Piramal
knowledge action care

28th August, 2014

The Market Operations Department, Fax No. 26598237 / 26598238
National Stock Exchange of India Limited
Exchange Plaza, 5th floor,
Plot No.C/1, G.Block
Bandra-Kurla Complex, Bandra (E)
Mumbai- 400 051.

Dear Sirs,

Sub: Your email of today – Clarification on news item in today's edition of Mint captioned 'Piramal to exit drug discovery business'

We refer to your email of today's date, in connection with the news item appearing in today's edition of Mint captioned 'Piramal to exit drug discovery business'.

The Company has only decided to scale back its investments in NCE R&D activity in Mumbai.

We would like to clarify that New Chemical Entity Research (NCE R&D) is only a part of the Company's R&D Activity, which also encompasses research in Radiopharmaceuticals, Anesthesia and Pharma Solutions, which have a relatively higher likelihood of success, as against the NCE R&D where the pipeline of projects are at early stages. The Company continues to focus on the other components of its R&D activity and the funds are proposed to be reallocated to these activities and other businesses of the Company.

Further, as part of this expenditure curtailment and reallocation of funds initiative, employees connected with NCE R&D are being offered a Voluntary Early Separation Scheme in a fair and transparent manner, which is still in process.

We trust this addresses your queries. If any further information or clarification is required, we shall be happy to provide the same.

Yours faithfully,
For Piramal Enterprises Limited

Leonard D'Souza
Company Secretary

Cc: BSE Limited, Corporate Relationship Department,
New Trading Wing, Rotunda Building,
P.J. Towers, Dalal Street, Fort, Mumbai- 400001.