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Independent Auditors' Review Report on Quarterly and Year to date Unaudited Standalone Financial Results pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Review report to
The Board of Directors of
Piramal Enterprises Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Piramal Enterprises Limited ("the Company") for the quarter and nine months ended December 31, 2022 attached herewith (the "Statement") being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement which is the responsibility of the Company's management and approved by the Company's Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ("Ind AS 34") "Interim Financial Reporting" prescribed under Section 133 of the Companies Act 2013 ("the Act") as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards specified under Section 133 of the Act, as amended read with relevant rules issued thereunder and other recognised accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation 33 and Regulation 52, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The Statement includes comparative unaudited financial results for the quarter and nine months ended December 31, 2021 and audited financial results for the financial year ended March 31, 2022 which were reviewed and audited by predecessor auditor whose reports dated February 10, 2022 and May 26, 2022 respectively, expressed an unmodified conclusions and opinion, on those financial results.



Above reviewed and audited financial results have been restated pursuant to:

- (a) the Company receiving the Certificate of Registration from the Reserve Bank of India, to carry on the business of non-banking financial company, the Company has prepared and presented its financial statements / results as per the format prescribed in Division III of Schedule III to Companies Act, 2013. (Refer note 2); and
- (b) the National Company Law Tribunal approval of Composite Scheme of Arrangement for demerger of Pharma undertaking and merger of PHL Fininvest Private Limited, a wholly owned subsidiary, into the Company, effective from April 1, 2022 (Refer Note 3 and 4).

The financial results for the quarter ended September 30, 2022 and restated financial results for the year ended March 31, 2022 has been reviewed by Suresh Surana & Associates LLP, Chartered Accountants, Joint auditor of the Company, who has expressed an unmodified opinion thereon vide their reports dated November 09, 2022. The reports have been relied upon by the Bagaria & Co LLP, Joint auditor of the Company, for the purpose of their review of the attached financial results.

Our conclusion on the Statement is not modified in respect of the above matters.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Reg. No. 121750W/W-100010



Santosh Maller
Partner
Membership No.: 143824
UDIN: 23143824BGQQCW1003



For Bagaria & Co LLP
Chartered Accountants
Firm Reg No: 113447W / W-100019



Rishi Bagaria
Partner
Membership No.: 145377
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Place: Mumbai
Date: February 08, 2023

Place: Mumbai
Date: February 08, 2023

Piramal Enterprises Limited
Statement of Unaudited Standalone financial results for the Quarter and Nine months ended 31 December 2022

Particulars	Three months ended 31/12/2022	Three months ended 30/09/2022	Corresponding three months ended 31/12/2021	Year to date figures for current period ended 31/12/2022	Year to date figures for previous period ended 31/12/2021	Previous year ended 31/03/2022
	(Unaudited)	(Unaudited)	(Unaudited, Restated*)	(Unaudited)	(Unaudited, Restated*)	(Audited, Restated*)
(₹ in crores)						
Revenue from operations						
Interest income	408.17	449.42	474.19	1,318.18	1,460.35	1,910.05
Dividend income	45.63	2.98	27.51	48.65	85.16	360.38
Fees and commission income	0.49	2.64	9.44	6.94	36.31	23.94
Net gain/(loss) on fair value changes (refer note 6)	3,308.92	(141.29)	218.69	3,230.92	350.15	424.17
Revenue from operations	3,763.21	313.75	729.83	4,604.69	1,931.97	2,718.54
Other income	10.70	20.82	16.76	43.39	53.73	101.68
Total Income	3,773.91	334.57	746.59	4,648.08	1,985.70	2,820.22
Expenses						
Finance costs	164.54	150.32	325.08	544.99	984.97	1,243.37
Fees and commission expenses	6.25	6.48	20.22	16.05	26.19	40.09
Net loss on derecognition of financial instruments under amortised cost category (refer note 5)	318.93	816.69	-	1,135.62	-	-
Impairment on financial instruments (refer note 5)	214.73	(51.90)	(113.23)	280.73	(165.99)	31.43
Employee benefits expenses	34.59	20.77	32.31	74.04	103.53	135.86
Depreciation, amortisation and Impairment	8.47	6.88	5.28	20.87	15.88	22.12
Other expenses	75.79	37.64	34.97	166.62	101.05	159.91
Total expenses	823.30	986.88	304.63	2,238.92	1,065.63	1,632.78
Profit / (loss) before exceptional items and tax	2,950.61	(652.31)	441.96	2,409.16	920.07	1,187.44
Exceptional Items net of tax (refer Notes 3 & 4)	-	452.30	-	11,912.22	(10.20)	(10.20)
Profit / (loss) before tax	2,950.61	(200.01)	441.96	14,321.38	909.87	1,177.24
Tax expense						
Current tax	(172.14)	154.51	74.77	-	176.48	175.51
Deferred tax (credit)/charge	230.55	(304.01)	17.86	(68.80)	13.19	37.53
	58.41	(149.50)	92.63	(68.80)	189.67	213.04
Profit / (loss) for the period / year from continuing operations	2,892.20	(50.51)	349.33	14,390.18	720.20	964.20
Profit / (loss) for the period / year from discontinued operations	-	-	22.70	-	16.16	33.48
Profit / (loss) for the period / year	2,892.20	(50.51)	372.03	14,390.18	736.36	997.68
Other comprehensive income						
(A) (i) Items that will not be reclassified to profit or loss						
Changes in fair values of equity instruments through OCI	150.80	(38.07)	(142.27)	85.83	210.23	(19.59)
Remeasurement of the defined benefit plan	1.83	0.22	0.53	2.13	0.56	0.05
Income tax relating to items that will not be reclassified to profit or loss	4.36	24.71	(6.80)	41.74	13.01	47.90
(B) (i) Items that will be reclassified to profit or loss						
Changes in fair values of debt instruments through OCI	4.72	-	-	4.72	-	-
Income tax relating to items that will be reclassified to profit or loss	(1.14)	-	-	(1.14)	-	-
Total other comprehensive income net of tax	160.57	(13.14)	(148.54)	133.28	223.80	28.36
Total comprehensive income for the period / year	3,052.77	(63.65)	223.49	14,523.46	960.16	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						24,037.78
Earning per share for continuing operations	not annualised	not annualised	not annualised	not annualised	not annualised	
Basic (₹)	121.18	(2.12)	14.64	602.95	30.24	40.46
Diluted (₹)	121.17	(2.12)	14.60	602.89	30.10	40.31
Earning per share for discontinued operations						
Basic (₹)	-	-	0.95	-	0.68	1.41
Diluted (₹)	-	-	0.95	-	0.68	1.40
Earning per share for Continuing and Discontinued Operations						
Basic (₹)	121.18	(2.12)	15.59	602.95	30.92	41.87
Diluted (₹)	121.17	(2.12)	15.55	602.89	30.78	41.71

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



Statement of Unaudited Standalone financial results for the Quarter and Nine months ended 31 December 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 8 February 2023 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.
- Upto the quarter ended June 30, 2022, 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. Accordingly, the Company has prepared and presented financial statements as per the format prescribed in Division III of Schedule III to Companies Act, 2013. The figures in the above results of the previous periods have been restated and reclassified to conform 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.

Consequently, the previously issued standalone financial results for comparable periods have been restated to give impact of the Scheme.

- In accordance with the above mentioned composite scheme of arrangement, 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	
	December 31, 2021	December 31, 2021	December 31, 2021	December 31, 2021	March 31, 2022	March 31, 2022
	(Unaudited, Restated)	(Unaudited, Reported)	(Unaudited, Restated)	(Unaudited, Reported)	(Audited, Restated)	(Audited, Reported)
Total income	746.59	702.51	1,985.70	1,817.37	2,820.22	2,693.18
Profit After Tax	372.03	168.58	736.36	256.05	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 September 2022 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. Further, considering current economic environment, additional provision of Rs 260.65 crores (including management overlay Rs. 167.35 crores) has been recognised in this quarter.

(b) Further the Company has recognised a prudential write off in compliance to Ind AS 109 amounting to Rs 185.41 crores for the quarter and Rs. 546.90 crores for the period (included in Net loss on derecognition of financial instruments under amortised cost category in the financial results).



- 6 During the current quarter, pursuant to Composite Scheme of Arrangement and Amalgamation in Shriram group, the Company received shares of Shriram Finance Limited (SFL), Shriram LI Holdings Private Limited (SLIH), Shriram GI Holdings Private Limited (SGIH) and Shriram Investment Holdings Limited (SIHL) against the shares of Shriram City Union Finance Limited (SCUF) and Shriram Business Consultancy Private Limited (Shriram). These shares have been initially recognised at Fair Value as follows :
- (a) Shares received against investment in SCUF have been recorded at fair value resulting in gain of Rs. 172.10 crores accounted in other comprehensive income.
- (b) Shares received against investment in Shriram have been recorded at fair value resulting in gain of Rs. 2,857.44 crores accounted in profit and loss.
- 7 During the current quarter, the Company has divested its stake in Piramal Holdings (Suisse) SA ('PHSA'), a non-operative, non-material wholly owned subsidiary of the Company to Commercial Enterprises & Management Co. LLC, UAE, for a consideration of Rs. 1.65 crores. Consequent to the divestment, PHSA ceases to be a wholly-owned subsidiary of the Company.

- 8 Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-2.2 dated 24 September 2022
- (a) Details of loans (not in default) acquired through assignment during the nine months ended 31 December 2022

Amount of loans acquired through	Rs. 2241.78 crores
Retention of beneficial economic interest	10%
Weighted average residual maturity	92 months
Weighted average holding period	18 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 nine months ended 31 December 2022.

- (c) Details of stressed loan transferred during the nine months ended 31 December 2022.

No. of Accounts	5
Aggregate principal outstanding of loans transferred*	662.95 crores
Weighted average residual tenor of the loans transferred	105 months
Net book value of loans transferred (at the time of transfer)	530.84 crores
Aggregate consideration	546.73 crores
Additional consideration realized in respect of accounts transferred in earlier years	Nil
Excess provision reversed	15.89 crores

*Represents value on the date of transfer in the books of the Company

Pursuant to the Reserve Bank of India circular RBI/2021-22/154 DOR.SIG.FIN.REC 84/26.03.001/2021-22 dated 10th February 22, the security receipts issued to the Company by the Asset Reconstruction Company (ARC) towards consideration for transfer of stressed loans have not been rated by the ARC since the prescribed time period of six months has not elapsed from the date of acquisition of loans by the ARC.

- (d) The Company has not acquired any stressed loan during the nine months ended 31 December 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 All the secured non-convertible debentures of the Company including those issued during the nine months ended 31 December 2022 are fully 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 security 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 Previous period/ year's figures have been regrouped/reclassified wherever necessary, to conform to current period / year's classification.




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

Sr. No.	Particulars	For the quarter ended 31/12/2022	For the nine months ended 31/12/2022
1	Debt - Equity ratio [Debt Securities + Borrowings (other than debt securities) + Deposit + Subordinated debt] / Total Equity		0.31
2	Net Worth (Rs in crore) [Total Equity]		24,076.28
3	Net Profit after tax (Rs in crore)	2,892.20	14,390.18
4	Earning per share [not annualised]		
	Basic (₹)	121.18	602.95
	Diluted (₹)	121.17	602.89
5	Total debts to total assets ratio [Debt securities+Borrowings (other than debt securities)+Deposits+Subordinated debts] / Total Assets		23.35%
6	Net profit margin [profit after tax and before exceptional items / Total Income]	76.64%	53.31%
7	Sector specific equivalent ratio as applicable		
	(A) Gross NPA ratio		4.92%
	(B) Net NPA ratio		1.33%

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 are not applicable to the Company.

For Piramal Enterprises Limited

Ajay G. Piramal
Chairman

8 February, 2023, Mumbai