electronically.

17. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by The Institute of Company Secretaries of India in respect of the Directors seeking appointment/re-appointment at the 73rd AGM, forms an integral part of this Notice which are annexed as Annexure 2. Requisite declarations have been received from the Directors for seeking appointment/re-appointment.

18. Voting through electronic means

    I. Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the Listing Regulations, the Company is pleased to provide to its Members, the facility to exercise their right to vote on resolutions proposed to be considered at the 73rd AGM by electronic means and has engaged the services of NSDL to provide the facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') as well as e-voting during the proceedings of the AGM through VC/OVAM ('e-voting at the AGM') .

II. The remote e-voting period commences on Monday, July 27, 2020 (9.00 a.m. IST) and ends on Wednesday, July 29, 2020 (5.00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter.

III. Members holding shares either in physical form or in dematerialized form, as on the close of business hours on Thursday, July 23, 2020, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. Any person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

IV. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or piramal.irc@linkintime.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

V. Mr. N. L. Bhatia, Practising Company Secretary (Membership No. FCS 1176) has been appointed as the Scrutinizer to scrutinize the remote e-voting and the e-voting at the AGM in a fair and transparent manner.

VI. The instructions for remote e-voting are as under:

Step 1: Logging - in to NSDL e-voting system:

1. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.

2. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholders' Section.

3. A new screen will open. Kindly enter your User ID, your Password and the Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you may log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you may proceed to Step 2 i.e. Cast your vote electronically.

4. User ID details are given below:

	Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c)	For Members holding shares in Physical Form.	EVEN (E-voting Event Number) followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details are given below:

   a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-voting system for the first time, kindly retrieve the 'initial password' which was communicated to you. Upon retrieval of your 'initial password', you need to enter the 'initial password' and the system will prompt you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Kindly trace the e-mail sent to you from NSDL. Open the e-mail and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your e-mail ID is not registered, please follow steps mentioned below in process for registration of e-mail ID.

6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

   a) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Click on 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to retrieve the password by aforesaid two options, kindly send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN no., your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, kindly tick on Agree to 'Terms and Conditions' by selecting the check box.

8. Thereafter, kindly click on 'Login' button upon which the E-voting home page will open.

Step 2: Casting your vote electronically:

1. On the Home page of e-voting, click on e-voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle is in active status.

3. Select 'EVEN' of the Company.

4. Now you are ready for e-voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.

6. Upon confirmation, the message 'Vote cast successfully' will be displayed.

7. You may also print the details of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the Resolution, you will not be allowed to modify your vote.

General Guidelines for shareholder

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to navnitlb@nlba.in with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in. Alternatively, you may contact Mrs. Pallavi Mhatre, Manager, at pallavid@nsdl.co.in / 022 2499 4545 or may write to her at Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400 013, Maharashtra, India.

Process for registration of e-mail ID and bank details:

A. Process for registration of e-mail ID

Physical Holding	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html and follow the registration process as guided therein. Members are requested to provide details such as Name, Folio number, Certificate number, PAN, mobile number, e-mail ID, and also upload the image of share certificate and a duly signed request letter (upto 1 MB) in PDF or JPEG format.
For Permanent Registration for Demat Holding	Members are requested to register their e-mail address with the respective DP by following the procedure prescribed by the them.
For Temporary Registration for Demat Holding	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html and follow the registration process as guided therein. Members are requested to provide details such as Name, DPID and Client ID, PAN, mobile number and e-mail ID, and also to upload a duly signed request letter (upto 1 MB) in PDF or JPEG format.

Alternatively, Members whose e-mail ID are not registered may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned above.

B. Process for registration of bank account details

Physical Holding	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html and follow the registration process as guided therein. Members are requested to provide details such as Name, Folio number Certificate number, PAN, e-mail ID along with the copy of the cheque leaf with the first named members name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code and a duly signed request letter (upto 1 MB) in PDF or JPEG format.
Demat Holding	Members are requested to register their bank details with the respective DP by following the procedure prescribed by the DP.

On submission of the details for registration of e-mail ID/bank account an OTP will be received by the Member which needs to be entered in the link for verification. In case of any query, a Member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in

19. Members may follow the same procedure for e-voting at the AGM as mentioned for remote e-voting. Only those Members, who will be attending the AGM through VC/OVAM and have not cast their vote by remote e-voting, may exercise their voting rights at the AGM. Members who have already cast their vote by remote e-voting prior to the AGM may attend the AGM and their presence shall be counted for the purpose of quorum, but shall not be entitled to cast their vote again at the AGM. A Member can vote either by remote e-voting or by e-voting at the AGM.

20. The Scrutinizer shall within 48 hours of the conclusion of the AGM, submit a consolidated Scrutinizer's report of the votes cast in favour or against, to the Chairman of the AGM ('Chairman') or to any Director or any person authorized by the Chairman for this purpose, who shall countersign the same.

21. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.piramal.com and on the website of NSDL https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to BSE and NSE, where the shares of the Company are listed.

22. All the documents referred to in the accompanying Notice and Explanatory Statement, shall be available for inspection through electronic mode, basis the request being sent on complianceofficer.pel@piramal.com.

23. During the AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon log-in to NSDL e-voting system at https://www.evoting.nsdl.com.

24. Instructions for Members attending the AGM through VC/OAVM

I. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM through the NSDL e-voting system https://www.evoting.nsdl.com by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.

   Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.

II. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for commencement of the AGM and will be available for Members on first come first served basis.

III. Please note that Members connecting from mobile devices or tablets or through laptops etc., connecting via mobile hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

IV. Members who would like to express their views or ask questions during the AGM may register themselves as speakers by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at complianceofficer.pel@piramal.com. from Friday, July 24, 2020 (9:00 a.m. IST) to Sunday, July 26, 2020 (5:00 p.m. IST). A Member who has registered as a speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

V. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in / 022-24994360/+91 9920264780.

Registered Office:
Piramal Ananta, Agastya Corporate Park,
Opposite Fire Brigade, Kamani Junction,
Kurla (West),
Mumbai – 400 070.
Dated: June 26, 2020

By Order of the Board

Bipin Singh
Company Secretary
ACS No.: 11777

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 4 and 5

Appointment of Mr. Rajesh Laddha as a Whole-Time Director

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at its meeting held on May 11, 2020 appointed Mr. Rajesh Laddha (DIN:02228042) as an Additional Director of the Company with effect from May 11, 2020 to hold office up to the date of this Annual General Meeting ('AGM') of the Company.

A notice in writing, under Section 160 of the Companies Act, 2013 ('the Act'), has been received from a Member proposing the candidature of Mr. Laddha for the office of Director of the Company.

Mr. Laddha is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Further, at the same meeting, the Board of Directors appointed Mr. Rajesh Laddha as a Whole-Time Director, designated as 'Executive Director' of the Company for a term of three years effective from May 11, 2020, liable to retire by rotation, and approved the terms and conditions of his appointment, including payment of remuneration, subject to approval of the Members at the AGM.

The terms of remuneration of Mr. Laddha are in accordance with the Remuneration Policy of the Company.

The terms and conditions, including remuneration payable to Mr. Laddha are contained in the draft agreement proposed to be entered into by the Company with Mr. Laddha, main terms of which are set out in the resolution at Item No. 5 of the accompanying Notice.

Information as required under Section II of Part II of the Schedule V of the Act is provided as Annexure 1 to this Notice.

Further details relating to Mr. Laddha as required to be provided pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS – 2 (Secretarial Standards on General Meetings) are provided as Annexure 2 to this Notice.

Except Mr. Laddha, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board is of the view that Mr. Laddha's knowledge, expertise and experience will be of immense benefit and value to the Company and, therefore, recommends the Ordinary Resolution set out at Item No. 4 and Special Resolution set out at Item No. 5 of the Notice, for the approval of the Members.

Item No. 6

Restructuring of the pharmaceutical business of the Company

The pharmaceuticals business of the Company is divided into the following three businesses:

- Contract Development and Manufacturing - an integrated, end-to-end development and manufacturing services business, ranging from drug discovery and clinical development to commercial manufacturing of active pharmaceutical ingredients and formulations for global pharmaceuticals companies;
- Complex Hospital Generics – a differentiated branded hospital generics portfolio comprising inhalation and injectable anaesthesia, pain management drugs and intrathecal spasticity management drugs; and
- Consumer Healthcare - comprising of various brands and products across key categories including skincare, gastro-intestinal care, women's intimate range, kid's wellbeing and baby care, pain management, oral and respiratory healthcare ('OTC').

The pharmaceutical business of the Company is conducted *inter alia* through the following overseas subsidiaries, Indian joint venture companies and manufacturing plants/R&D facility locations:

(i) Overseas subsidiaries:

(a) Piramal Dutch Holdings N.V. ('PDH'), wholly owned subsidiary of the Company in Netherlands along with its direct and indirect wholly owned subsidiaries namely Piramal Pharma Solutions (Dutch) B.V., Piramal Critical Care B.V., Piramal Critical Care Italia S.P.A., Piramal Healthcare (Canada) Limited, Piramal Critical Care Deutschland GmbH, Piramal Healthcare UK Limited, Piramal Critical Care Pty. Ltd., Piramal Critical Care South Africa (Pty.) Ltd. and any other entity that may be acquired;

(b) PEL Pharma Inc. ('PPI'), a company incorporated under the laws of Delaware, USA, whose share capital is held by the Company directly (to the extent of 10% of PPI's share capital) and indirectly through PDH (to the extent of 90% of PPI's share capital), along with the wholly owned subsidiaries of PPI, namely Piramal Pharma Solutions Inc., Ash Stevens LLC and any other entity that may be acquired;

(c) Piramal Healthcare Inc. ('PHI'), a company incorporated under the laws of Delaware, USA, whose share capital is held by the Company directly (to the extent of 10% of PHI's share capital) and indirectly through PDH (to the extent of 90% of PHI's share capital), along with the wholly owned subsidiaries of PHI, namely Piramal Critical Care Inc., Piramal Pharma Inc. and any other entity that may be acquired;

(ii) Indian joint venture companies:

(a) Convergence Chemicals Private Limited ('CCPL'), a joint venture between the Company and Navin Fluorine

International Limited, with the Company currently holding 51% of the total share capital of CCPL; and

(b) Allergan India Private Limited, a joint venture between the Company and Allergan Pharmaceuticals (Ireland) Limited, with the Company currently holding 49% of the total share capital of Allergan India Private Limited;

(iii) Manufacturing plants/R&D facilities and other locations owned or leased by the Company in India:

(a) Plot No. 67-70, Sector II, I/A, Pithampur, District Dhar, 454 775 ('Pithampur Facility');

(b) Digwal Village, Kohir Mandal, Sangareddy District, Telangana, 502 321 ('Digwal Facility');

(c) Ennore Express Highway, Ernavur Village, Ennore, Chennai, 600 057 ('Ennore Facility');

(d) Plot Nos. 18 and 19 - PHARMEZ, Village Matoda, Sarkhejbawala, NH 8A, Taluka Sanand, Ahmedabad, 382 213 ('Ahmedabad Facilities');

(e) R&D facility at A wing, Hiranandani Business Park, Saki Vihar Road, Chandivali, Andheri (East), Mumbai, 400 072, which is proposed to be shifted to Plot No. R-856, TTC Industrial Area, Rabale, P.O. Ghansoli, Navi Mumbai, 400 701 ('R&D Facility'); and

(f) Other facilities including office spaces, laboratories and warehouses which are owned/ leased by the Company in connection with the above business,

(collectively, 'the Pharma Business').

The Pharma Business of the Company has immense potential for growth, and the Company has dedicated significant focus and resources, as well as channelled substantial investments into the expansion and growth of its Pharma Business. The requirements of the Pharma Business, including in terms of capital, operations, knowledge, competitive advantages & strategies and regulatory compliances are distinct from other businesses undertaken by the Company and accordingly, should be segregated from the other businesses of the Company. The segregation of the Pharma Business would be in line with global trends to achieve effective and focussed management, dedicated and specialised resources, scale, robust financial parameters and flexibility. In addition to streamlining the business into a dedicated entity, one of the key objectives and advantages is the ability to attract focussed investments in the Pharma Business. To this end, simultaneous with the evaluation of the proposal to restructure the Pharma Business, the management had run a bid process for seeking investment in the Pharma Business, which has been successful. The Board of the Company evaluated the bids received, and after due consideration, the offer made by CA Clover Intermediate II Investments ('Investor'), an affiliated entity of CAP V Mauritius Limited, an investment fund managed and advised by affiliated entities of The Carlyle Group Inc., has been identified as being in the best interest of the Company and its stakeholders, including from a valuation perspective.

Pursuant to the above, the Company is proposing to transfer the Pharma Business into its wholly owned subsidiary, Piramal Pharma Limited ('PPL') ('Proposed Transaction') including in order to facilitate the investment by the Investor in the Pharma Business. The Board of Directors of PPL have, on June 26, 2020, approved, and executed a securities subscription agreement ('SSA') for investment by the Investor in 20% of the paid up share capital of PPL, subject to, and following the completion of the transfer of the Pharma Business to PPL, as contemplated. The Proposed Transaction and the proposed investment by the Investor in the share capital of PPL are subject to receipt of regulatory and other approvals as mentioned in the SSA and other transaction documents (details of which are set out below).

In this regard, the Company has on June 26, 2020 executed the following transaction documents ('Transaction Documents') to implement the Proposed Transaction:

a. A business transfer agreement ('BTA') between the Company and PPL for transferring to PPL:

- the Digwal Facility, Ennore Facility, Pithampur Facility, Ahmedabad Facilities and the R&D Facility; and
- OTC business of the Company in India, including manufacturing, sales, marketing, research and distribution of such products, forming part of the Pharma Business,

(collectively, 'Business Undertaking').

As per the terms of the BTA, the transfer of the Business Undertaking to PPL *inter alia* comprises of the following, as specifically set out in the BTA:

- Business Assets pertaining to the Business Undertaking;
- Business Contracts pertaining to the Business Undertaking;
- Business Permits and Licenses pertaining to the Business Undertaking;
- Business Intellectual Property pertaining to the Business Undertaking;
- Transferring Employees;
- Business Records pertaining to the Business Undertaking;
- Business Insurance Policies pertaining to the Business Undertaking;
- Business Liabilities pertaining to the Business Undertaking;
- Shared Business Services pertaining to the Business Undertaking;
- all goodwill of the Company associated with the Business Undertaking;
- Tax benefits and other fiscal benefits available to the Company in relation to the Business Undertaking;
- all rights, claims and credits of the Company to the extent arising out of or relating to the Business Undertaking;
- entire shareholding of the Company in Allergan India Private Limited (currently aggregating to 49%); and
- such other assets, liabilities and other items set out in the BTA;

for an aggregate consideration of ₹ 2,150,00,00,000 (Rupees Two Thousand One Hundred Fifty Crores), to be discharged in one or more tranches, in the manner and on the terms recorded in the BTA.

b. Two share purchase agreements ('SPAs') between the Company and PPL for transferring to PPL:

- the entire shareholding of the Company in PDH (representing 100% of the share capital of PDH), PPI (representing 10% of the share capital of PPI) and CCPL (currently representing 51% of the share capital of CCPL), for an aggregate consideration of ₹ 2,152,00,00,000 (Rupees Two Thousand One Hundred Fifty Two Crores) in the manner and on the terms recorded in share purchase agreement. Consequent upon the transfer of the Company's stake in PDH and PPI to PPL, all direct and indirect wholly owned subsidiaries of PDH and PPI will become wholly owned subsidiaries of PPL; and
- the entire shareholding of the Company in PHI (representing 10% of the share capital of PHI), for an aggregate consideration of ₹ 185,00,00,000 (Rupees One Hundred Eighty Five Crores) to be discharged by way of issuance and allotment of equity shares of PPL to the Company, in the manner and on the terms recorded in share purchase agreement. Consequent upon the transfer of the Company's stake in PHI to PPL, all direct and indirect wholly owned subsidiaries of PHI will become wholly owned subsidiaries of PPL.

Further in connection with the proposed investment by the Investor, the Company has executed the following documents:

a. SSA between the Company, PPL and the Investor for preferential allotment of such number of securities of PPL representing 20% of the paid up share capital of PPL on a fully diluted basis. The proposed investment values the pharma business at an enterprise value ('EV') of USD 2,775,000,000 (United States Dollar Two Thousand Seven Hundred Seventy Five Million) with an upside component of up to USD 361,000,000 (United States Dollar Three Hundred Sixty One Million) depending on the FY 20-21 performance of the Pharma Business. Based on the EV (excluding the upside component), exchange rate and pharma net debt as on March 31, 2020, the estimated equity capital investment for Investor's 20% stake in PPL would amount to ~USD 490,000,000 (United States Dollar Four Hundred Ninety Million). The final amount of equity investment will depend on, *inter alia*, the net debt, exchange rate and performance against the pre-agreed conditions at the time of closing of the Proposed Transaction, as set out in the SSA;

b. Shareholders' Agreement ('SHA') between the Company, PPL and the Investor to govern the rights and obligations of the Company and the Investor in respect of the management and control of the affairs of PPL and to provide for and regulate their *inter se* relationship. The SHA contemplates *inter alia*, customary investor protection rights including affirmative voting rights on certain identified matters to be undertaken by PPL in favour of the Investor as well as transfer restrictions on the Company and Investor in respect of their respective shareholding in PPL including a call option exercisable by the Investor in certain limited circumstances.

Pursuant to the BTA, the Company would also be executing ancillary agreements (as described in the BTA) with PPL.

Section 180(1)(a) of the Companies Act, 2013 ('Companies Act') provides that a company shall not, except with the consent of the Members by way of a Special Resolution, sell, lease, or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company. The term 'undertaking' has been defined to mean an undertaking in which the investment of the Company exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or which generates 20% of the total income of the company during the previous financial year. The expression 'substantially the whole of the undertaking' in any financial year has been defined to mean 20% or more of the value of the undertaking as per the audited balance sheet of the preceding financial year. While the Proposed Transaction is being implemented through a combination of transfer of the Business Undertaking and sale of shares under the SPAs (and is not, as such, limited to a sale of an undertaking), pursuant to the Proposed Transaction, Pharma Business of the Company will be transferred. Consummation of the Proposed Transaction is conditional, *inter alia*, upon passing of a special resolution by the shareholders of the Company pursuant to Section 180(1)(a) of the Companies Act, and approval of lenders, third parties and statutory/ governmental authorities, as set out in the Transaction Documents. Hence, the approval of the shareholders of the Company pursuant to the Section 180(1)(a) of the Companies Act is being sought.

The Board of Directors is of the opinion that the Proposed Transaction demonstrates the management's continued commitment to create sustained long term value for all stakeholders. The Proposed Transaction will further strengthen the Company's balance sheet and also mark another step towards significantly unlocking value in future.

The Audit & Risk Management Committee of the Company and the Board at their respective meetings held on June 26, 2020 have considered the terms and conditions of the Proposed Transaction and concluded the proposal to be fair and reasonable and in the best interests of the Company and its Members. Hence, the Board recommends the resolution proposed at Item No. 6, for your approval by way of a Special Resolution.

The transfer of the Pharma Business from the Company to its wholly owned subsidiary, PPL and the matters incidental thereto, are transactions between related parties which are exempt on account of being transactions with a wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval. Hence approval of the shareholders of the Company under Section 188 of Companies Act or under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not required.

Ms. Nandini Piramal, Executive Director, Mr. Peter DeYoung, CEO – Piramal Global Pharma and Mr. Vivek Valsaraj, Chief Financial Officer of the Company also serve as Non-Executive Directors on the Board of PPL.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the resolution except to the extent of their shareholding in the Company, if any.

Item No. 7

Ratification of remuneration payable to the Cost Auditors

The Board of Directors, on the recommendations of the Audit & Risk Management Committee, has approved appointment of M/s. G. R. Kulkarni & Associates, Cost Accountants, Mumbai (Registration No. 00168), as Cost Auditors for conducting cost audit of the relevant cost records of the Company for the financial year ending March 31, 2021, at a remuneration of ₹ 7 Lakhs (Rupees Seven Lakhs only) plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses.

In accordance with Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration so payable to the Cost Auditors is required to be ratified by the members of the Company. Hence, ratification from the Members is sought for the same.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval of the Members.

Item No. 8

Issue of Non-Convertible Debentures on Private Placement Basis

In terms of Sections 42 and 71 of the Companies Act, 2013 ('the Act') read with Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, in case an offer of or invitation to subscribe to Non-Convertible Debentures ('NCDs') is made by the Company on a private placement basis, the Company is required to seek the prior approval of its members by means of a Special Resolution, on an annual basis for all the offers or invitations for such NCDs during the year.

As per Circular no. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 issued by the Securities and Exchange Board of India ('SEBI'), a Large Corporate is mandatorily required to raise at least 25% of its incremental borrowing during the financial year subsequent to the financial year in which it is identified as a Large Corporate, by way of issuance of debt securities as defined under SEBI (Issue and Listing of Debt Securities) Regulations, 2008. At the end of the financial year 2019-20, the Company has been identified as a Large Corporate and accordingly the Company is required to raise at least 25% of its incremental borrowing, in the financial year 2020-21 and onwards, through issuance of debt securities.

For the purpose of availing financial assistance (including borrowings) for its business or operations, the Company may offer or invite subscription to secured/unsecured NCDs on private placement basis (within the meaning of the Section 42 of the Act) in one or more series/ tranches. Hence, the Board of Directors seeks your approval to offer or invite subscription to NCDs, within the overall borrowing limits under Section 180(1)(c) of the Act, as may be required by the Company, from time to time, for a year.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval of the Members.

Registered Office:
Piramal Ananta, Agastya Corporate Park,
Opposite Fire Brigade, Kamani Junction,
Kurla (West),
Mumbai – 400 070.
Dated: June 26, 2020

By Order of the Board

Bipin Singh
Company Secretary
ACS No.: 11777

ANNEXURE 1

Information for the Members pursuant to Section II of Part II of Schedule V to the Companies Act, 2013

I. General Information:

a. Nature of Industry: The Company is engaged in the business of pharmaceuticals and financial services.

b. Date or expected date of commencement of commercial production: The Company is in operation since 1947.

c. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

d. Financial Performance based on given indicators:

Particulars	₹ in crores
Gross Turnover & Other Income	4,918.25
Net profit as per Statement of Profit & Loss (After Tax)	144.85
Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013	826.30
Net Worth	22,627.98

e. Foreign Investments and Collaborations: At present, there are no foreign direct investments in the Company other than by way of portfolio investments. Neither is there any foreign collaboration.

II. Information about Mr. Rajesh Laddha

a. Background Details: As stated in Annexure 2 of this Notice

b. Past remuneration: Not applicable, since he is being appointed as a Whole-Time Director for the first time.

c. Recognition and Awards: None

d. Job Profile and his suitability: Mr. Rajesh Laddha has over 30 years of extensive experience in areas of Corporate Finance, Business Strategy, Mergers and Acquisitions, Corporate structuring, Investments, Corporate Governance and Taxation. He has been part of senior management team at the Piramal Group and has also contributed significantly towards the Group's Strategy and Vision, and his candidature is compatible with the organizational requirement.

e. Remuneration proposed: Details of remuneration proposed are given in the resolution in the accompanying Notice.

f. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Rajesh Laddha, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterparts in other companies.

g. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel: Besides the remuneration proposed to be paid to him, Mr. Laddha does not have any other pecuniary relationship with the Company or relationship with the other managerial personnel.

III. Other Information:

a. Reasons of loss or inadequate profits: The Company is a profit making entity and does not envisage any loss or inadequate profits in any financial year during the tenure of appointment of Mr. Rajesh Laddha. Consequent to the signing of an agreement to sell minority stake in the Pharma Business, subject to necessary approvals, the Pharma Business residing in the Company will get pushed down into a wholly owned subsidiary. Accordingly, some part of the Company's revenues and profits will be accounted in the subsidiary entity. The Company proposes to obtain approval of the Members by way of Special Resolution as a matter of abundant precaution in case profits are inadequate, to enable the Company to pay the managerial remuneration as stated in the resolution.

b. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms: On a consolidated basis the Company would continue to earn profits and hence no specific steps are required to be taken for improvement of profits, other than in the normal course of business.

c. Expected increase in productivity and profits in measurable terms: The Company would continue to pursue and implement its strategies to strengthen its financial performance.

IV. Disclosures:

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance-linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been made in the Report on Corporate Governance, which is a part of this Annual Report.

ANNEXURE 2

Details of Directors seeking appointment/re-appointment at the Annual General Meeting

(In pursuance of Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings)

Name of the Directors	**Mr. Vijay Shah***	**Mr. Rajesh Laddha**
Date of Birth (Age)	June 16, 1958 62 years	May 7, 1967 53 years
Date of first Appointment	January 1, 2012	May 11, 2020
Brief resume/expertise in specific functional areas	Mr. Vijay Shah is presently Non-Executive Director at Piramal Enterprises Limited. He is a Member of Investment Committee of IndiaRF and the Pharma Operations Board at Piramal Enterprises Limited. He is also the Director/Vice-Chairman at Piramal Glass Private Limited ('Piramal Glass'). Mr. Vijay Shah started his career in 1982 as Senior Consultant with Management Structure & Systems Private Ltd. – a management consultancy organization providing services for large organizations such as Larsen & Toubro (L&T), Siemens, etc. He joined Piramal Group's Strategic Planning function in 1988 and later moved to Piramal Glass Private Limited as Managing Director. Under his leadership, Piramal Glass's sales grew from ₹ 26 crores in FY 1992 to ₹ 238 crores in FY 2000 (CAGR of 32%). After his successful stint at Piramal Glass, he was entrusted the responsibility of Pharmaceutical formulations business at Piramal Healthcare in 1999. Under his leadership, the company moved from Rank 23 to Rank 4 in Indian Pharma industry, achieving sales of ₹ 932 crores in FY 2006 (CAGR of ~28% during his tenure). After this turnaround at Piramal Healthcare, he moved back to Piramal Glass as Managing Director in 2006.	Mr. Rajesh Laddha is currently the Group CFO of the Piramal Group and oversees the Corporate Finance, Treasury, Strategic Initiatives including M&A & Capital raising and Taxation at the Group level. Earlier, he had also served as the Managing Director (MD) and Chief Executive Officer (CEO) of Shriram Capital Limited, where he was responsible for Business strategy including growth plans, strategic initiatives including M&A for all businesses under Shriram Capital Limited. In addition, he also oversaw areas like capital allocation, group synergies and enhancement of collaboration among all stakeholders and the performance of various operating entities under Shriram Group. He has served on the Board of Vodafone India Limited earlier and is currently on the Board of Shriram Capital Limited and Allergan India Private Limited.
Qualifications	B.Com; Chartered Accountant; Management Education Programme from IIM- Ahmedabad; Advanced Management Program- Harvard Business School, Boston (USA)	MBA from University of Chicago; Chartered Accountant; Certified Public Accountant (USA); Certified Management Accountant (UK)
Directorships held in other companies (excluding foreign companies) as on March 31, 2020	1. Piramal Glass Private Limited 2. Kinnari Foundation 3. PHL Fininvest Private Limited	1. Allergan India Private Limited 2. Piramal Investment Advisory Services Private Limited 3. Shriram Capital Limited 4. India Resurgence Asset Management Business Private Limited 5. Shrilekha Business Consultancy Private Limited 6. Piramal Systems & Technologies Private Limited
Committee position held in other companies as on March 31, 2020 (Statutory Committees)	1. Piramal Glass Private Limited – Member of Corporate Social Responsibility Committee 2. PHL Fininvest Private Limited – Member of Corporate Social Responsibility Committee & Nomination and Remuneration Committee	Nil
No. of shares held	1,27,599	2,50,964
Relationship with other Directors and Key Managerial Personnel	None	None

*Other details such as number of meetings of the Board attended during the year and remuneration drawn in respect of above director is provided in the Report on Corporate Governance, which is a part of this Annual Report.

CORPORATE INFORMATION

THE BOARD OF DIRECTORS

Ajay G. Piramal, Chairman
Swati A. Piramal, Vice Chairperson
Gautam Banerjee, Independent Director
Keki Dadiseth, Independent Director
R. A. Mashelkar, Independent Director
Goverdhan Mehta, Independent Director
Anand Piramal, Non-Executive Director
Nandini Piramal, Executive Director
S. Ramadorai, Independent Director
Deepak Satwalekar, Independent Director
Vijay Shah, Non-Executive Director
N. Vaghul, Independent Director
Rajesh Laddha, Executive Director

CHIEF FINANCIAL OFFICER

Vivek Valsaraj

COMPANY SECRETARY

Bipin Singh

INFORMATION FOR SHAREHOLDERS

Registrar and Share Transfer Agent
Link Intime India Private Limited
C-101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai – 400 083
Tel.: (91 22) 4918 6000
Fax: (91 22) 4918 6060
E-mail: piramal.irc@linkintime.co.in

BANKERS

Allahabad Bank
Citibank N.A.
HDFC Bank Limited
Kotak Mahindra Bank Limited
The Hongkong & Shanghai Banking Corporation Limited
Yes Bank Limited
Standard Chartered Bank
Axis Bank Limited
State Bank of India
ICICI Bank Limited
Indusind Bank Limited
EXIM Bank
BNP Paribas Bank
Bank of Baroda
IDFC Bank
Catholic Syrian Bank

AUDITORS

Deloitte Haskins & Sells LLP

REGISTERED OFFICE

Piramal Ananta, Agastya Corporate Park,
Opposite Fire Brigade, Kamani Junction,
LBS Marg, Kurla (West), Mumbai – 400 070
Tel.: (91 22) 3802 3000/4000
Fax: (91 22) 3802 3084
Email: complianceofficer.pel@piramal.com
Website: www.piramal.com

CIN: L24110MH1947PLC005719

FORWARD-LOOKING STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe', and words of similar nature in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

Piramal

Piramal Enterprises Limited

Registered Office: Piramal Ananta, Agastya Corporate Park (Opposite Fire Brigade)
Kamani Junction, LBS Marg, Kurla (West), Mumbai - 400 070
CIN: L24110MH1947PLC005719

concept, content and design at AICL (hello@aicl.in)