

PIRAMAL ENTERPRISES LIMITED
Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2021

(Rs. in Crores)

Particulars	Three months ended 30/09/21	Three months ended 30/06/2021	Corresponding Three months ended 30/09/2020	Year to date figures for current period ended 30/09/2021	Year to date figures for previous period ended 30/09/2020	Previous Year ended 31/03/21
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	3,105.52	2,908.68	3,301.84	6,014.20	6,239.18	12,809.35
Other income (Net)	128.07	102.92	37.55	230.99	103.01	363.64
Total Income	3,233.59	3,011.60	3,339.39	6,245.19	6,342.19	13,172.99
Expenses						
Cost of materials consumed	319.86	370.09	417.91	689.95	779.50	1,412.20
Purchases of stock-in-trade	260.45	263.84	109.90	524.29	226.87	664.69
Changes in inventories of finished goods, stock-in-trade and work-in-progress	49.55	(161.65)	(85.16)	(112.10)	(260.70)	(155.30)
Employee benefits expense	503.81	499.39	402.85	1,003.20	814.59	1,650.47
Finance costs	963.17	985.04	1,155.75	1,948.21	2,260.31	4,208.53
Depreciation and amortisation expense	153.38	149.08	139.36	302.46	274.00	560.88
Impairment on financial instruments (including commitments)	(65.16)	(49.31)	23.92	(114.47)	74.69	9.91
Other expenses (Net)	482.86	436.49	432.43	919.35	808.78	1,763.13
Total Expenses	2,667.92	2,492.97	2,596.96	5,160.89	4,978.04	10,114.51
Profit before share of net profit of associates and joint ventures, exceptional items and tax	565.67	518.63	742.43	1,084.30	1,364.15	3,058.48
Share of net profit of associates and joint ventures	116.51	165.34	50.24	281.85	85.17	338.43
Profit after share of net profit of associates and joint ventures before exceptional items and tax	682.18	683.97	792.67	1,366.15	1,449.32	3,396.91
Exceptional items (Refer Note 10)	(152.92)	(15.08)	39.49	(168.00)	39.49	58.86
Profit after share of net profit of associates and joint ventures and before tax	529.26	668.89	832.16	1,198.15	1,488.81	3,455.77
Tax Expense						
Current tax	105.55	184.97	70.70	290.52	123.20	377.79
Deferred tax (Net)	(2.78)	(49.87)	133.15	(52.65)	241.74	406.83
Tax adjustment for earlier years (Refer Note 11)	-	-	-	-	-	1,258.29
Profit after tax and share of net profit of associates and joint ventures	426.49	533.79	628.31	960.28	1,123.87	1,412.86
Other Comprehensive Income / (Expense) (OCI)						
A. Items that will not be reclassified to profit or loss						
Changes in fair values of equity instruments through OCI	88.84	263.66	182.50	352.50	131.80	363.31
Remeasurement of post employment benefit plans	2.33	(1.35)	(0.31)	0.98	(0.36)	(3.69)
Income tax impact on above	27.85	(8.20)	0.14	19.65	0.14	10.72
B. Items that will be subsequently reclassified to profit or loss						
Deferred gains / (losses) on cash flow hedge	(3.33)	(4.55)	16.23	(7.88)	11.67	23.31
Exchange differences on translation of financial statements of foreign operations	(36.37)	76.49	(66.97)	40.12	(62.55)	(18.01)
Gain of bargain purchase	-	-	11.69	-	11.69	7.43
Income tax impact on above	3.54	(1.27)	1.07	2.27	3.15	3.78
Total Other Comprehensive Income, net of tax expense	82.86	324.78	144.35	407.64	95.54	386.85
Total Comprehensive Income, net of tax expense	509.35	858.57	772.66	1,367.92	1,219.41	1,799.71
Profit / (Loss) attributable to:						
Owners of Piramal Enterprises Limited	419.17	539.40	628.31	958.57	1,123.87	1,332.34
Non-Controlling interests	7.32	(5.61)	-	1.71	-	80.52
Other Comprehensive Income / (Expense) attributable to:						
Owners of Piramal Enterprises Limited	90.10	312.10	144.35	402.20	95.54	376.79
Non-Controlling interests	(7.24)	12.68	-	5.44	-	10.06
Total Comprehensive Income / (Loss) attributable to:						
Owners of Piramal Enterprises Limited	509.27	851.50	772.66	1,360.77	1,219.41	1,709.13
Non-Controlling interests	0.08	7.07	-	7.15	-	90.58
Paid-up Equity Share Capital (Face Value of Rs.2/- each)	47.73	47.73	45.11	47.73	45.11	45.11
Reserves (excluding Revaluation Reserves)						33,972.85
Earnings Per Equity Share (EPS) (Face Value of Rs.2/- each) (not annualised)						
a) Basic EPS for the period/year (Rs.)	17.56	22.74	26.50	40.29	47.40	56.19
b) Diluted EPS for the period/year (Rs.)	17.52	22.54	26.26	40.06	46.97	55.68

See accompanying notes to the unaudited consolidated financial results



Additional Information:

The following additional information is presented to disclose the effect on net profit after tax and share of net profit of associates and joint ventures, Basic and Diluted EPS, without the effect of tax adjustment of prior year (Refer note 11).

Particulars	Previous Year ended 31/03/21
Profit after tax and share of net profit of associates and joint ventures attributable to owners of Piramal Enterprises Limited:	
As reported in the consolidated financial results	1,332.34
Add: Impact of Tax adjustment of prior years (Refer Note 11)	1,258.29
Adjusted Profit after tax and share of net profit of associates and joint ventures	2,590.63
Basic EPS for the year (Rs.)	
As reported in the consolidated financial results	56.19
Add: Impact of Tax adjustment of prior years (Refer Note 11)	53.06
Adjusted Basic EPS (Rs.)	109.25
Diluted EPS for the year (Rs.)	
As reported in the consolidated financial results	55.68
Add: Impact of Tax adjustment of prior years (Refer Note 11)	52.59
Adjusted Diluted EPS (Rs.)	108.27

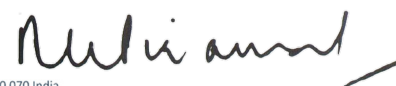


Notes:

1. The unaudited consolidated financial results for the three and six months ended September 30, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on November 11, 2021. The Statutory Auditors of the Group have carried out a limited review of these results.

2. Statement of Consolidated Assets and Liabilities:

Particulars	Rs. In Crores	
	As at	
	30/09/21 (Unaudited)	31/03/21 (Audited)
ASSETS		
1. Non-Current Assets		
(a) Property, Plant & Equipment	3,176.08	2,732.86
(b) Right-of-use assets	254.29	193.40
(c) Capital work in progress	658.35	400.84
(d) Goodwill	2,127.99	1,114.28
(e) Other Intangible Assets	2,469.26	2,522.19
(f) Intangible Assets under development	307.75	234.82
(g) Investment Property	1,334.09	1,297.63
(h) Financial Assets:		
(i) Investments		
- Investments accounted for using the equity method	4,636.80	4,316.85
- Other Investments	15,947.32	14,150.32
(ii) Loans	43,604.97	27,387.67
(iii) Other Financial Assets	557.34	519.52
(i) Deferred Tax Assets (Net)	1,401.27	937.24
(j) Other Non-Current Assets	1,495.75	1,443.82
Total Non-Current Assets	77,971.26	57,251.44
2. Current Assets		
(a) Inventories	1,543.40	1,299.23
(b) Financial Assets:		
(i) Investments	4,504.10	3,562.09
(ii) Trade Receivables	1,212.68	1,544.73
(iii) Cash & Cash Equivalents	6,026.03	5,719.01
(iv) Bank Balances other than (iii) above	2,223.84	1,305.71
(v) Loans	9,255.88	5,045.61
(vi) Other Financial Assets	1,620.65	605.99
(c) Other Current Assets	1,016.82	785.05
Total Current Assets	27,403.40	19,867.42
Total Assets	1,05,374.66	77,118.86
EQUITY AND LIABILITIES		
1. Equity		
(a) Equity Share Capital	47.73	45.11
(b) Other Equity	34,714.51	33,972.85
(c) Non-controlling interests	1,128.14	1,121.00
Total Equity	35,890.38	35,138.96
2. Liabilities		
Non-Current Liabilities		
(a) Financial Liabilities:		
(i) Borrowings	48,143.98	28,096.76
(ii) Lease Liabilities	122.52	140.39
(iii) Other Financial Liabilities	31.50	-
(b) Provisions	35.86	30.16
(c) Deferred Tax Liabilities (Net)	223.27	222.68
(d) Other Non-Current Liabilities	149.44	142.66
Total Non-Current Liabilities	48,706.57	28,632.65
Current Liabilities		
(a) Financial Liabilities:		
(i) Borrowings	13,542.11	11,272.40
(ii) Trade Payables		
Total outstanding dues of Micro enterprises and small enterprises	21.44	32.49
Total outstanding dues of creditors other than Micro enterprises and small enterprises	1,739.33	1,145.90
(iii) Lease Liabilities	148.47	47.51
(iv) Other Financial Liabilities	1,205.96	277.23
(b) Other Current Liabilities	271.35	216.10
(c) Provisions	205.66	165.88
(d) Current Tax Liabilities (Net)	3,643.39	189.74
Total Current Liabilities	20,777.71	13,347.25
Total Equity & Liabilities	1,05,374.66	77,118.86



3 Segment Wise Revenue, Results and Capital Employed
Rs. In Crores

Particulars	Three months ended 30/09/2021	Three months ended 30/06/2021	Corresponding Three months ended 30/09/2020	Year to date figures for current period ended 30/09/2021	Year to date figures for previous period ended 30/09/2020	Previous Year ended 31/03/21
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
Total Income from Operations, Net						
a. Pharmaceuticals	1,621.42	1,362.02	1,441.07	2,983.44	2,478.92	5,775.91
b. Financial services	1,484.10	1,546.66	1,860.77	3,030.76	3,760.26	7,033.44
Total Income from Operations (a + b)	3,105.52	2,908.68	3,301.84	6,014.20	6,239.18	12,809.35
2. Segment Results						
a(i). Pharmaceuticals	209.71	169.97	327.08	379.68	436.37	1,282.82
a(ii). Exceptional item (Refer note 10 (b) and (c))	-	(15.08)	(37.42)	(15.08)	(37.42)	(41.94)
a(iii). Pharmaceuticals (after exceptional item)	209.71	154.89	289.66	364.60	398.95	1,240.88
b(i). Financial services	540.53	539.31	603.72	1,079.84	1,229.86	2,400.37
b(ii). Exceptional item (Refer note 10 (d))	(142.72)	-	-	(142.72)	-	-
b(iii). Financial services (after exceptional item)	397.81	539.31	603.72	937.12	1,229.86	2,400.37
Total (a(iii) + b(iii))	607.52	694.20	893.38	1,301.72	1,628.81	3,641.25
Less: Depreciation and amortisation expense	153.38	149.08	139.36	302.46	274.00	560.88
Less: Finance costs	48.23	41.28	37.23	89.51	50.80	120.74
Add : Net unallocated income (including exceptional items (Refer note 10 (a) and 10 (e)))	6.84	(0.29)	65.13	6.55	99.63	157.71
Total Profit Before Tax and share of net profit of associates and joint ventures, after exceptional items	412.75	503.55	781.92	916.30	1,403.64	3,117.34
3. Capital Employed						
(Segment Assets - Segment Liabilities)						
a. Pharmaceuticals						
Segment Assets	12,117.04	12,238.67	9,881.85	12,117.04	9,881.85	10,972.05
Segment Liabilities	(5,737.33)	(5,843.47)	(1,921.27)	(5,737.33)	(1,921.27)	(4,695.85)
b. Financial services						
Segment Assets	91,544.30	65,372.97	64,448.74	91,544.30	64,448.74	64,347.67
Segment Liabilities	(63,335.87)	(36,925.16)	(40,353.97)	(63,335.87)	(40,353.97)	(36,856.87)
c. Unallocated						
Segment Assets	1,713.32	1,772.50	2,345.62	1,713.32	2,345.62	1,799.14
Segment Liabilities	(411.08)	(490.89)	(2,925.51)	(411.08)	(2,925.51)	(427.18)
Total Capital Employed	35,890.38	36,124.62	31,475.46	35,890.38	31,475.46	35,138.96

Pursuant to the transfer of the Pharmaceutical business to Piramal Pharma Ltd w.e.f. October 6, 2020, borrowings of Rs. 2,910.19 crores as at March 31, 2021, Rs. 3,609.19 crores as at June 30, 2021 and Rs. 3,470.95 crores as at September 30, 2021 attributable to the Pharmaceutical segment, has been reported under the Pharmaceutical segment liabilities.

Pursuant to the transfer of the Pharmaceutical business as above and acquisition of Dewan Housing Finance Limited, the Group aligned its internal financial reporting system and as a result tax assets (Rs. 2,233.39 crores as at September 30, 2021, Rs. 1,785.22 crores as at June 30, 2021, Rs. 1,736.63 crores as at March 31, 2021 and Rs. 2,963.30 crores as at September 30, 2020) and tax liabilities (Rs. 3,720.76 crores as at September 30, 2021, Rs. 239.21 as at June 30, 2021, Rs. 266.52 crores as at March 31, 2021 and Rs. 86.62 crores as at September 30, 2020) attributable to the Pharmaceutical segment and Financial Service segment, have also been reported under the Pharmaceutical segment and Financial Service segment assets and liabilities, respectively.

Note:

Segment results of Pharmaceuticals segment represent Earnings before Interest, Tax, Depreciation and Amortisation and segment results of Financial services represent Earnings before Tax, Depreciation and Amortisation.



4 Unaudited Consolidated cash flow information:

Particulars	Rs. In Crores	
	Year to date figures for current period ended 30/09/21	Year to date figures for previous period ended 30/09/20
Cash flow from operating activities		
Profit before share of net profit of associates and joint ventures, exceptional items and tax	1,084.30	1,364.15
Operating Profit before working capital changes	1,260.91	1,769.51
A. Net Cash generated from Operating Activities	3,294.28	1,730.02
B. Net cash used in Investing Activities	(3,198.80)	(1,029.82)
C. Net cash (used in)/ generated from Financing Activities	(950.47)	2,147.92
D. Effect of exchange differences on translation of foreign	(1.00)	(8.51)
Net increase in Cash and Cash equivalents (A+B+C+D)	(855.99)	2,839.61
Cash and cash equivalents (Net of Bank Overdraft) at the beginning of the period	5,581.66	2,611.58
Cash balance acquired (net of amount used for payment of consideration) (Refer notes 6 and 7)	1,173.38	0.89
Cash and cash equivalents (Net of Bank Overdraft) at the end of the period	5,899.05	5,452.08

5 Standalone Information:

Particulars	Rs. In Crores					
	Three months ended 30/09/2021	Three months ended 30/06/2021	Corresponding Three months ended 30/09/2020	Year to date figures for current period ended 30/09/2021	Year to date figures for previous period ended 30/09/2020	Previous Year ended 31/03/21
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Total Income from continuing operations	566.10	548.76	433.82	1,114.86	817.90	1,920.46
2. Total Income from discontinued operations	-	-	685.34	-	1,157.19	1,157.19
3. Profit / (Loss) before tax from continuing operations	29.35	58.99	(30.91)	88.34	(40.38)	(69.20)
4. Profit before tax from discontinued operations	-	-	152.14	-	188.68	188.68
5. Profit / (Loss) after tax from continuing operations	34.34	53.13	(26.37)	87.47	(34.27)	(120.22)
6. Profit after tax from discontinued operations	-	-	129.68	-	160.12	160.12

6 On June 22, 2021, the Company completed the acquisition of 100% stake in Hemmo Pharmaceuticals Private Limited ('Hemmo') pursuant to agreement entered on March 31, 2021 for an upfront cash consideration of Rs. 775 crores and earn-outs linked to achievement of milestones. The Company has accounted for the acquisition date values of assets and liabilities on provisional basis in accordance with Ind AS 103.

7 Vide Order dated June 7, 2021, the Mumbai bench of the Hon'ble National Company Law Tribunal ("NCLT") approved the Resolution Plan submitted by Piramal Capital & Housing Finance Limited ("PCHFL"), wholly-owned subsidiary of the Piramal Enterprises Limited, for the Corporate Insolvency resolution process of Dewan Housing Finance Limited ("DHFL") under Section 31 of the Insolvency and Bankruptcy Code, 2016. After receiving necessary approvals, PCHFL has discharged its obligation under the resolution plan by paying ₹ 34,250 crores on September 28, 2021 through cash consideration of Rs. 14,717.47 crores (of which Rs. 12,800 crores paid out of acquired cash) and issue of Debentures of Rs. 19,532.53 crores and further, pursuant to the Resolution plan, PCHFL merged into DHFL to conclude acquisition on September 30, 2021 (Implementation Date). As per Ind AS 103, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities.

8 The board of directors of the Company, at their meeting held on October 7, 2021, has inter alia, approved the composite Scheme of Arrangement under applicable provisions of the Companies Act, 2013 between Company, Piramal Pharma Limited ('PPL'), Convergence Chemicals Private Limited ('CCPL'), Hemmo Pharmaceuticals Private Limited ('HPPL'), PHL Fininvest Private Limited ('PFPL') and their respective shareholders and creditors ('Scheme'). The Scheme inter alia provides for the following:

(i) the transfer by way of demerger of the Demerged Undertaking (as set out in the Scheme) from Company to PPL, a subsidiary of PEL

(ii) the amalgamation of CCPL and HPPL (both being wholly owned subsidiaries of PPL) into PPL.

(iii) the amalgamation of PFPL (a wholly owned subsidiary of PEL) into Company ('FS Amalgamation').

The Company is in process of filing the scheme with the necessary authorities and accordingly the Implementation of the scheme is subject to the necessary approvals, sanctions and consents being obtained.

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

In assessing the recoverability of loans, receivables, investments, intangible assets and deferred tax assets, the Group has considered internal and external sources of information, including credit reports and economic forecasts up to the date of approval of these Consolidated financial results. Based on current indicators of future economic conditions, the carrying amount of these assets represent the Group's best estimate of the recoverable amounts. The extent to which the pandemic will impact future results of the Group will depend on future developments, which are highly uncertain including, among other things, any new information concerning the severity of the Covid19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Group. Given the uncertainty over the potential macroeconomic condition, the impact of the Covid-19 pandemic may be different from the ones estimated as at the date of approval of these consolidated financial results. The Group will continue to closely monitor any material changes, if any to future economic conditions, which will be given effect to in the respective future periods.

10 In the Consolidated financial results, 'Exceptional items' include:

Particulars	(Rs. in Crores)					
	Three months ended 30/09/2021	Three months ended 30/06/2021	Corresponding Three months ended 30/09/2020	Year to date figures for current period ended 30/09/2021	Year to date figures for previous period ended 30/09/2020	Previous Year ended 31/03/21
a. Mark to market gains on forward contracts taken against the inflow from equity investment from Investors in Pharma segment.	-	-	76.91	-	76.91	100.80
b. Write off of certain property plant and equipment and intangible assets under development pertaining to Mumbai R & D center	-	-	(37.42)	-	(37.42)	(37.42)
c. Transaction costs in relation to pharmaceuticals business	-	(15.08)	-	(15.08)	-	(4.52)
d. Transaction costs in relation to note 7 above	(142.72)	-	-	(142.72)	-	-
e. Transaction costs in relation to note 8 above	(10.20)	-	-	(10.20)	-	-



Piramal Enterprises Limited


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- 11 Pursuant to goodwill being taken out of the purview of tax depreciation w.e.f. April 1, 2020 by Finance Bill enacted in March 2021, the group has, during the previous year ended March 31, 2021, de-recognized deferred tax asset of Rs. 1,258.29 crores created earlier on certain tax deductible goodwill.
- 12 The results for the three and six months ended September 30,2021, to the extent described in notes 6 and 7 above, are not comparable with the results of the previous period(s)/ year presented.
- 13 Previous period(s)/ year figures have been regrouped / reclassified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 1, 2021.

For **PIRAMAL ENTERPRISES LIMITED**



Ajay G. Piramal
Chairman

November 11, 2021, Mumbai