

PIRAMAL ENTERPRISES LIMITED
Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020
(Rs.in Crores)

Particulars	Three months ended 31/12/2020	Three months ended 30/09/2020	Corresponding three months ended 31/12/2019	Year to date figures for current period ended 31/12/2020	Year to date figures for current period ended 31/12/2019	Previous Year ended 31/03/2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	563.08	413.52	384.20	1,331.11	1,718.63	2,012.89
Other income (Net) (Refer Note 5 & 6)	22.85	20.30	147.40	72.72	390.07	665.12
Total Income	585.93	433.82	531.60	1,403.83	2,108.70	2,678.01
Expenses						
Cost of materials consumed	148.24	33.42	27.15	212.85	83.58	121.01
Purchases of stock-in-trade	97.98	-	-	97.98	-	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(80.30)	8.52	(2.96)	(68.31)	(6.19)	(15.44)
Employee benefits expense	24.90	7.51	16.89	58.59	64.08	92.72
Finance costs	254.02	345.95	376.51	887.89	1,321.13	1,710.06
Depreciation and amortisation expense	8.70	6.63	10.57	25.38	31.13	41.94
Impairment on Financial instruments (including Commitments) (Refer Note 3 (b))	(0.14)	(0.39)	32.63	0.98	18.49	327.88
Other expenses (Net) (Refer Note 5)	32.22	63.09	17.54	128.54	83.55	124.20
Total Expenses	485.62	464.73	478.33	1,343.90	1,595.77	2,402.37
Profit / (Loss) from Continuing operations Before Exceptional Item and Tax	100.31	(30.91)	53.27	59.93	512.93	275.64
Exceptional item (Refer note 7)	(258.35)	-	-	(258.35)	-	-
Profit / (Loss) Before Tax from Continuing operations	(158.04)	(30.91)	53.27	(198.42)	512.93	275.64
Tax Expense						
(1) Current tax	(7.32)	(0.93)	5.62	(9.31)	93.37	66.59
(2) Deferred tax (Net)	13.94	(3.61)	56.55	9.82	(70.66)	(61.81)
(3) Tax adjustment for earlier years (Refer Note 8)	-	-	-	-	-	385.62
Profit / (Loss) after tax from Continuing Operations (A)	(164.66)	(26.37)	(8.90)	(198.93)	490.22	(114.76)
Profit after tax from Discontinuing Operations (B) (Refer Note 2)	-	129.68	45.62	160.12	138.91	259.61
Profit / (Loss) for the period (A+B)	(164.66)	103.31	36.72	(38.81)	629.13	144.85
Other Comprehensive Income and (Expense) (OCI)						
A. Items that will not be subsequently reclassified to profit or loss						
(a) Changes in fair values of equity instruments through OCI	79.75	182.49	40.24	211.54	(929.30)	(1,359.46)
(b) Remeasurement of Post Employment Benefit Obligations	(0.86)	(0.69)	0.25	(1.54)	(1.79)	(3.21)
Income tax impact on above	0.22	0.17	(0.09)	0.39	0.61	0.81
B. Items that will be subsequently reclassified to profit or loss						
Deferred gain / (loss) on cash flow hedge from Continuing operations	(9.03)	9.53	(0.59)	7.31	(6.73)	(24.01)
Deferred loss on cash flow hedge from Discontinuing operations	-	6.08	-	6.08	-	-
Income tax impact on above	2.27	(4.47)	0.20	(3.37)	2.35	6.04
Total Other Comprehensive Income / (Expense) , Net of Tax	72.35	193.11	40.01	220.41	(934.86)	(1,379.83)
Total Comprehensive Income / (Loss), Net of Tax Expense	(92.31)	296.42	76.73	181.60	(305.73)	(1,234.98)
Paid-up Equity Share Capital (Face Value of Rs.2/- each)	45.11	45.11	39.83	45.11	39.83	45.11
Reserves (excluding Revaluation Reserves)						22,582.87
Net Worth (Refer Footnote)						20,248.25
Earnings Per Equity Share (EPS) (Face Value of Rs.2/- each) (not annualised)						
For Continuing Operations						
a) Basic EPS for the period/year (Rs.)	(6.94)	(1.11)	(0.43)	(8.39)	24.00	(5.44)
b) Diluted EPS for the period/year (Rs.)	(6.94)	(1.11)	(0.43)	(8.39)	23.92	(5.44)
For Discontinued Operations						
a) Basic EPS for the period/year (Rs.)	-	5.47	2.22	6.75	6.80	12.32
b) Diluted EPS for the period/year (Rs.)	-	5.47	2.22	6.75	6.78	12.32
For Continuing and discontinued Operations						
a) Basic EPS for the period/year (Rs.)	(6.94)	4.36	1.79	(1.64)	30.80	6.87
b) Diluted EPS for the period/year (Rs.)	(6.94)	4.36	1.79	(1.64)	30.70	6.87

Footnote:

1. Net Worth = Share Capital + Other Equity (excluding Capital Reserve)



Additional Information:

The following additional information is presented to disclose the effect on net profit after tax from Continued operations, Basic and Diluted EPS, without the effect of tax adjustment of prior years (Refer Note 8).

(Rs. in Crores)	
Particulars	Previous year ended 31/03/2020
Loss from Continuing Operations after Tax As reported in the standalone	(114.76)
Add: Impact of Tax adjustment of prior years	385.62
Adjusted Profit from Continuing Operations after Tax	270.86
Basic EPS for the period (Rs.)	
As reported in the standalone financial results	(5.44)
Add: Impact of Tax adjustment of prior years	18.30
Adjusted Basic EPS	12.86
Diluted EPS for the period (Rs.)	
As reported in the standalone financial results	(5.44)
Add: Impact of Tax adjustment of prior years	18.24
Adjusted Diluted EPS	12.80



Notes:

- The unaudited standalone financial results for the quarter and nine months ended December 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on February 11, 2021. The Statutory auditors of the Company have carried out a limited review of these results.
- The Board of Directors ('Board') of the Company at their meeting held on June 26, 2020, had inter alia, approved the sale of the major line of pharmaceutical business, ('Pharma Business'), including those held by the Company directly and through its wholly owned subsidiaries, to Piramal Pharma Limited, a subsidiary of the Company ('PPL').

This transaction was completed on October 6th, 2020 on receipt of requisite approvals. The consideration received by the Company from PPL is Rs. 4,487 crores and the excess of such consideration over the net assets, net of tax, has been transferred to capital reserve, the transaction being a common control transaction under IND AS 103 " Business Combinations"

Consequently, operations relating to the Pharma Business in respect of total income, total expenses and tax have been disclosed separately as Discontinued operations as part of the results. The previous periods have been restated in the Statement to give effect to the presentation requirements of Ind AS 105: " Non-current Assets Held for Sale and Discontinued Operations". Information related to discontinued operation is as follows:

(Rs.in Crores)

Particulars	Three months ended 30/09/2020	Corresponding three months ended 31/12/2019	Year to date figures for current period ended 31/12/2020	Year to date figures for current period ended 31/12/2019	Previous Year ended 31/03/2020
Total Income	685.34	537.17	1,157.19	1,531.78	2,240.24
Total Expenses (including Exceptional Item)	533.20	477.74	968.51	1,386.43	1,976.04
Net Profit before Tax	152.14	59.43	188.68	145.35	264.20
Tax	22.46	13.81	28.56	6.44	4.59
Net Profit after Tax	129.68	45.62	160.12	138.91	259.61

- Estimation of uncertainty relating to COVID-19 global health pandemic:

a) 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 upto the date of approval of these standalone financial results. 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 value represent the Company's best estimate of the recoverable amounts. As a result of uncertainties resulting from COVID-19 and external developments, including the final decision of the Honourable Supreme Court in relation to moratorium and other related matters, 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.

b) During the year ended March 31, 2020, the Company had 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.

- The secured listed non-convertible debentures of the Company aggregating Rs.850 crores as on December 31, 2020 are secured against specified receivables (including those relating to a wholly owned subsidiary) and/or a first ranking pari passu mortgage over Specifically Mortgaged Property.

The Asset cover on the secured listed non-convertible debentures of the Company exceeds hundred percent of the principal amount of the said debentures.

- Other Income/ Expenses (Net) includes the net effect of Foreign Exchange Gain/(Loss) :

(Rs. in Crores)

Particulars	Three months ended 31/12/2020	Three months ended 30/09/2020	Corresponding three months ended 31/12/2019	Year to date figures for current period ended 31/12/2020	Year to date figures for current period ended 31/12/2019	Previous Year ended 31/03/2020
Exchange Gain/(Loss), Net	(2.66)	(25.44)	49.14	(29.71)	118.59	215.67

- During the year ended March 31,2020:

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 Rs. 18.31 crores in relation to the divestiture of stake held by the Company directly.

- Exceptional item for the quarter and nine months ended December 31,2020 consists of transaction cost on transfer of pharma business of Rs. 258.35 crs.



Piramal Enterprises Limited

CIN : L24110MH1947PLC005719

Registered Office: Piramal Ananta, Agastya Corporate Park, Opp Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai 400 070 India
 Secretarial Dept : Ground Floor, B Block, Agastya Corporate Park, Opp. Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai, Maharashtra 400070, India
 T +91 22 3802 3084/3083/3103 F +91 22 3802 3084

piramal.com

8. 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 had recognised provision for income tax for the year ended March 31, 2020 basis the rate provided in the said Amendment Act. The Company had 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 Rs. 385.62 crores relating to the same in the year ended March 31,2020.
9. During the year ended March 31, 2020, 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 Rs. 670.40 crores from Other Comprehensive Income to Retained Earnings.
10. The Company transferred certain financial assets to wholly owned subsidiaries as detailed below.

(Rs. in Crores)

Entities	Year to date figures for current period ended 31/12/2019	Previous year ended 31/03/2020
Piramal Capital and Housing Finance Limited	1,897.09	1,897.09
PHL Fininvest Private Limited	198.18	198.18
Aggregate consideration	2,095.27	2,095.27

Accordingly, the results for nine months ended December 31, 2020 are not comparable with the results for nine months ended December 31, 2019.

11. In accordance with Ind AS 108 'Operating Segments', segment information has been given in the consolidated financial results of the Company and therefore, no separate disclosure on segment information is given in standalone financial results.

For **PIRAMAL ENTERPRISES LIMITED**



Ajay G. Piramal
Chairman

February 11, 2021, Mumbai