

12<sup>th</sup> October, 2017

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

**BSE Limited**  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

**Sub: Outcome of Board Meeting**

**Ref: Amalgamation of Piramal Finance Limited and Piramal Capital Limited with Piramal Housing Finance Private Limited**

Kindly refer to our letter dated October 9, 2017 on the subject.

In accordance with Regulation 51 read with other applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the exchanges are hereby informed that the Board of Directors of the Company at its meeting held today approved the Scheme of Amalgamation of Piramal Finance Limited ("PFL") and Piramal Capital Limited ("PCL") with Piramal Housing Finance Private Limited ("PHFPL") and their respective shareholders.

PHFPL is a wholly owned subsidiary of PFL and PCL is a wholly owned subsidiary of Piramal Enterprises Limited, the holding company of PFL.

The Scheme of Amalgamation is subject to requisite statutory / regulatory approvals in India, including directions and approval of the Hon'ble National Company Law Tribunal (NCLT) and/or such other appropriate authority, as may be applicable.

The details as required under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in the specified format is enclosed herewith as an annexure.

Yours faithfully,

**For Piramal Finance Limited**

  
**Ankit Singh**  
Company Secretary



Encl: As above

**Piramal Finance Limited**

CIN : U99999MH1974PLC129493

Regd. Office : 1st Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel Mumbai - 400 013 India

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Corp. Office : Piramal Tower, B Wing, Ground Floor, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013 India

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**Annexure**

**Details of the Proposed Merger**

**1. Name of the entity(ies) forming part of the amalgamation / merger, details in brief such as, size, turnover etc. and area of business of the entity(ies)**

Transferor Companies: Piramal Finance Limited (“PFL”) and Piramal Capital Limited (“PCL”)  
 Transferee Company: Piramal Housing Finance Private Limited (‘PHFPL’)

PFL and PCL are wholly owned subsidiaries of the Company and PHFPL is a wholly owned subsidiary of PFL. PFL is majorly engaged in funding real estate developers. PHFPL is engaged in housing finance business. PCL was incorporated with the objective of carrying the business involving all types of financial and investment services.

As per the scheme, PFL and PCL will be amalgamated into PHFPL.

The details are as follows (for the year ended / as on 31<sup>st</sup> March, 2017):

Entity	Rs. in crores		
	Total Assets	Net-worth	Turnover
PCL	2.01	1.97	Nil
PFL	20,408	3,382	1,464
PHFPL	19	15	Nil

**2. Rationale for the scheme**

The merger will *inter alia* have the following advantages:

- Reduce and broaden the risk profile, leading to efficiency in use of capital for the business;
- Facilitate rapid expansion of retail housing finance business;
- Bring greater management and operational efficiency and reduce operational and administrative expenses and overheads;
- Consolidation of business and simplification of group corporate structure;

**3. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"**

The companies are related parties. As consideration for the merger, PHFPL will issue equity shares to the shareholders of PFL and PCL based on the fair value of PFL and PCL respectively. The swap ratio has been determined basis the valuation report of an independent Chartered Accountant firm. Also, a fairness opinion on the valuation report has been obtained from a Category I Merchant Banker. Accordingly, the transaction is at “arm’s length”.

**4. In case of cash consideration – amount or otherwise share exchange ratio**

The swap ratio is as follows:

**To equity shareholders of PFL:**

483 (Four Hundred and Eighty Three) fully paid up equity shares of Rs. 10/- each of PHFPL to be issued and allotted for every 100 (One Hundred) equity shares of Rs. 10/- each held in PFL

**To equity shareholders of PCL:**

1 (One) fully paid up equity share of Rs. 10/- each of PHFPL to be issued and allotted for every 5 (Five) equity shares of Rs. 2/- each held in PCL



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5. **Brief details of change in shareholding pattern (if any) of listed entity.**

Since the Company is not a party to the Scheme, there would be no change in shareholding pattern of the Company.

6. **Approvals required**

The said scheme is subject to sanction by the National Company Law Tribunal and requires approval of various regulatory authorities viz. Reserve Bank of India, National Housing Board, Regional Director, Registrar of Companies, Official Liquidator, stock exchanges (for transfer of listed NCDs), etc.



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