

Suresh Surana & Associates LLP

Chartered Accountants
308-309, A wing,
Technopolis Knowledge Park,
Mahakali Caves Road,
Andheri (East), Mumbai- 400 093.
Maharashtra, India.

Bagaria & Co LLP

Chartered Accountants
701 Stanford, S V Road,
Andheri West,
Mumbai – 400 058
Maharashtra, India.

Independent Auditors' Review Report on Unaudited Standalone Financial Results for the Quarter and Half year ended September 30, 2023 of Piramal Enterprises Limited 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 half year ended September 30, 2023 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, the circulars, guidelines and directions issued by the Reserve Bank of India ("the RBI") from time to time ("the RBI guidelines") 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. 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, 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 of listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Suresh Surana & Associates LLP
Chartered Accountants

Firm Reg. No. 121750W /W-100010


Santosh Maller
Partner

Membership No.: 143824

UDIN: 23143824BQ0QJD1000



Place: Mumbai
Date: November 09, 2023

For Bagaria & Co. LLP
Chartered Accountants

Firm Reg. No: 113447W / W-100019


Rahul Bagaria
Partner

Membership No.: 145377

UDIN: 23145377BQRAIS4041



Place: Mumbai
Date: November 09, 2023

Piramal Enterprises Limited
Statement of Unaudited Standalone financial results for the Quarter and Half year ended 30 September 2023
(₹ in Crores)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
Revenue from operations						
Interest income	362.05	371.78	449.42	733.83	910.01	1,736.47
Dividend income	13.32	76.20	2.98	89.52	3.02	140.34
Fees and commission income	1.03	0.58	2.64	1.61	6.45	9.83
Net gain/(loss) on fair value changes (Refer Notes 7 & 8)	109.48	689.08	(141.29)	798.56	(78.00)	41.14
Other operating income (Refer Note 7)	41.35	12.75	-	54.10	-	2,857.44
Revenue from operations	527.23	1,150.39	313.75	1,677.62	841.48	4,785.22
Other income	7.10	7.96	20.82	15.06	32.69	51.91
Total income	534.33	1,158.35	334.57	1,692.68	874.17	4,837.13
Expenses						
Finance cost	151.02	201.40	150.32	352.42	380.45	711.77
Fees and commission expenses	4.19	1.15	6.48	5.34	9.80	18.09
Net loss on derecognition of financial instruments under amortised cost category	520.19	127.07	816.69	647.26	816.69	1,371.31
Impairment allowances/ (reversals) on financial instruments (Refer Note 8)	(241.54)	(8.07)	(51.90)	(249.61)	66.00	3.42
Employee benefits expenses	42.66	33.22	20.77	75.88	39.45	83.86
Depreciation, amortisation and impairment	2.52	2.41	6.88	4.93	12.40	23.00
Other expenses (Refer Note 8)	48.68	72.14	37.64	120.82	90.83	227.00
Total expenses	527.72	429.32	986.88	957.04	1,415.62	2,438.45
Profit / (loss) before exceptional items and tax	6.61	729.03	(652.31)	735.64	(541.45)	2,398.68
Exceptional items gain/(loss) net of tax (Refer Note 6)	-	-	452.30	-	11,912.26	11,912.22
Profit / (loss) before tax	6.61	729.03	(200.01)	735.64	11,370.81	14,310.90
Tax expense						
Current tax	(44.48)	74.56	154.51	30.08	172.14	-
Prior year tax	2.31	-	-	2.31	-	-
Deferred tax (credit)/charge	45.78	77.43	(304.01)	123.21	(299.35)	(22.40)
	3.61	151.99	(149.50)	155.60	(127.21)	(22.40)
Profit / (loss) for the period / year	3.00	577.04	(50.51)	580.04	11,498.02	14,333.30
Other comprehensive income						
(A) Items that will not be reclassified to profit or loss						
Changes in fair values of equity instruments through OCI (Refer Note 7)	(0.00)	(6.91)	(38.07)	(6.91)	(64.97)	108.14
Remeasurement of the defined benefit plan	(3.52)	-	0.22	(3.52)	0.30	1.37
Income tax relating to items that will not be reclassified to profit or loss	0.74	(12.84)	24.71	(12.10)	37.38	36.31
(B) Items that will be reclassified to profit or loss						
Changes in fair values of debt instruments through OCI	(0.61)	0.61	-	-	-	(0.27)
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	0.02
Total other comprehensive income net of tax	(3.39)	(19.14)	(13.14)	(22.53)	(27.29)	145.57
Total comprehensive income for the period / year	(0.39)	557.90	(63.65)	557.51	11,470.73	14,478.87
Paid-up Equity Share Capital (Face Value of ₹ 2/-each)	44.93	47.73	47.73	44.93	47.73	47.73
Other Equity						23,986.73
Earning per share						
Basic (₹)	not annualised	not annualised	not annualised	not annualised	not annualised	600.56
Diluted (₹)®	0.13	24.18	(2.12)	24.40	481.77	598.58
	0.13	24.10	(2.12)	24.21	481.72	598.58

® In view of loss for the quarter ended 30/09/2022, equity shares which are anti-dilutive have been ignored in the calculation of diluted earnings per share.


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 3083/3314/3803 F +91 22 3802 3084
piramal.com

Piramal Enterprises Limited
Statement of Unaudited Standalone financial results for the Quarter and Half year ended 30 September 2023

1 Disclosure of standalone assets and liabilities as per Regulation 33 and Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as at 30 September 2023:

(₹ in Crores)		
	As at	
	30.09.2023 (Unaudited)	31.03.2023 (Audited)
A. ASSETS		
1. Financial assets:		
(a) Cash and cash equivalents	1,223.54	1,678.22
(b) Bank balances other than cash and cash equivalents	154.02	203.28
(c) Loans	10,518.47	8,758.34
(d) Investments	13,180.47	17,435.64
(e) Other financial assets	314.77	178.10
Total Financial assets	25,391.27	28,253.58
2. Non- financial assets:		
(a) Current tax assets (net)	755.79	722.87
(b) Deferred tax assets (net)	280.47	415.80
(c) Investment Property	1,335.31	1,335.31
(d) Property, Plant and Equipment	13.46	11.77
(e) Capital Work in Progress	0.50	-
(f) Intangible assets under development	6.69	2.72
(g) Other Intangible assets	6.84	7.38
(h) Right to Use Assets	8.78	10.88
(i) Assets held for sale	2,277.54	2,277.54
(j) Other non-financial assets	62.32	66.18
Total Non- financial assets	4,747.70	4,850.45
Total Assets	30,138.97	33,104.03
B. LIABILITIES AND EQUITY		
Liabilities		
1. Financial liabilities:		
(a) Derivative financial instruments	0.59	-
(b) Trade payables		
(i) Total outstanding dues to micro and small enterprises	0.59	1.04
(ii) Total outstanding dues to creditors other than micro and small enterprises	92.37	98.21
(c) Debt securities	2,587.21	4,322.18
(d) Borrowings (other than debt securities)	5,321.13	4,322.67
(e) Deposits	10.31	70.41
(f) Other financial liabilities	178.70	69.00
Total Financial liabilities	8,190.90	8,883.51
2. Non- financial liabilities:		
(a) Current tax liabilities	138.73	128.85
(b) Provisions	87.95	56.26
(c) Other non- financial liabilities	4.37	0.95
Total Non- financial liabilities	231.05	186.06
Equity		
Equity share capital	44.93	47.73
Other equity	21,672.09	23,986.73
Total Equity	21,717.02	24,034.46
Total Liabilities and Equity	30,138.97	33,104.03



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Piramal Enterprises Limited
Statement of Unaudited Standalone financial results for the Quarter and Half year ended 30 September 2023

2 Disclosure of Standalone statement of cash flow as per Regulation 33 and Regulation 52 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, as amended for the half year ended 30 September 2023

	(₹ in Crores)	
	Half Year ended	
	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)
A. Cash flow from operating activities		
Profit/(Loss) before tax excluding exceptional items	735.64	(541.45)
Adjustments for:		
Gain on sale of mutual funds	(61.03)	(21.14)
Interest income from fixed deposits	(5.61)	(12.81)
Interest on Income tax refund	-	(8.83)
Dividend on mutual fund units	-	(3.02)
Finance costs	352.42	380.45
Finance costs - paid	(317.28)	(753.27)
Unrealised (gain)/ loss on investment in Alternate Investment Funds	14.02	(10.66)
Unrealised (gain)/ loss on investment in debentures and loans and advances	(4.34)	145.61
Unrealised (gain)/ loss on investment	101.64	-
Net loss on derecognition of financial instruments under amortised cost category	647.26	816.69
Allowance for expected credit loss on loans and loan commitments	(249.61)	66.00
Loss on sale of subsidiary/ Impairment	37.17	-
Employee Stock Option Plan expenses	6.90	-
Depreciation and amortisation	4.93	12.40
	1,262.11	69.97
Adjustments for changes in Working Capital :		
Decrease / (Increase) in Loans	(2,120.51)	406.80
Decrease / (Increase) in Investments	3,986.87	1,080.79
Decrease / (Increase) in Other financial assets	(110.71)	5.45
Decrease / (Increase) in Other non-financial assets	3.86	(5.59)
Decrease / (Increase) in Trade Receivables	-	13.00
Increase / (Decrease) in Trade payables	(6.29)	(23.34)
(Decrease) / Increase in Other financial liabilities	109.70	67.56
(Decrease) / Increase in Provisions	5.12	1.85
(Decrease) / Increase in Other non- financial liabilities	4.18	(7.18)
Cash generated from operations	3,134.33	1,609.31
Less: Income taxes paid (Net)	(65.29)	(118.46)
Net cash generated from operating activities (a)	3,069.04	1,490.85
B. Cash flow from investing activities		
Movement in property, plant & equipment, Intangible Assets, Right to Used Assets, Capital work in Progress and intangible assets under development	(8.45)	(6.42)
Investment in mutual funds	(16,485.81)	(2,388.98)
Redemption from mutual funds	16,655.32	2,414.14
Proceeds from sale of subsidiary	0.09	-
Interest income from fixed deposits	5.61	12.81
(Increase)/Decrease in Bank balances other than cash and cash equivalents	49.26	2.23
Net cash flow from investing activities (b)	216.02	33.78
C. Cash flow from financing activities		
Debts securities (repaid)/availed (net)	(1,682.77)	(1,745.01)
Borrowing availed/(repaid) (net)	910.60	727.16
Deposits (repaid)/availed (net)	(59.58)	0.25
Payment for Buy-back of Equity Shares (Including Tax on Buy Back & Expenses)	(2,168.13)	-
Dividend paid	(739.86)	(787.59)
Net cash flow used in financing activities (c)	(3,739.74)	(1,805.19)
Net increase in cash and cash equivalents (a+b+c)	(454.68)	(280.56)
Cash and cash equivalents as at beginning of the Period	1,678.22	1,409.90
Opening cash balance from discontinued operations	-	(7.79)
Cash and cash equivalents as at end of the Period	1,223.54	1,121.55



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Statement of Unaudited Standalone financial results for the Quarter and Half year ended 30 September 2023

- 3 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 9 November 2023 and subjected to limited review by joint statutory 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. The financial results of the Company have been prepared in accordance with Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other recognised accounting practices generally accepted in India along with the circulars, guidelines and direction issued by the Reserve Bank of India (RBI) from time to time.

These financial results are available on the website of the Company (www.piramal.com) and on the website of BSE limited (www.bseindia.com) and National Stock Exchange of India limited (www.nseindia.com)

- 4 The Board of Directors at its meeting held on 28 July 2023, approved buyback of equity shares of the company of up to 1,40,00,000 number of Equity Shares of face value of ₹ 2/- each representing 5.87% of the pre-buyback fully paid up equity shares at a price of ₹ 1,250 per share for an aggregating to ₹ 1,750 crores, through the tender offer route. Company extinguished those shares on 18 September 2023, and accordingly, the issued and paid up capital stands reduced by Rs. 2.80 Crores and Securities Premium by Rs. 1,747.20, respectively. Further, the Company has incurred buy back expenses of ₹ 12.91 crores, buy-back income tax of ₹ 405.22 crores and created Capital Redemption Reserve of Rs. 2.80 crores, which have been adjusted from Securities Premium account.
- 5 Subsequent to the half year ended 30 September, 2023, the Company had raised Rs.532.90 crores through public issue of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures. The same was listed on the stock exchanges on 7 November 2023.
- 6 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 Holding 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. The Company had given effect to accounting in financial year 2022 -23 as follows:

i) Demerger of Pharma undertaking:-

During the previous year, 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 1 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 ₹ 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 ₹ 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 items" by the Company.

(ii) Merger of PHL Fininvest Private Limited :-

During the previous year 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 were restated as per the requirements of Appendix A to Ind AS 103.

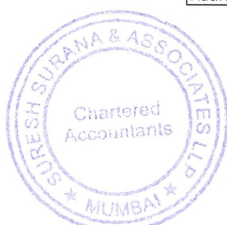
(iii) Costs incidental / consequential to the arrangement aggregating to ₹ 307.46 crores (net of tax) incurred by the Company was considered as exceptional items being non-recurring in nature.

In standalone financial results, exceptional items include :

Particulars	(₹ In Crores)		
	For Quarter ended 30/09/2022	For the half year ended 30/09/2022	For the year ended 31/03/2023
Gain on demerger of Pharma undertaking in relation to Note 6(i)	452.30	12,219.72	12,219.68
Transaction cost in relation to Note 6(ii)	-	(307.46)	(307.46)
Total	452.30	11,912.26	11,912.22

- 7 (a) Other operating income during the quarter and half year ended 30 September 2023, mainly includes recoveries made against loans / investments which were written off earlier.
- (b) During the previous year, pursuant to Composite Scheme of Arrangement and Amalgamation in Shriram group, the Company had 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 Shrelekha Business Consultancy Private Limited (Shrelekha). These shares have been initially recognised as per the requirement of Ind AS 109 as follows:
- (i) Shares received against investment in SCUF resulted in gain of ₹ 172.10 crores accounted in other comprehensive income.
- (ii) Shares received against investment in Shrelekha resulted in gain of ₹ 2,857.44 crores accounted in profit and loss.
- Further, during the quarter ended 30 June 2023, the Company had sold its entire stake in Shriram Finance Limited for a net consideration of ₹ 4,788.58 crores resulting in profit of ₹ 854.68 crores which has been recorded under "Net gain / (loss) on fair value changes".
- 8 Based on review of internal and external factors, the management has reassessed the assumptions, strategy and business model pertaining to its overall exposure in Real Estate fund management business. Accordingly, the Company has recognised impairment loss / FVTPL loss / expected credit loss aggregating to ₹ 261.21 crores during the period ended 30 September, 2023.
- 9 All the secured non-convertible debentures of the Company are fully secured by way of first pari-passu charge by hypothecation over the movable assets and specific charge over the certain receivable and investments. 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.
- 10 The Company is primarily engaged in the business of financing and accordingly there are no separate reportable segmental information as per Ind AS 108.
- 11 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 for the half year ended 30 September 2023:

Amount of loans acquired through assignment	₹ 2932.33 crores
Retention of beneficial economic interest	Note 1
Weighted average residual maturity	75 months
Weighted average holding period	30 months
Coverage of tangible security	Note 2
Rating-wise distribution of rated loans	Unrated



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Note 1

For Deals executed within the group, Retention of beneficial economic interest is Nil

For External Deals, Retention of beneficial economic interest is 10% except for Non Convertible Debenture subscribed during the period where retention of economic interest is Nil

Note 2

For HL/LAP/CMML loan/NCD - 100% cover

For other Unsecured Loans - NIL

(b) The Company has not transferred any loan (not in default) through assignment during the quarter ended 30 September 2023.

(c) Details of stressed loan transferred during the quarter ended 30 September 2023.

No of Accounts	3
Aggregate principal outstanding of loans transferred*	₹ 311.55 crores
Weighted average residual tenor of the loans transferred (in months)	60
Net book value of loans transferred (at the time of transfer)	₹ 216.83 crores
Aggregate consideration	₹ 215 crores
Additional consideration realized in respect of accounts	Nil
Excess provision reversed	-

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

(d) The Company has not acquired any stressed loan during the quarter ended 30 September 2023.

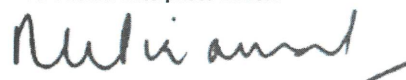
(e) Details of ratings on Security Receipts (SRs) outstanding as on 30 September 2023.

(₹ In Crores)			
Rating	Rating Agency	Recovery Rating	Amount outstanding
RR1	Infomercials Valuation and Rating Pvt Ltd	100% - 150%	429.94
	Grand Total		429.94

12 Disclosure in terms of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the quarter ended 30 September 2023 is attached as per Annexure 1.

13 Previous periods figures have been regrouped/reclassified wherever necessary, to conform to current period classification.

For Piramal Enterprises Limited



Ajay G. Piramal
Chairman

9 November 2023, Mumbai



Statement of Unaudited Standalone financial results for the Quarter and Half year ended 30 September 2023

Annexure 1

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

Sr. No.	Particulars	For the quarter ended 30/09/2023	For the half year ended 30/09/2023
1	Debt - Equity ratio [Debt Securities + Borrowings (other than debt securities) + Deposit + Subordinated debt] / Net Worth		0.43
2	Outstanding redeemable preference shares (quantity and Value)		Nil
3	Debenture Redemption Reserve		Nil
4	Capital Redemption Reserve		64.53
5	Net Worth (₹ in Crores)		18,598.57
6	Net Profit after tax (₹ in Crores)	3.00	580.04
7	Earning per share	not annualised	
	Basic (₹)	0.13	24.40
	Diluted (₹)	0.13	24.21
8	Total debts to total assets ratio [Debt securities+Borrowings (other than debt securities)+Deposits+Subordinated debts] / Total Assets		26.27%
9	Net profit margin [Profit After Tax / Total Income]	0.56%	34.27%
10	Sector specific equivalent ratio as applicable		
	(A) Gross NPA (Stage 3 assets gross) ratio		1.54%
	(B) Net NPA (Stage 3 assets net) ratio		0.69%

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.

Nishi Anand

