

PIRAMAL ENTERPRISES LIMITED
Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE THREE MONTHS AND YEAR ENDED MARCH 31, 2022

(Rs. in Crores)

Particulars	Three months ended 31/03/2022	Three months ended 31/12/2021	Corresponding Three months ended 31/03/2021	For the year ended March 31, 2022	For the year ended March 31, 2021
	(Refer Note 16)	(Unaudited)	(Refer Note 16)	(Audited)	(Audited)
Revenue from operations	4,162.94	3,816.16	3,401.56	13,993.30	12,809.35
Other income (Net) (Refer Note 14)	238.09	251.03	164.42	720.11	363.64
Total Income	4,401.03	4,067.19	3,565.98	14,713.41	13,172.99
Expenses					
Cost of materials consumed	335.29	310.53	269.57	934.05	1,412.20
Purchases of stock-in-trade	398.62	296.72	304.77	1,603.46	664.69
Changes in inventories of finished goods, stock-in-trade and work-in-progress	106.37	(18.68)	123.73	(6.52)	(155.30)
Employee benefits expense	612.31	519.50	424.77	2,135.01	1,650.47
Finance costs	1,237.44	1,294.22	936.49	4,479.87	4,208.53
Depreciation and amortisation expense	190.46	172.86	145.28	665.78	560.88
Impairment on financial instruments (including commitments)	817.46	(6.92)	(76.86)	696.07	9.91
Other expenses (Net)	716.60	545.06	577.71	2,181.01	1,763.13
Total Expenses	4,414.55	3,113.29	2,705.46	12,688.73	10,114.51
Profit / (Loss) before share of net profit of associates and joint ventures, exceptional items and tax	(13.52)	953.90	860.52	2,024.68	3,058.48
Share of net profit of associates and joint ventures	187.95	183.08	105.86	652.88	338.43
Profit after share of net profit of associates and joint ventures before exceptional items and tax	174.43	1,136.98	966.38	2,677.56	3,396.91
Exceptional items (Refer Note 12)	-	-	-	(168.00)	58.86
Profit after share of net profit of associates and joint ventures and before tax	174.43	1,136.98	966.38	2,509.56	3,455.77
Tax Expense					
Current tax	306.32	337.93	193.35	934.77	377.79
Deferred tax (Net)	(282.42)	(88.91)	25.13	(423.98)	406.83
Tax adjustment for earlier years (Refer Note 13)	-	-	1,258.29	-	1,258.29
Profit / (Loss) after tax and share of net profit of associates and joint ventures	150.53	887.96	(510.39)	1,998.77	1,412.86
Other Comprehensive Income / (Loss) (OCI)					
A. Items that will not be reclassified to profit or loss					
Changes in fair values of equity instruments through OCI	(230.62)	(142.27)	151.77	(20.39)	363.31
Remeasurement of post employment benefit plans	(1.09)	1.07	(0.98)	0.96	(3.69)
Income tax impact on above	35.04	(6.98)	9.95	47.71	10.72
B. Items that will be subsequently reclassified to profit or loss					
Deferred gains on cash flow hedge	27.79	1.47	4.20	21.38	23.31
Exchange differences on translation of financial statements of foreign operations	65.92	5.34	16.50	111.38	(18.01)
Gain of bargain purchase	-	-	-	-	7.43
Share of other comprehensive income/ (expense) of joint ventures accounted for using the equity method	(77.27)	-	-	(77.27)	-
Income tax impact on above	(12.56)	(0.54)	0.07	(10.83)	3.78
Total Other Comprehensive (Loss) / Income, net of tax expense	(192.79)	(141.91)	181.51	72.94	386.85
Total Comprehensive Income / (Loss), net of tax expense	(42.26)	746.05	(328.88)	2,071.71	1,799.71
Profit / (Loss) attributable to:					
Owners of Piramal Enterprises Limited	109.46	855.08	(571.21)	1,923.11	1,332.34
Non-Controlling interests	41.07	32.88	60.82	75.66	80.52
Other Comprehensive Income / (Loss) attributable to:					
Owners of Piramal Enterprises Limited	(206.82)	(142.31)	179.78	53.07	376.79
Non-Controlling interests	14.03	0.40	1.73	19.87	10.06
Total Comprehensive Income / (Loss) attributable to:					
Owners of Piramal Enterprises Limited	(97.36)	712.77	(391.43)	1,976.18	1,709.13
Non-Controlling interests	55.10	33.28	62.55	95.53	90.58
Paid-up Equity Share Capital (Face Value of Rs.2/- each)	47.73	47.73	45.11	47.73	45.11
Reserves (excluding Revaluation Reserves)				35,441.40	33,972.85
Earnings Per Equity Share (EPS) (Face Value of Rs.2/- each) (not annualised for the quarters)					
a) Basic EPS for the period/year (Rs.)	4.59	35.83	(24.09)	80.70	56.19
b) Diluted EPS for the period/year (Rs.)	4.58	35.74	(24.09)	80.40	55.68

See accompanying notes to the consolidated financial results



Nishi Anand

Piramal Enterprises Limited

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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 13).

Particulars	Three months ended 31/03/2021	For the year ended March 31, 2021
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	(571.21)	1,332.34
Add: Impact of Tax adjustment of prior years (Refer Note 13)	1,258.29	1,258.29
Adjusted Profit after tax and share of net profit of associates and joint ventures	687.08	2,590.63
Basic EPS for the year (Rs.)		
As reported in the consolidated financial results	(24.09)	56.19
Add: Impact of Tax adjustment of prior years (Refer Note 13)	53.06	53.06
Adjusted Basic EPS (Rs.)	109.25	109.25
Diluted EPS for the year (Rs.)		
As reported in the consolidated financial results	(24.09)	55.68
Add: Impact of Tax adjustment of prior years (Refer Note 13)	52.81	52.59
Adjusted Diluted EPS (Rs.)	28.72	108.27



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Notes:

1. The consolidated financial information for the quarter and year ended March 31, 2022 have been taken on record by the Board of Directors at its meeting held on May 26, 2022.
The statutory auditors have expressed an unqualified review conclusion on the financial results for the quarter ended March 31, 2022 and have expressed an unqualified audit opinion on the financial results for the year ended March 31, 2022. These Consolidated financial results have been extracted from the consolidated financial information.

2. Statement of Consolidated Assets and Liabilities:

Particulars	Rs. In Crores	
	As at	
	31/03/22 (Audited)	31/03/21 (Audited)
ASSETS		
1. Non-Current Assets		
(a) Property, Plant & Equipment	3,322.41	2,732.86
(b) Right-of-use assets	314.72	193.40
(c) Capital work in progress	676.61	400.84
(d) Goodwill	1,294.70	1,114.28
(e) Other Intangible Assets	2,866.33	2,522.19
(f) Intangible Assets under development	511.42	234.82
(g) Investment Property	1,335.31	1,297.63
(h) Financial Assets:		
(i) Investments		
- Investments accounted for using the equity method	5,732.69	4,316.85
- Other Investments	16,242.24	14,150.32
(ii) Loans	40,339.89	27,387.67
(iii) Other Financial Assets	250.94	519.52
(i) Deferred Tax Assets (Net)	1,367.91	937.24
(j) Other Non-Current Assets	1,305.27	1,443.82
Total Non-Current Assets	75,560.44	57,251.44
2. Current Assets		
(a) Inventories	1,533.01	1,299.23
(b) Financial Assets:		
(i) Investments	2,881.59	3,562.09
(ii) Trade Receivables	1,621.23	1,544.73
(iii) Cash & Cash Equivalents	6,440.16	5,719.01
(iv) Bank Balances other than (iii) above	744.59	1,305.71
(v) Loans	8,978.04	5,045.61
(vi) Other Financial Assets	1,070.42	605.99
(c) Other Current Assets	1,043.43	785.05
Total Current Assets	24,312.47	19,867.42
Total Assets	99,872.91	77,118.86
EQUITY AND LIABILITIES		
1. Equity		
(a) Equity Share Capital	47.73	45.11
(b) Other Equity	35,441.40	33,972.85
(c) Non-controlling interests	1,347.78	1,121.00
Total Equity	36,836.91	35,138.96
2. Liabilities		
Non-Current Liabilities		
(a) Financial Liabilities:		
(i) Borrowings	43,778.36	28,096.76
(ii) Lease Liabilities	163.55	140.39
(iii) Other Financial Liabilities	2.43	-
(b) Provisions	45.82	30.16
(c) Deferred Tax Liabilities (Net)	192.20	222.68
(d) Other Non-Current Liabilities	153.76	142.66
Total Non-Current Liabilities	44,336.12	28,632.65
Current Liabilities		
(a) Financial Liabilities:		
(i) Borrowings	11,672.64	11,272.40
(ii) Trade Payables		
Total outstanding dues of Micro enterprises and small enterprises	53.29	32.49
Total outstanding dues of creditors other than Micro enterprises and small	1,642.80	1,145.90
(iii) Lease Liabilities	88.41	47.51
(iv) Other Financial Liabilities	1,167.10	277.23
(b) Other Current Liabilities	284.59	216.10
(c) Provisions	160.97	165.88
(d) Current Tax Liabilities (Net)	3,630.08	189.74
Total Current Liabilities	18,699.88	13,347.25
Total Equity & Liabilities	99,872.91	77,118.86



Audited

Notes:

3 Segment Wise Revenue, Results and Capital Employed

Particulars	Rs. In Crores				
	Three months ended 31/03/2022 (Refer Note 16)	Three months ended 31/12/2021 (Unaudited)	Corresponding Three months ended 31/03/2021 (Refer Note 16)	For the year ended March 31, 2022 (Audited)	For the year ended March 31, 2021 (Audited)
1. Segment Revenue					
Total Income from Operations, Net					
a. Pharmaceuticals	2,139.15	1,578.05	1,923.35	6,700.64	5,775.91
b. Financial services	2,023.79	2,238.11	1,478.21	7,292.66	7,033.44
Total Income from Operations (a + b)	4,162.94	3,816.16	3,401.56	13,993.30	12,809.35
2. Segment Results					
a(i). Pharmaceuticals	478.39	348.32	550.51	1,206.39	1,282.82
a(ii). Exceptional item (Refer note 12 (b) and (c))	-	-	-	(15.08)	(41.94)
a(iii). Pharmaceuticals (after exceptional item)	478.39	348.32	550.51	1,191.31	1,240.88
b(i). Financial services	(282.39)	823.20	486.31	1,620.65	2,400.37
b(ii). Exceptional item (Refer note 12 (d))	-	-	-	(142.72)	-
b(iii). Financial services (after exceptional item)	(282.39)	823.20	486.31	1,477.93	2,400.37
Total (a(iii) + b(iii))	196.00	1,171.52	1,036.82	2,669.24	3,641.25
Less: Depreciation and amortisation expense	190.46	172.86	145.28	665.78	560.88
Less: Finance costs	54.14	50.29	39.08	193.94	120.74
Add : Net unallocated income (including exceptional items (Refer note 12 (a) and 12 (e)))	35.08	5.53	8.06	47.16	157.71
Total Profit Before Tax and share of net profit of associates and joint ventures, after exceptional items	(13.52)	953.90	860.52	1,856.68	3,117.34
3. Capital Employed (Segment Assets - Segment Liabilities)					
a. Pharmaceuticals					
Segment Assets	12,900.40	12,424.56	10,972.05	12,900.40	10,972.05
Segment Liabilities	(6,166.66)	(5,979.24)	(4,695.85)	(6,166.66)	(4,695.85)
b. Financial services					
Segment Assets	85,814.59	90,945.98	64,347.67	85,814.59	64,347.67
Segment Liabilities	(56,524.72)	(62,076.43)	(36,856.87)	(56,524.72)	(36,856.87)
c. Unallocated					
Segment Assets	1,157.92	1,774.55	1,799.14	1,157.92	1,799.14
Segment Liabilities	(344.63)	(389.46)	(427.18)	(344.63)	(427.18)
Total Capital Employed	36,836.91	36,699.96	35,138.96	36,836.91	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. 3,731.12 crores as at December 31, 2021 and Rs. 4,020.35 crores as at March 31, 2022 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. 2,032.87 crores as at March 31, 2022, Rs. 2,169.49 crores as at December 31, 2021 and Rs. 1,736.63 crores as at March 31, 2021) and tax liabilities (Rs. 3,705.38 as at March 31, 2022, Rs. 3,709.19 crores as at December 31, 2021 and Rs. 266.52 crores as at March 31, 2021) 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:

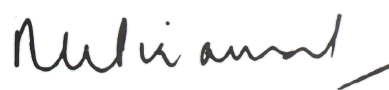
Segment results of Pharmaceuticals segment represent Earnings before Interest, Tax, Depreciation and Amortisation and segment results of Financial services represent Earnings before Tax, Depreciation and Amortisation.



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4. Consolidated Cash Flow Statement for the year ended March 31, 2022

	Year Ended March 31, 2022 Rs. in Crores	Year Ended March 31, 2021 Rs. in Crores
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before share of net profit of associates and joint ventures, exceptional items and tax from Continuing operations	2,024.68	3,058.48
Loss before tax from discontinued operations		-
Adjustments for :		
Depreciation and amortisation expense	665.78	560.88
Provision written back	(114.24)	(4.71)
Finance Costs attributable to other than financial services operations	194.64	142.67
Interest Income on Current Investments, Loans and bank deposits	(36.81)	(39.34)
Measurement of financial assets at FVTPL	265.49	69.43
Loss/ (Gain) on Sale of Property Plant and Equipment	(1.58)	1.89
Loss / (Profit) on Sale on Non - Current Investment	(128.26)	10.13
Gain on conversion of joint venture into subsidiary	-	(26.31)
Amortisation of grants & Other deferred income	(39.53)	(28.75)
Fair Value gain on Contingent Consideration	-	(162.08)
Property, Plant & Equipment written off	-	3.43
Provision for Inventories	45.74	8.45
Impairment on financial instruments (including commitments)	696.07	9.91
Trade Receivables written off and Expected Credit Loss on Trade Receivables	12.03	9.48
Interest on income tax refund	(6.56)	-
Provision for Doubtful Advances	-	78.96
Unrealised foreign exchange loss	97.03	24.71
Operating Profit Before Working Capital Changes	3,674.48	3,717.23
Adjustments For Changes In Working Capital :		
Adjustments for (increase) / decrease in operating assets		
- Trade receivables	(56.08)	(238.57)
- Other Current Assets	(137.97)	20.78
- Other Non Current Assets	4.31	6.05
- Other Financial Assets - Non Current	235.52	66.15
- Other Financial Assets - Loans - Non Current	7,175.99	3,736.05
- Inventories (including development rights)	(253.18)	(231.24)
- Other Financial Assets - Current	527.14	(0.30)
- Other Financial Assets - Loans - Current	(1,583.91)	(845.47)
- Amounts realised from Debentures and Alternate Investment Funds (Net)	(368.83)	516.62
- Amounts invested in Mutual Funds	311.26	(2,139.29)
Adjustments for increase / (decrease) in operating liabilities		
- Trade Payables	144.42	183.95
- Non - Current provisions	15.28	(38.86)
- Other Current Financial Liabilities	57.69	9.32
- Other Current Liabilities	45.06	47.50
- Current provisions	(26.73)	(1.01)
- Other Non-current Financial Liabilities	(4.25)	4.30
- Other Non-current Liabilities	15.42	2.50
- Interest accrued	(147.18)	(391.36)
Cash Generated from Operations	9,628.44	4,424.35
- Taxes Paid (Net of Refunds)	(878.85)	(759.81)
Net Cash Generated from Operating Activities	8,749.59	3,664.54
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Purchase of Property Plant and Equipment / Intangible Assets	(958.42)	(595.18)
Proceeds from Sale of Property Plant and Equipment / Intangible Assets	36.47	4.94
Payments for acquisition of Investment property	(37.68)	(1,297.63)
Interest Received	36.81	36.55
Bank balances not considered as Cash and cash equivalents		
- Fixed deposits placed	(5,225.31)	(13,425.48)
- Matured	6,499.10	12,516.14
Other Bank Balances	53.12	-
(Investment in)/ sale of investment held at FVTOCI	-	(600.29)
Purchase of investment measured at FVTPL	-	(2.74)
Proceeds from sale of Associate	-	21.74
Dividend from Associates / Joint Ventures	286.03	164.04
Investment in Associate / Joint Venture	(283.47)	(14.99)
Redemption from Associated / Joint Ventures	168.40	-
Loan repaid by Joint Venture	-	7.75
Consideration paid to DHFL (net of cash acquired) (Refer Note 8)	(1,918.00)	-
Amount paid on acquisition of subsidiaries	(790.75)	(197.39)
Receipt of deferred cash consideration	-	600.29
Proceeds of asset (held for sale)	-	10.00
Net Cash (Used in)/ Generated from Investing Activities	(2,133.70)	(2,772.25)
Exceptional Items		
- Transaction cost paid	(92.48)	-
Net Cash (Used in) / From Investing Activities from Operations	(2,226.18)	(2,772.25)

4. Consolidated Cash Flow Statement for the year ended March 31, 2022

	Year Ended March 31, 2022 Rs. in Crores	Year Ended March 31, 2021 Rs. in Crores
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Non - Current Borrowings [Excludes Exchange Fluctuation Loss of Rs. 123.49 Crores (Previous Year Gain Rs. 57.39 Crores) on reinstatement of Foreign Currency Loan]		
- Receipts	7,370.75	20,631.79
- Payments	(13,297.67)	(19,551.44)
Proceeds from Current Borrowings [Excludes Exchange Fluctuation Loss of Rs. 2.61 Crores (Previous Year Gain Rs. 3.64 Crores) on reinstatement of Foreign Currency Loan]		
- Receipts	11,134.08	21,068.14
- Payments	(11,303.09)	(22,745.02)
Lease payments		
- Principal	(70.19)	(52.03)
- Interest	(12.96)	(14.77)
Proceeds from Compulsorily Convertible Debentures Issue	-	-
Proceeds from Compulsorily Convertible Preference share Issue	-	75.00
Coupon Payment on Compulsorily Convertible Debentures	(80.00)	(160.19)
Proceeds from Right Issue	199.67	-
Amount received towards issue of shares to NCI, net of transaction cost	-	3,146.59
Gains on forward contracts taken against the inflow from equity investment from Investors in Pharma segment	-	100.80
Finance Costs Paid (other than those attributable to financial services operations)	(130.97)	(111.54)
Dividend Paid	(797.59)	(315.75)
Net Cash Generated from / (Used in) Financing Activities	(6,987.97)	2,071.58
Net Increase in Cash & Cash Equivalents [(A)+(B)+(C)]	(464.56)	2,963.87
Cash and Cash Equivalents as at April 1	5,581.65	2,611.58
Add: Effect of exchange fluctuation on cash and cash equivalents	(2.05)	(4.22)
Add: Cash balance acquired	1,166.59	10.42
Cash and Cash Equivalents as at March 31	6,281.63	5,581.65
Cash and Cash Equivalents Comprise of :		
Cash on Hand	5.88	0.16
Balance with Scheduled Banks in Current Accounts	2,884.60	5,163.76
Fixed Deposit with original maturity of less than 3 months	3,549.68	555.09
Bank Overdraft	(158.53)	(137.36)
	6,281.63	5,581.65

Notes:

- 1 During the year, Company has allotted 1,15,89,400 equity shares (face value of Rs. 2 each) pursuant to the conversion of 1,15,894 Compulsorily Convertible Debentures.



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5 Standalone Information:

Particulars	Rs. In Crores				
	Three months ended 31/03/2022	Three months ended 31/12/2021	Corresponding Three months ended 31/03/2021	For the year ended March 31, 2022	For the year ended March 31, 2021
	(Refer Note 16)	(Unaudited)	(Refer Note 16)	(Audited)	(Audited)
1. Total Income from continuing operations	875.81	702.51	516.63	2,693.18	1,920.46
2. Total Income from discontinued operations	-	-	-	-	1,157.19
3. Profit / (Loss) before tax from continuing operations	360.60	192.17	129.22	641.11	(69.20)
4. Profit before tax from discontinued operations	-	-	-	-	188.68
5. Profit / (Loss) after tax from continuing operations	316.23	168.58	78.71	572.28	(120.22)
6. Profit after tax from discontinued operations	-	-	-	-	160.12

6 On June 22, 2021, the Group 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 in accordance with Ind AS 103.

7 On December 20, 2021, the Group has entered into agreements and acquired 27.78% stake in Yapan Bio Private Limited ('Yapan') for an investment of Rs. 101.77 crores (cash consideration). The Group has accounted for the acquisition in accordance with Ind AS 28. The impact on the consolidated financial results for the quarter and year ended March 31, 2022 is not material. On April 4, 2022, the Company has acquired a further stake of 5.55% in Yapan for an investment of Rs. 20.35 crores (Cash consideration) and thus the aggregate stake in Yapan is 33.33%.

8 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).

The business combination has been treated as reverse acquisition for financial reporting purposes in accordance with Ind AS 103, with PCHFL as the accounting acquirer and DHFL as the accounting acquiree / legal acquirer. Accordingly, these financials issued represent the continuation for the financials of PCHFL (accounting acquirer) and reflects the assets and liabilities of PCHFL measured at their pre-acquisition carrying value and acquisition date fair value of the identified assets acquired and liabilities taken over with respect to DHFL. Merged financial statements are issued in the name of Piramal Capital and Housing Finance Limited (formerly known as Dewan Housing Finance Limited).

Details in respect of business combination is as follows:

(Rs. In Crores)

Sr	Particulars	Amount
A	Consideration transferred	
	Cash (including acquired cash of Rs. 12,800 crores)	14,717.47
	Fair value of Debentures	19,123.53
	Total consideration (A)	33,841.00
B	Assets and liabilities recognized as a result of reverse acquisition (measured at fair value)	34,013.00
C	Gain on bargain purchase (A-B)	172.00

The acquisition date fair value of accounting acquiree's identifiable assets and liabilities under the reverse acquisition are based on independent valuations obtained by the Company.

Based on opinions obtained from legal and tax experts, the above-mentioned fair value of net assets includes contingent liabilities of Rs. 3,347 cr pertaining to income tax obligation of DHFL for the financial years ended March 31, 2020, recognized pursuant to uncertain tax positions relating to DHFL as on the implementation date. Further, based on such expert opinions, net deferred tax assets potentially amounting to Rs. 6,209 crores relating to the fair value adjustments considered above have presently not been recognized due to uncertainty associated with allowability of such adjustments. The Fair value of assets also includes Investment in a Jointly controlled entity which is currently being litigated and where the Company expects a favorable outcome of the proceedings.

9 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 has filed the scheme with the necessary authorities and accordingly the Implementation of the scheme is subject to the necessary approvals, sanctions and consents being obtained.



10 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.

11 Pursuant to the RBI circular dated November 12, 2021 "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications", the Company has implemented the requirements and aligned its definition of default accordingly. Such alignment has not resulted in significant impact of additional non-performing assets as at March 31, 2022.

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

Particulars	(Rs. in Crores)				
	Three months ended 31/03/2022	Three months ended 31/12/2021	Corresponding Three months ended 31/03/2021	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Mark to market gains on forward contracts taken against the inflow from equity investment from Investors in	-	-	-	-	100.80
b. Write off of certain property plant and equipment and intangible assets under development pertaining to Mumbai R & D center	-	-	-	-	(37.42)
c. Transaction costs in relation to pharmaceuticals business	-	-	-	(15.08)	(4.52)
d. Transaction costs in relation to note 8 above	-	-	-	(142.72)	-
e. Transaction costs in relation to note 9 above	-	-	-	(10.20)	-

13 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.

14 Other income for the three months and year ended March 31, 2022 mainly comprise of interest on bank deposits, gain on sale of mutual fund investments, exchange gain, dividend income and settlement of claims.

15 The results read with the notes thereon for the three months and year ended March 31, 2022, to the extent described in notes 6, 7 and 8 above, are not comparable with the results of the previous period(s)/ year presented.

16 The statement includes the results for the quarter ended March 31, 2022 and March 31, 2021 being the balancing figure of audited figures in respect of full financial year and the published year to date figures upto the third quarter of the respective financial years.

17 A Dividend of Rs.33 per equity share (face value of Rs. 2/- each) has been recommended by the Board of Directors which is subject to approval of Shareholders.

18 Previous year's figures have been regrouped/reclassified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 01, 2021.



May 26, 2022, Mumbai

For **PIRAMAL ENTERPRISES LIMITED**

Ajay G. Piramal
Chairman