PIRAMAL ENTERPRISES LIMITED CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

I. Introduction

The Securities and Exchange Board of India ("**SEBI**") has introduced the SEBI (Prohibition of Insider Trading) Regulations 2015 ('Regulations'), to put in place a framework for prohibition of insider trading in securities and pursuant to the same, the SEBI (Prohibition of Insider Trading) Regulations, 1992 would stand repealed with effect from May 14, 2015.

Regulation 8(1) of the Regulations require the Board of Directors of every company, whose securities are listed on a stock exchange, to formulate and publish on its official website, a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('Code') in line with the principles set out in the Schedule A to the Regulations.

II. Title, Commencement & Extent

This Code is called Piramal Enterprises Limited Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

This Code has been framed in compliance with the aforementioned Regulations and sets out the principles which have to be adhered to for fair disclosure of unpublished price sensitive information.

III. Definitions

In this Code, unless the context otherwise requires,

"Chief Investor Relations Officer" shall mean the officer appointed by Piramal Enterprises Limited ("**PEL**") as chief investor relations officer pursuant to Schedule A read with Regulation 8(1) of the Regulations.

"Code" means this Piramal Enterprises Limited Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, as would be modified from time to time.

"Compliance Officer" means the officer appointed under the Code of Conduct to Regulate, Monitor and Report Trading by Insiders in the Securities of PEL.

"Designated Person" shall have the meaning as specified in the Code of Conduct to Regulate, Monitor and Report Trading by Insiders in the Securities of PEL.

"Generally available information" shall have the meaning as defined in the Regulations, as per which, it means information that is accessible to the public on a non-discriminatory basis. For avoidance of doubt, the Company encourages employees and other insiders to rely on information available on the website of National Stock Exchange of India Limited / BSE Limited and the Company's website for the purposes of evaluating what information is generally available in relation to the Company and its securities.

"Regulations" mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

"SEBI" means the Securities and Exchange Board of India.

"Unpublished Price Sensitive Information or UPSI" shall have the meaning as defined in the SEBI Regulations, as per which, it means any information, relating to the Company or its securities, directly or indirectly, that is not generally available which upon becoming generally available is likely to materially affect the price of the securities and shall ordinarily include but not be restricted to information relating to :

(i) financial results;
(ii) dividends;
(iii) changes in capital structure;
(iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
(v) changes in key managerial personnel; and
(vi) material events in accordance with the listing agreement;

Words and expressions used and not defined in the Code but defined in the Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislations.

IV. Appointment of Chief Investor Relations Officer

1. Mr. Vijay Shah – Executive Director, shall be the Chief Investor Relations Officer for the purpose of this Code.

2. The Chief Investor Relations Officer shall be responsible for dissemination of information and disclosure of UPSI in terms of this Code and the Code of Conduct to Regulate, Monitor and Report Trading by Insiders in the Securities of PEL.

V. Disclosures under this Code

1. The Chief Investor Relations Officer shall ensure:

   (i) prompt public disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being in the manner set out in this Code. For the purpose of this Code, the term 'credible and concrete information' shall mean such information that is definitive and which binds PEL;

   (ii) uniform and universal dissemination of UPSI and avoid selective disclosure; and

   (iii) prompt dissemination of any UPSI that may, inadvertently or otherwise, get disclosed selectively, to ensure that such information is made generally available.

2. The Chief Investor Relations Officer shall be responsible for approving any disclosure or dissemination: (i) by way of intimation to the stock exchanges; (ii) on PEL's official website; (iii) through release of an official press release by the company, to the media; (iv) statements by official spokesperson of PEL to the media, both newspapers and news channels; and (v) in any other manner as may be decided by the Chief Investors Relations Officer.

3. Any communication to be made to the stock exchange, media outlets, including newspapers and news channels, whether in the form of Press Release or otherwise (herein collectively referred to as 'Investors Communication'), shall require the prior authorization of the Chief Investor Relations Officer. Such Investors Communication should be made in the manner and contain such information as prescribed in Standard Operating Procedure for Investors Communication in Annexure I of this Code.

4. The Chief Investor Relations Officer shall also be responsible for supervising information posted on the Investor Section of the website of PEL ('herein referred to as 'Website Content for Investors') in terms of this Code and shall give appropriate directions for the publication and retention of such information.

5. All Website Content for Investors shall require the prior authorization of the Chief Investor Relations Officer.

6. The Chief Investor Relations Officer shall have the power to constitute such teams or authorize such persons to evaluate proposed Investor Communications and Website Content for Investors before it is submitted for his review and approval. The Chief Investor Relations Officer shall also have the power to formulate such processes to be followed for preparation of Investor Communications and Website Content for Investors.

7. The Chief Investor Relations Officer shall provide reports to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors in relation to the steps taken to implement this Code.

VI. Handling UPSI

1. All employees directors, and connected persons of PEL are required to ensure that handling of all UPSI and other confidential information, is done on strictly need-to-know basis and in line with the any other applicable codes, policies and procedures of PEL, including the Code of Conduct to Regulate, Monitor and Report Trading by Insiders in the Securities of PEL.

2. In case of any concerns on the manner in, and extent to which such UPSI may be shared, such persons are requested to discuss the preferred approach with the Compliance Officer.

VII. Interaction with Research Analysts

1. The Chief Investor Relations Officer will identify the specific set of Employees, directors, Designated Persons or other insiders who can interact with research analysts and stock brokers on behalf of PEL.

2. Any person not a part of this identified list will need to be pre-authorised by the Chief Investor Relations Officer before they interact with such research analysts or stock brokers on behalf of PEL.

3. All such persons shall ensure that any information shared with analysts and stock brokers is not UPSI.

4. In order to avoid any misrepresentation or misquoting, at least two PEL representatives shall try to be present at all such meetings with analysts and stock brokers. However, in case of unplanned or unscheduled meetings, presence of two PEL representatives though desirable, shall not be mandatory.

5. Where queries are raised outside the intended scope of discussion and the PEL representative is of the view that certain responses could lead to disclosure (directly or indirectly) of UPSI, it is advisable to refrain from providing a response, taking note of the query and providing a considered response, if appropriate, at a later stage, after internal consultations.

6. All of the above principles apply to investor conferences, management meetings as well as one-on-one meetings with institutional investors.

7. The Company shall endeavour to develop best practices to make transcripts or written records of meetings with analysts and other investor relation conferences on the official website, wherever possible, to ensure official confirmation and documentation of disclosures made.

VIII. Responses to Queries on News Reports

1. The Chief Investors Relations Officer shall ensure that appropriate and fair responses are provided to queries on news reports and requests for verification of market rumours by regulatory authorities, in a timely manner.

2. All such responses on behalf of the Company shall require the prior approval of the Chief Investors Relations Officer.

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Annexure I

Standard Operating Procedure for Investors Communications

1. **Objective:**

1.1. Any information, relating to the Company or its securities, directly or indirectly, that is not generally available and which upon becoming generally available is likely to materially affect the price of its securities, shall be mandatorily disclosed to the Stock Exchanges in India prior to its dissemination to the media or any section of the public. Such information shall ordinarily include (but not restricted to) the following:

(i) financial results;
(ii) dividends;
(iii) changes in capital structure;
(iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
(v) changes in key managerial personnel; and
(vi) material events in accordance with the listing agreement.

1.2. In addition to what is stated above, all transactions that cross or is likely to cross any one of the following threshold limits, shall also be disclosed to the Stock Exchanges:

Transactions in Ordinary Course of Business

- Where any such transaction is for a consideration of or is likely to impact the Company's consolidated revenue to the extent of Rs.100 crores and above;

Transactions not in Ordinary Course of Business

- Where any such transaction is for a consideration of or is likely to impact the Company's consolidated revenue to the extent of 10% or more of the Company's consolidated revenue; or

- Where any such transaction is for a consideration of or is likely to impact the Company's consolidated Profit Before Tax to the extent of 25% or more of the Company's consolidated Profit Before Tax;

Such Transactions need to be submitted to the CIRO sufficiently in advance for finalization and dissemination to the Stock Exchanges;

Note: The terms Consolidated Revenue or Consolidated Profit Before Tax used herein shall be with reference to the latest audited Annual Financial Statement of the Company.

1.3. **Disclosures not fulfilling any of the above criteria**

Information not fulfilling any of the above criteria may be voluntarily disseminated to the media or investors without the need for disclosure to the Stock Exchanges or submission to the Investor Cell.

Approval Cell:

1. Chief Investor Relations Officer as designated by the Board
2. Concerned Business Head or Representative
3. Accounts & Finance Department Representative
4. Legal Department Representative
5. Branding & Communication Department Representative
6. Company Secretary Department Representative

Any communication to be made to the Stock Exchange, media outlets, including newspapers and news channels, whether in the form of Press Release or otherwise (herein collectively referred to as 'Investors Communication'), shall require the prior authorization of the Chief Investor Relations Officer.

The Chief Investor Relations Officer shall consider the recommendations of the Approval Cell for all such Investors Communications other than presentations to be made to analysts or any section of the public.

All Investors Communication to be made to the Stock Exchanges in India, shall contain the minimum information as set out in Appendix A of this Annexure I and such additional information as may be required by applicable regulatory requirements for the time being in force.

Further, any change to the Investor Section of the website of PEL (herein referred to as 'Investors Website Content') shall also require the prior authorization of the Chief Investor Relations Officer.

Notwithstanding anything to the contrary mentioned hereinabove, where any communication is required to be made to the Stock Exchanges in compliance with applicable regulatory requirements, such as disclosures relating to financial results, dividend and strategic proposals approved at Board Meetings, the same shall be so disclosed by the Company Secretary or the Assistant Company Secretary with the consent of the Chief Investor Relations Officer, without the need of any clearance from the Investor Cell.

Timelines

a) Any Investors Communication (other than presentations to be made to analysts) shall be submitted to the Investor Cell at least 5 working days prior to the date of the intended release and shall be kept confidential till the same becomes generally available.

b) Any query received from the Stock Exchanges seeking the Company's clarification on any news article concerning the Company or its securities, shall be clarified to the Stock Exchanges by the Chief Investor Relations Officer within 3 hours of receipt of such query. The members of the Investors Cell and the Chief Investor Relations Officer shall take all necessary steps to adhere to these timelines;

Restriction on Trading in Securities while in possession of UPSI

Where any such Investors Communication is likely to be an Unpublished Price Sensitive Information ('**UPSI**') (as defined in the Code of Conduct to Regulate, Monitor And Report Trading by Insiders in Securities of the Company ("**Insider Trading Code**") or in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("**SEBI Regulations**")), all persons who are involved in the preparation of or are privy to such Investors Communication, shall not trade in the securities of the Company till the same is released to the Stock Exchanges or as the case may be, till the transactions is cancelled or indefinitely postponed, whether or not the Trading Window is closed during such period in terms of the Insider Trading Code;

Appendix A

Disclosure Content

1. Disclosure content to report Change in General Character of Business of the Company:

- Nature of arrangements that lead to change in general character of business – whether it is technical, manufacturing, marketing or financial tie-up or by reason of the Company (and/or its units/divisions/subsidiaries), selling or disposing of or agreeing to sell or dispose of any unit or division or by the Company, enlarging, restricting or closing the operations of any unit or division or proposing to enlarge, restrict or close the operations of any unit or division or otherwise or any other reason.
- Rationale for such change in character of business.
- Benefits/impact of such change in character of business, if any.

2. Disclosure content to report disruption of operations due to natural calamity:

- If and when a natural calamity occurs disrupting some or all operations of the Company, and if such disruption is material in the judgment of the Approval Cell and the Chief Investors Relation Officer, the Company, shall, as early as is practicable, on occurrence of such event keep the Stock Exchanges informed of the occurrence of such disruptive natural calamity.
- The Company shall keep the Stock Exchanges informed of the impact of the disruptive natural calamity in terms of extent of damage caused in measurable terms like loss of production or value of assets lost/damaged, time required to restore normalcy, etc as soon as possible but not later than 15 days from the time of occurrence of the disruptive natural calamity. If for any reason the impact assessment is not completed in 15 days' time, the Company shall inform the Stock Exchanges about the status of assessment and expected date by which assessment will be completed. This disclosure shall also include whether this risk is covered by insurance and the value of insurance cover.
- The Company shall also inform the Stock Exchanges as and when the Company, in its judgment considers that normalcy is restored.

3. Disruption of operations of any one or more units or division or subsidiary of the Company due to events such as strikes, lockouts etc.

At the time of occurrence:
The Company shall disclose the impact on the production/operations in case of strikes/lock outs along with details of the Factory/unit where the strike/lock out takes place including reasons for such strike.

Periodically, till complete normalcy is restored:
a) The impact of the strike/lock out in some quantifiable terms like loss of production, loss of man-days, etc., and the steps taken for restoration of normalcy shall also be disclosed by the Company.

b) The Company shall inform the Stock Exchanges as and when strike/lock out is called off along with quantitative information on actual impact of such strike / lock out.

4. Disclosure on commencement or closure of commencement operations.

- The Company, shall inform the Stock Exchanges if and when a material commercial production or service is commenced or shut down.
- The disclosure shall also include projected financial impact with appropriate disclaimers of commencement/cessation of commercial production or services
- The Company shall issue a clarification to the Stock Exchanges if there is a material variation in the disclosures made earlier in this regard.

5. Disclosures regarding pricing/realization/profitability arising out of change in the regulatory framework:

- The Company, shall inform the Stock Exchanges about material changes in pricing/realization/profitability arising out of change in the regulatory framework.
- The disclosure may also quantify impact of such regulatory framework on the pricing/realization subject to confidentiality requirements, as determined by the Company.

6. Disclosure relating to Litigation/dispute/regulatory action with a material impact:

- The Company shall keep the Stock Exchanges informed of any litigation/dispute developments with respect to any dispute in conciliation proceedings, litigation, assessment, adjudication or arbitration to which it is a party or the outcome of which can reasonably be expected to have a material impact on its present or future operations or its profitability or financials. The Company may consider the impact of such disclosure on legal/court proceedings while making the disclosures and make the disclosure accordingly. If, the Company is of the opinion that making any such disclosure is not in the interest of the Company, disclosure may be limited to the extent of stating the occurrence of the event.
- The Company shall keep the Stock Exchanges informed of cessation/conclusion/settlement of the above said litigation/dispute along with the concluding order or concluding settlement information.

7. (i) Litigation/dispute/regulatory action with a material impact:

- The Company shall notify the Stock Exchanges upon it or its key management personnel or its promoter / ultimate person in control becoming party to any litigation, assessment, adjudication, arbitration or dispute in conciliation proceedings or upon institution of any litigation, assessment, adjudication, arbitration or dispute including any ad-interim or interim orders passed against or in favour of the Company, the outcome of which can reasonably be expected to have a material impact.

- Brief details of litigation viz. name(s) of the court/ tribunal/agency where litigation is filed, brief details of dispute/litigation and expected financial implications, if any, like compensation, penalty etc., shall also be disclosed by the Company.

7. (ii) Periodically till the litigation is concluded or dispute is resolved :-

- The details of any material change in the status and / or any material development in relation to such proceedings;
- In the event of settlement of the proceedings, details of such settlement including - material terms of the settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the listed entity.

8. Revision in Ratings:

- The Company shall promptly notify the Stock Exchanges, but not later than 24 hours, the details of any rating or revision in rating assigned to any debt or equity instrument of the Company or to any fixed deposit programme or to any scheme or proposal of the Company involving mobilization of funds whether in India or abroad provided the rating so assigned has been quoted, referred to, reported, relied upon or otherwise used by or on behalf of the Company.
- In case of downward rating, the disclosure may include reasons published by rating agency for such downward rating.

9. Disclosures relating to any other information having bearing on the operation/performance of the Company as well as price sensitive information, which includes but not restricted to:

I. Issue of any class of securities.

a) Type of securities proposed to be issued (viz. equity shares, convertibles etc.) by the Company;

b) Type of issuance (further public offering, rights issue, depository receipts (ADR/GDR), qualified institutions placement, preferential allotment, FCCB , ECB borrowings etc**);**

c) Total number of securities proposed to be issued or the total amount for which the securities will be issued (approximately);

d) In case of preferential issue the Company shall disclose the following additional details to the Stock Exchanges:

i. Issue period;

ii. Names of the investors and of those, which are promoters or promoter group entities,

iii. Post allotment of securities: -outcome of the subscription, issue price / allotted price (in case of convertibles), number of investors

iv. In case of convertibles; intimation on conversion of securities or on lapse of the tenure of the instrument;

II. Acquisition, merger, de-merger, amalgamation, restructuring, scheme of arrangement, spin off or selling divisions of the Company, delisting, redemption/ cancellation/retirement of any securities issued by the Company.

The details in this regard shall be disclosed by the Company at time of Board approval for the restructuring or approval of any committee authorized by the Board, for such purpose.

In case of acquisition / agreement to acquire, the disclosure by the Company shall contain the following information**:**

a) Name of the target entity

b) Whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof;

c) Whether the acquisition would fall within related party transactions? If yes, whether the same is done at arm's length;

d) Industry to which the entity being acquired belongs;

e) Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);

f) Brief details of any governmental or regulatory approvals required for the acquisition;

g) Indicative time period for completion of the acquisition;

h) Estimated cost of acquisition or the price at which the shares are acquired;

i) Nature of consideration - whether cash consideration or share swap and details of the same;

j) Percentage of shareholding / control acquired and / or number of shares acquired;

k) Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);

Explanation: For the purpose of the above disclosures the term 'acquisition' shall have the same meaning as defined in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

In case of an amalgamation/ Merger, disclosure by the Company shall contain the following information:

a) Name of the entity (ies) forming part of the amalgamation/merger;

b) Whether the transaction would fall within related party transactions? If yes, whether the same is done at, arm's length;

c) Area of business of the entity (ies);

d) Rationale for amalgamation/ merger;

e) In case of cash consideration amount or otherwise share entitlement/exchange ratio in relation to the amalgamation/merger; brief details of change in shareholding pattern (if any)of listed entity;

In case of a De-merger, disclosure by the Company shall contain the following information:

a) Brief details of the division to be demerged;

b) Turnover of the demerged division and as percentage to the total turnover of the listed

c) Entity in the immediately preceding financial year / based on financials of the last financial year;

d) Rationale for demerger;

e) Brief details of change in shareholding pattern (if any)of all entities;

f) In case of cash consideration – amount or otherwise share exchange ratio;

g) Whether listing would be sought for the resulting entity;

In case of a sale or disposal of unit or division or subsidiary of the Company, disclosure by the Company shall contain the following information:

a) The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the Company during the last financial year;

b) Date on which the agreement for sale has been entered into

c) The expected date of completion of sale/disposal;

d) Consideration received from such sale/disposal;

e) Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof.

f) Whether the transaction would fall within related party transactions? If yes, whether the same is done at arm's length

g) Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the Company with respect to such slump sale.

h) For the purpose of this sub-clause, "slump sale" shall mean the transfer of one or more undertakings as a result of the sale for a lump sum consideration without values being assigned to the individual assets and liabilities in such sales.

In case of any other Restructuring, disclosure by the Company shall contain the following information:

a) Details and reasons for restructuring;

b) Quantitative and/ or qualitative effect of restructuring;

c) Details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring;

d) Brief details of change in shareholding pattern (if any) of all entities;

e) Disclosure shall also include details like rationale for the scheme, the consideration involved, entities concerned in the transaction, (specifics on whether promoter / promoter

group), clarity on whether it could be classified as a related party transaction, brief background of the business, financial impact, impact on shareholdings , additional approvals required before completion of transaction, effect of restructuring of debt or capital.

III. Voluntary delisting by the Company from the Stock Exchange(s).

IV. Any action, which would result in alteration in, the terms regarding redemption/ cancellation/retirement in whole or in part of any securities issued by the Company.

V. In case of issuance of depository receipts (ADR/GDR) or FCCB the Company shall disclose following additional details to the Stock Exchange(s):

i. Name of the Stock Exchange(s) where ADR/GDR/FCCBs are listed (opening & closing status) / proposed to be listed;

ii. Existing number of ADR/GDR/FCCBs and number of holders, if any;

iii. Proposed no. of equity shares underlying the ADR/GDR or on conversion of FCCBs;

iv. Proposed date of allotment, tenure, date of maturity and coupon offered, if any of FCCB's;

v. Issue price of ADR/GDR/FCCBs (in terms of USD and in INR after considering conversion rate);

vi. Change in terms of FCCBs, if any;

vii. Details of defaults, if any, by the Company in payment of coupon on FCCBs & subsequent updates in relation to the default, including the details of the corrective measures undertaken (if any);

10. Cancellation of dividend /rights/bonus, etc.

The Company shall detail reasons for cancellation of the dividend/ rights/ bonus, etc.

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