

Piramal Enterprises Limited

Statement of Unaudited Standalone financial results for the Quarter and Half year ended 30 September 2022

(₹ in crores)

Particulars	Three months ended 30/09/2022	Three months ended 30/06/2022	Corresponding three months ended 30/09/2021	Year to date figures for current period ended 30/09/2022	Year to date figures for previous period ended 30/09/2021	Previous year ended 31/03/2022
	(Unaudited)	(Unaudited, Restated*)	(Unaudited, Restated*)	(Unaudited)	(Unaudited, Restated*)	(Audited, Restated*)
Revenue from operations						
Interest income	449.42	460.59	500.40	910.01	986.16	1,910.05
Dividend income	2.98	0.04	41.78	3.02	57.65	360.38
Fees and commission income	2.64	3.81	13.34	6.45	26.87	23.94
Net gain on fair value changes	-	-	39.03	-	131.46	424.17
Revenue from operations	455.04	464.44	594.55	919.48	1,202.14	2,718.54
Other income	20.82	11.87	25.29	32.69	36.97	101.68
Total income	475.86	476.31	619.84	952.17	1,239.11	2,820.22
Expenses						
Finance costs	150.32	230.13	337.56	380.45	659.89	1,243.37
Fees and commission expenses	6.48	3.32	1.44	9.80	5.97	40.09
Net loss on fair value changes	141.29	(63.29)	-	78.00	-	-
Net loss on derecognition of financial instruments under amortised cost category (refer note 5)	816.69	-	-	816.69	-	-
Impairment on financial instruments (refer note 5)	(51.90)	117.90	17.32	66.00	(52.76)	31.43
Employee benefits expenses	20.77	18.68	31.14	39.45	71.22	135.86
Depreciation, amortisation and impairment	6.88	5.52	5.90	12.40	10.60	22.12
Other expenses	37.64	53.19	25.95	90.83	66.08	159.91
Total expenses	1,128.17	365.45	419.31	1,493.62	761.00	1,632.78
Profit / (loss) before exceptional items and tax	(652.31)	110.86	200.53	(541.45)	478.11	1,187.44
Exceptional items net of tax (refer Notes 3 & 4)	452.30	11,459.96	(10.20)	11,912.26	(10.20)	(10.20)
Profit / (loss) before tax	(200.01)	11,570.82	190.33	11,370.81	467.91	1,177.24
Tax expense						
Current tax	154.51	17.63	27.38	172.14	101.71	175.51
Deferred tax	(304.01)	4.66	7.46	(299.35)	(4.67)	37.53
	(149.50)	22.29	34.84	(127.21)	97.04	213.04
Profit / (loss) for the period / year from continuing operations	(50.51)	11,548.53	155.49	11,498.02	370.87	964.20
Profit / (loss) for the period / year from discontinued operations	-	-	(5.23)	-	(6.54)	33.48
Profit / (loss) for the period / year	(50.51)	11,548.53	150.26	11,498.02	364.33	997.68
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Changes in fair values of equity instruments through OCI	(38.07)	(26.90)	88.84	(64.97)	352.50	(19.59)
Remeasurement of the defined benefit plan	0.22	0.08	0.17	0.30	0.03	0.05
Income tax relating to items that will not be reclassified to profit or loss	24.71	12.67	28.37	37.38	19.81	47.90
Total other comprehensive income net of tax	(13.14)	(14.15)	117.38	(27.29)	372.34	28.36
Total comprehensive income for the period / year	(63.65)	11,534.38	267.64	11,470.73	736.67	1,026.04
Paid-up Equity Share Capital (Face Value of ₹ 2/-each)	47.73	47.73	47.73	47.73	47.73	47.73
Other Equity				20,975.80	23,748.50	24,037.78
Earning per share for continuing operations	not annualised	not annualised	not annualised	not annualised	not annualised	
Basic	(2.12)	483.88	6.52	481.77	15.59	40.46
Diluted	(2.12)	483.83	6.50	481.72	15.50	40.31
Earning per share for discontinued operations						
Basic	-	-	(0.22)	-	(0.28)	1.41
Diluted	-	-	(0.22)	-	(0.27)	1.40
Earning per share for Continuing and Discontinued Operations						
Basic	(2.12)	483.88	6.30	481.77	15.31	41.87
Diluted	(2.12)	483.83	6.28	481.72	15.23	41.71

* Refer Notes 2, 3 and 4 to the accompanying results

Piramal Enterprises Limited



Statement of Unaudited Standalone financial results for the Quarter and Half year ended 30 September 2022
(₹ in crores)

Particulars	As at	
	30/09/22 (Unaudited)	31/03/22 (Audited, Restated *)
A. ASSETS		
1. Financial assets:		
(a) Cash and cash equivalents	1,121.55	1,409.90
(b) Bank balances other than cash and cash equivalents	97.08	103.23
(c) Trade Receivables	-	145.77
(d) Loans	9,099.77	10,534.87
(e) Investments	15,794.03	18,392.59
(f) Other financial assets	39.45	102.62
Total Financial assets	26,151.88	30,688.98
2. Non- financial assets:		
(a) Inventories	-	212.55
(b) Current tax assets (net)	271.32	444.44
(c) Deferred tax assets (net)	811.66	262.46
(d) Investment Property	1,335.31	1,335.31
(e) Right of use assets	13.73	23.25
(f) Property, Plant and Equipment	18.29	71.86
(g) Capital work in progress	-	3.46
(h) Intangible assets under development	2.65	3.47
(i) Other non-financial assets	85.65	139.09
Total Non- financial assets	2,538.61	2,495.89
Total Assets	28,690.49	33,184.87
B. LIABILITIES AND EQUITY		
Liabilities		
1. Financial liabilities:		
(a) Trade payables		
(i) Total outstanding dues to micro and small enterprises	5.37	10.28
(ii) Total outstanding dues to creditors other than micro and small enterprises	110.25	562.85
(b) Debt securities	3,565.10	5,318.55
(c) Borrowings (other than debt securities)	3,088.10	2,352.12
(d) Deposits	701.00	700.75
(e) Other financial liabilities	134.72	80.26
Total Financial liabilities	7,604.54	9,024.81
2. Non- financial liabilities:		
(a) Provisions	50.84	56.20
(b) Other non- financial liabilities	11.58	18.34
Total Non- financial liabilities	62.42	74.54
3. Equity		
(a) Equity share capital	47.73	47.73
(b) Other equity	20,975.80	24,037.79
Total Equity	21,023.53	24,085.52
Total Liabilities and Equity	28,690.49	33,184.87

* Refer Notes 2, 3 and 4 to the accompanying results



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Piramal Enterprises Limited

Statement of Unaudited Standalone financial results for the Quarter and Half year ended 30 September 2022

Disclosure of standalone statement of cashflow as per regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, as amended for the half year ended 30 September 2022:

Particulars	(₹ in crores)	
	Year to date figures for current period ended 30/09/2022 (Unaudited)	Year to date figures for previous period ended 30/09/2021 (Unaudited, Restated)
Cash flow from operating activities		
Profit / (loss) before exceptional items and tax from continuing operations	(541.45)	478.11
Operating cash flow before working capital changes	69.97	368.00
A. Net cash generated from operating activities	1,490.85	329.80
B. Net cash flow generated / (used in) from investing activities	33.78	(69.20)
C. Net cash flow (used in) / generated from financing activities	(1,805.19)	1,132.75
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(280.56)	1,393.35
Cash and cash equivalents		
At beginning of the period	1,402.11	1,341.52
At end of the period	1,121.55	2,734.87
Cash flow from discontinued operations included above		
Net cash used from operating activities	-	(3.98)
Net cash flow used in from investing activities	-	(4.11)



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Statement of Unaudited Standalone financial results for the Quarter and Half year ended 30 September 2022

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of Piramal Enterprises Limited ("the Company") in its meeting held on 09 November 2022 and subjected to limited review by auditors, pursuant to Regulation 33 and Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- Until the preceding quarter the Company used to prepare and present financial statements/ results as per the format prescribed in Division II of Schedule III to Companies Act, 2013. On 26 July 2022, the Company has received Certificate of Registration to carry on the business of Non-Banking Financial Institution. Hence, the Company is required to prepare and present financial statements as per the format prescribed in Division III of Schedule III to Companies Act, 2013. The figures in the statement of profit and loss and balance sheet of the previous periods in the results have been accordingly restated and reclassified to confirm to the new format.
- The composite scheme of arrangement ("the Scheme") for demerger of Pharma undertaking and merger of PHL Fininvest Private Limited, a wholly owned subsidiary company, into the Company was approved by the Hon'ble National Company Law Tribunal on 12 August 2022. Accordingly, the Scheme became operative from Appointed date i.e. 1 April 2022.

Accordingly, the previously issued standalone financial results for the quarter ended 30 June 2022 and other comparable periods have been restated to give impact of the Scheme.

- The Company has given effect to accounting as follows:

(i) Demerger of Pharma undertaking

All assets and liabilities pertaining to demerged Pharma undertaking have been classified as non-cash assets held for transfer to Piramal Pharma Limited / shareholders as on 1st April 2022 being the appointed date. The difference between book values of the assets and liabilities transferred is recognised as gains in Profit and loss account amounting to Rs. 11,459.96 crores as per the requirements of Appendix A to Ind AS 10. At the date of approval of the Scheme, the liability was subsequently remeasured resulting in remeasurement gain of Rs 759.76 crores. The corresponding aggregate charge was recognised in retained earnings (reserve) as per the requirements of the aforesaid Ind AS.

The nature of the gain (including remeasurement gain) being non-recurring in nature was classified as exceptional item by the Company. As per the requirements of Ind AS 105, the income and expense pertaining to Pharma business in the previous comparable periods were presented in a separate line item – discontinued operations.

(ii) Merger of PHL Fininvest Private Limited

All assets and liabilities of PHL Fininvest Private Limited have been recorded at book values as appearing in the financial statement after eliminating all inter-company transactions and balances. All prior period comparative information was restated to reflect per the requirements of Appendix A to Ind AS 103.

The following table represents reported numbers and restated numbers based on above paragraph

Particulars	Quarter ended				Year to date		Year Ended	
	June 30, 2022	June 30, 2022	September 30, 2021	September 30, 2021	September 30, 2021	September 30, 2021	March 31, 2022	March 31, 2022
	(Unaudited, Restated)	(Unaudited, Reported)	(Unaudited, Restated)	(Unaudited, Reported)	(Unaudited, Restated)	(Unaudited, Reported)	(Audited, Restated)	(Audited, Reported)
Total Income	476.31	556.04	619.84	566.10	1,239.11	1,114.86	2,820.22	2,693.18
PAT	11,548.53	28.08	150.26	34.34	364.33	87.47	997.68	572.28

(iii) Costs incidental / consequential to the arrangement aggregating to Rs 307.46 crores (net of tax) incurred by the Company was considered as exceptional items being non-recurring in nature.

(iv) Exceptional items includes transaction costs of Rs.10.20 crores in relation to 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').

- (a) During the quarter, pursuant to review by the Risk Management Committee, the Company's Expected Credit Loss (ECL) provisioning model and certain assumptions with respect to wholesale lending business have undergone a change, resulting in significant increase in the ECL provision.

(b) Further the Company has recognised a prudential write off in compliance to Ind AS 109 amounting to Rs 361.49 crores (included in Net loss on derecognition of financial instruments under amortised cost category in the financial results).

The same have been approved by the Board of Directors.

- The Board of Directors of the Company has recommended a firm of Chartered Accountants for appointment as Joint auditors of the Company as per the requirements of RBI Guidelines for appointment of auditors dated 27 April 2021. The Company is in the process of holding a shareholders' meeting to consider the appointment.



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- 7 Disclosure as per format prescribed under notification no. RBI/2020-21/16 DOR.No.BP. BC/3/ 21.04.048 /2020-21 for the half year ended 30 September 2022.

Type of borrower	(₹ in crores)				
	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - position as at 31 March 2022	Of (A), aggregated debt that slipped into NPA during the half year ended 30 September 2022	Of (A), amount written off during the half year ended 30 September 2022	Of (A), amount paid by the borrowers during the half year ended 30 September 2022	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 30 September 2022
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

- 8 Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-2.2 dated 24 September 2021

(a) Details of loans (not in default) acquired through assignment during the half year ended 30 September 2022

Amount of loans acquired through assignment	Rs. 1134.83 crore
Retention of beneficial economic interest	10%
Weighted average residual maturity	62 months
Weighted average holding period	24 months
Coverage of tangible security	refer note below**
Rating-wise distribution of rated loans	Unrated

** Note

For Housing Loans 100% cover
For other Unsecured Loans - Nil

(b) The company has not transferred any loan not in default through assignment during the half year ended 30 September 2022.

(c) The company has not acquired / transferred any stressed loan during the half year ended 30 September 2022.

- 9 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.
- 10 The secured listed non-convertible debentures of the Company aggregating to Rs. 2,548.52 crores as on 30 September 2022 are secured by way of first pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over the specifically mortgaged property. Further, the Company has at all times for the non-convertible debentures issued maintained asset cover as stated in the respective information memorandum which is sufficient to discharge the principal amount interest accrued thereon and such other sums as mentioned therein.
- 11 Figures for the previous period/ year have been regrouped wherever necessary, in order to make them comparable.



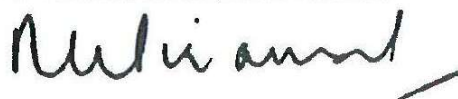
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Disclosures in terms of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sr. No.	Particulars	For the Half year ended 30/09/2022
1	Debt - Equity ratio [Debt Securities + Borrowings (other than debt securities) + Deposit + Subordinated debt] / Total Equity	0.35
2	Net Worth (Rs in crore) [Total Equity]	21,023.53
3	Net Profit after tax (Rs in crore)	11,498.02
4	Earning per share [not annualised]	
	Basic	481.77
	Diluted	481.72
5	Total debts to total assets ratio [Debt securities+Borrowings (other than debt securities)+Deposits+Subordinated debts] / Total Assets	25.63%
6	Net profit margin [loss after tax and before exceptional items / Total Income]	-43.51%
7	Sector specific equivalent ratio as applicable	
	(A) Gross NPA (Stage 3 assets gross) ratio	3.25%
	(B) Net NPA (Stage 3 assets net) ratio	0.79%

Note: Debt service coverage ratio, Interest service coverage ratio, Current ratio, Long term debt to working capital, Bad debts to Account receivable ratio, Current liability ratio, Debtors turnover, Inventory turnover, Operating margin is not applicable to the Company.

For Piramal Enterprises Limited

Ajay G. Piramal
Chairman

09 November, 2022, Mumbai

