Piramal Healthcare
knowledge action care

21st December 2011

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

Fax No. 22723121 / 22721072 / 22722037

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

Fax No. 26598237 / 26598238

Dear Sirs,

Changes in Board of Directors

We write to inform you of the following changes in the Board of Directors:

1. **Retirement of Mr. N. Santhanam**
   Mr. N. Santhanam, who is 63 years of age, will be retiring as Executive Director & Chief Operating Officer of the Company with effect from 31st December 2011.

   Mr. Santhanam joined the Company in December 2001 as Group President – Finance & Legal and Chief Financial Officer. In recognition of his contribution, he was elevated to the Board in October 2007, designated as Executive Director and Chief Financial Officer, and thereafter, in 2008, he was appointed as the Chief Operating Officer.

   Mr. Santhanam has been an important member of the Company's senior management team and closely involved in all strategic decisions. During the last ten years, he played a pivotal role in formulating and executing the strategies of the Company. Notable among his achievements were the historic sale of the Domestic Formulations Business, divestment of the Company's interests in the diagnostic business, acquisition of Pfizer's plants in the UK, and acquisition of Minrad Inc. in the US.

   The Board of Directors have acknowledged and placed on record their appreciation for Mr. Santhanam's outstanding contribution and business acumen during his tenure with the Company.

Registered Office Piramal Tower Ganpatrao Kadam Marg Lower Parel Mumbai 400 013
Wellspring Bldg 4th floor Near Peninsula Corporate Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

2. **Appointment of Mr. Vijay Shah as Executive Director & Chief Operating Officer**

Mr. Vijay Shah, who is presently the Managing Director of Piramal Glass Limited (PGL), has been inducted as a Director on the Board of the Company, as Executive Director & Chief Operating Officer, with effect from 1st January 2012, in place of Mr. N. Santhanam.

Mr. Vijay Shah was earlier the Chief Operating Officer (COO) and Whole-time Director of the Company, until April 2006, when he was appointed as the Managing Director of PGL. During his earlier tenure as COO, the Company moved from Rank 23 to Rank 4 in Indian Pharma Industry with several successful acquisitions. Sales and EBIDTA grew significantly during his tenure. Mr. Shah has also played a pivotal role in PGL, turning around its performance and significantly increasing its market cap. Mr. Shah brings with him a wealth of experience and expertise which would go a long way in growing the Company's existing business under his purview.

Consequent to his appointment as Executive Director & Chief Operating Officer in the Company, Mr. Shah shall cease to be the Managing Director of PGL. Mr Shah will however, continue to be a member of the PGL Board, as a non-executive Director, thereby facilitating continuity of leadership and ongoing strategic initiatives.

3. **Other Changes in the Board of Directors**

To facilitate the reconstitution of the Board, keeping in mind the demerger of the NCE Research business of Piramal Life Sciences Limited (PLSL) into the Company and newer business initiatives, the following other changes have been effected in the Board of Directors:

a) Mr. R.A. Shah and Mr. Y.H. Malegam

Mr. R.A. Shah and Mr. Y.H. Malegam, two of the senior-most non-executive directors on the Board of the Company, have stepped down as directors to pave way for induction of new Board members.

Mr. R.A. Shah is the senior most member of the Board, having been a director for over 33 years. The Board has been enriched by the legal acumen and business insights provided by Mr. Shah during his tenure as Director of the Company. Mr. Shah will join the Board of the Company's wholly-owned subsidiary, PHL Capital Pvt. Ltd. and would continue to provide legal advice to the Company.

Mr. Malegam, who was earlier on the Board of erstwhile Boehringer Mannhein India Limited (BMIL), was inducted on the Board of the Company, consequent to the merger of BMIL with the Company, in 1997. During his tenure, the Board of the Company has vastly benefited from Mr. Malegam's expertise and passion in accounts, taxation and corporate governance.

The Board of Directors have placed on record their appreciation and gratitude for the invaluable contributions made by these stalwarts during their tenure as members of the Board.

b) Dr. R.A. Mashelkar and Prof. Goverdhan Mehta appointed as Directors

With the NCE Research Business of PLSL now demerged into the Company, the Board was pleased to appoint Dr. R.A. Mashelkar and Prof. Goverdhan Mehta, who are reputed scientists, as Directors of the Company, in place of Mr. R.A. Shah and Mr. Y.H. Malegam.

About Dr. R.A. Mashelkar

Dr. R.A. Mashelkar, National Research Professor and CSIR Bhatnagar Fellow, is presently also the President of Global Research Alliance, a network of publicly funded R&D institutes from Asia-Pacific, Europe and USA with over 60,000 scientists.

Dr. Mashelkar served as the Director General of Council of Scientific and Industrial Research (CSIR), with thirty-eight laboratories and about 20,000 employees for over eleven years. He was also the President of Indian National Science Academy and President of Institution of Chemical Engineers (UK).

Dr. Mashelkar is only the third Indian engineer to have been elected (1998) as Fellow of Royal Society (FRS), London in the twentieth century. He was elected Foreign Associate of National Academy of Science (USA) in 2005, only the 8th Indian since 1863 to be so elected. He is the first Indian to have been elected as the Foreign Fellow of Australian Technological Science and Engineering Academy (2008). He was elected Foreign Fellow of US National Academy of Engineering (2003), Fellow of Royal Academy of Engineering, U.K. (1996), and Fellow of World Academy of Art & Science, USA (2000) and Associate Foreign Member, American Academy of Arts & Sciences (2011).

The President of India honoured Dr. Mashelkar with Padmashri (1991) and with Padmabhushan (2000), which are two of the highest civilian honours in recognition of his contribution to nation building.

Thirty universities have honoured Dr. Mashelkar with honorary doctorates, which include Universities of London, Salford, Pretoria, Wisconsin and Delhi. Dr. Mashelkar is also the recipient of over 50 reputed awards and medals.

About Prof. Goverdhan Mehta

Prof. Goverdhan Mehta is a Ph.D (Organic Chemistry) from Poona University / National Chemical Laboratory; Post-Doctoral Research, the Michigan State University and The Ohio State University USA. He is an internationally acclaimed researcher in organic chemistry with wide ranging research interests and is also actively involved in global science policy and education issues. He is presently National Research Professor and Lilly-Jubilant Chair at the University of Hyderabad and also Distinguished Research Professor at the Institute of Life Sciences, Hyderabad. He was Director of the Indian Institute

of Science, Bangalore (1998-2005), Vice Chancellor of the University of Hyderabad (1994-98) and CSIR Bhatnagar Fellow at the Indian Institute of Science (2005-2010).

Prof. Goverdhan Mehta is a fellow of several science academies including the Indian National Science Academy (FNA), Royal Society (FRS) of UK, TWAS (FTWAS) Trieste, Italy, Royal Belgian Academy and a Foreign Member of the Russian Academy of Sciences (RAS), Moscow. Among many prizes and awards he is a recipient of the Centenary Medal of the Royal Society of Chemistry (UK) and the Trieste Prize of TWAS. He has been conferred with the Padma Sri by the Government of India and the 'Chevalier de la Legion d'Honneur' by the Government of France. He is also the recipient of many other awards and prizes in the field of science as well as of numerous honorary doctorate degrees from universities in India and abroad.

Thank you.

Yours faithfully,
For Piramal Healthcare Limited

Leonard D'Souza
Company Secretary