

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF CONSOLIDATED INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF PIRAMAL ENTERPRISES LIMITED

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **PIRAMAL ENTERPRISES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the profit/(loss) of its joint ventures and associates for the three months and nine months ended December 31, 2017 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. 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 Statement is free of material misstatement. A review is limited primarily to inquiries of Parent's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the entities included in Annexure 'I' to this report.
4. Based on our review conducted as stated above and based on the consideration of the review reports of the other auditors 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 the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the interim financial information of 26 subsidiaries included in the unaudited consolidated financial results, whose interim financial information reflect total

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revenues of Rs. 1,993.51 crores and Rs. 5,226.41 crores for the three months and nine months ended December 31, 2017, respectively, and total profit after tax of Rs. 385.08 crores and Rs.858.67 crores and total comprehensive income of Rs.333.05 crores and Rs.833.03 crores for the three months and nine months ended December 31, 2017, respectively, as considered in the consolidated unaudited financial results. The unaudited consolidated financial results also includes the Group's share of profit after tax of Rs.43.57 crores and Rs.161.30 crores for the three months and nine months ended December 31, 2017, respectively, as considered in the unaudited consolidated financial results, in respect of one joint venture and associate, whose interim financial information has not been reviewed by us. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.

Our report on the Statement is not modified in respect of these matters.

6. The unaudited consolidated financial results includes the interim financial information of 27 subsidiaries which have not been reviewed or audited by their auditors, whose interim financial information reflect total revenues of Rs.141.13 crores and Rs.452.98 crores for the three months and nine months ended December 31, 2017, respectively, and total loss after tax of Rs.90.96 crores and Rs.159.34 crores and total comprehensive loss of Rs.147.40 crores and Rs.243.57 crores for the three months and nine months ended December 31, 2017, respectively, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of profit after tax of Rs.7.23 crores and Rs.26.38 crores for the three months and nine months ended December 31, 2017, respectively, as considered in the unaudited consolidated financial results, in respect of three associates and two joint ventures, based on their interim financial information which have not been reviewed or audited by their auditors. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our report on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)



Rupen K. Bhatt
Partner
(Membership No. 46930)

MUMBAI, January 30, 2018

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ANNEXURE I TO THE INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

(Referred to in paragraph 3 under Independent Auditor's Report of even date)

Sr. No. List of Subsidiaries

- 1 PHL Fininvest Private Limited
- 2 Searchlight Health Private Limited
- 3 Piramal International
- 4 Piramal Holdings (Suisse) SA
- 5 Piramal Imaging SA
- 6 Piramal Imaging GmbH
- 7 Piramal Imaging Limited
- 8 Piramal Critical Care Italia, SPA
- 9 Piramal Critical Care Deutschland GmbH
- 10 Piramal Critical Care Limited
- 11 Piramal Healthcare (Canada) Limited
- 12 Piramal Healthcare UK Limited
- 13 Piramal Critical care Pty Ltd, Australia
- 14 Piramal Healthcare Pension Trustees Limited
- 15 Piramal Critical Care South Africa (PTY) Ltd, South Africa
- 16 Piramal Dutch Holdings N.V.
- 17 Piramal Healthcare Inc.
- 18 Piramal Critical Care Inc.
- 19 Piramal Pharma Inc.
- 20 Piramal Pharma Solutions Inc., USA
- 21 Piramal Critical care BV, Netherlands
- 22 PEL Pharma Inc
- 23 Ash Stevens LLC, USA
- 24 DRG Holdco Inc
- 25 Piramal IPP Holdings LLC
- 26 Decision Resources Inc.
- 27 Decision Resources International Inc.
- 28 DR/ Decision Resources LLC
- 29 Millennium Research Group Inc.
- 30 Decision Resources Group Asia Limited
- 31 DRG UK Holdco Limited
- 32 Decision Resources Group UK Limited

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33	Sigmatic Limited
34	Activate Networks Inc.
35	DRG Analytics & Insights Private Limited
36	DRG Singapore Pte. Ltd
37	Piramal Dutch IM Holdco B.V.
38	PEL-DRG Dutch Holdco B.V.
39	Piramal Fund Management Private Limited
40	Piramal Finance Limited
41	Piramal Housing Finance Private Limited
42	Piramal Investment Advisory Services Private Limited
43	Piramal Investment Opportunities Fund
44	Indiareit Investment Management Company
45	Piramal Asset Management Private Limited
46	Piramal Systems & Technologies Private Limited
47	Piramal Technologies SA
48	PEL Finhold Private Limited
49	PEL Asset Resurgence Advisory Private Limited
50	Piramal Consumer Products Private Limited
51	Piramal Capital Ltd
52	Context Matters Inc.
53	Sharp Insights Ltd. t/a Walnut Medical

Sr. No. **List of Associates**

1	Bluebird Aero Systems Limited
2	Piramal Phytocare Limited
3	Allergan India Private Limited
4	Shriram Capital Limited

Sr. No. **List of Joint Ventures**

1	Shrilekha Business Consultancy Private Limited
2	Convergence Chemicals Private Limited
3	India Resurgence ARC Private Limited

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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 NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. in Crores)

Particulars	Three months ended 31/12/2017	Three months ended 30/09/2017	Corresponding Three months ended 31/12/2016	Year to date figures for current period ended 31/12/2017	Year to date figures for previous period ended 31/12/2016	Previous year ended 31/03/2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	2,858.36	2,535.86	2,341.74	7,648.29	6,084.11	8,546.75
Other Income (Net)	63.79	75.39	52.08	223.02	147.43	233.75
Total Income	2,922.15	2,611.25	2,393.82	7,871.31	6,231.54	8,780.50
Expenses						
Cost of Materials Consumed	353.85	285.83	198.60	889.09	814.81	1,122.02
Purchase of Stock-in-Trade	44.89	106.86	120.30	225.76	194.46	268.64
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(66.62)	(13.87)	31.96	(110.77)	(55.83)	10.44
Excise Duty	-	-	10.58	8.32	31.39	43.10
Employee benefits expense	542.24	458.14	459.66	1,429.45	1,312.15	1,793.87
Finance Costs	749.72	724.71	590.63	2,147.66	1,441.26	2,030.98
Depreciation and amortisation expense	109.99	129.33	110.11	362.23	260.16	381.70
Other Expenses, Net	536.62	429.01	435.65	1,427.36	1,320.34	1,809.54
Total Expenses	2,270.69	2,120.01	1,957.49	6,379.10	5,318.74	7,460.29
Profit Before Exceptional Items and Tax	651.46	491.24	436.33	1,492.21	912.80	1,320.21
Exceptional Items (Refer Note 6)	-	-	(1.81)	-	(1.81)	(9.95)
Profit before Tax	651.46	491.24	434.52	1,492.21	910.99	1,310.26
Tax Expense						
(1) Current Tax (including tax expense of prior years)	187.63	199.03	226.39	562.02	276.37	485.46
(2) Deferred Tax, net	24.16	(9.28)	(150.63)	(58.43)	(151.43)	(257.34)
Net Profit after tax	439.67	301.49	358.76	988.62	786.05	1,082.14
Share of profit / (loss) of associates and joint ventures	50.80	82.11	45.32	187.68	155.32	169.90
Net Profit after tax and share of profit / (loss) of associates and joint ventures	490.47	383.60	404.08	1,176.30	941.37	1,252.04
Other Comprehensive Income and (Expense) (OCI)						
A. Items that will not be subsequently reclassified to profit or loss						
(a) Changes in fair values of equity instruments through OCI	995.49	(89.33)	(902.94)	745.35	(0.33)	846.35
(b) Remeasurement of Post Employment Benefit Plans	(0.74)	1.19	(1.22)	(4.55)	(5.04)	(3.03)
Less: Income Tax Impact on above	0.27	(0.42)	(1.00)	1.58	0.69	1.41
B. Items that will be subsequently reclassified to profit or loss						
(a) Hedging Reserve	0.19	5.68	(3.77)	6.73	(3.77)	4.70
(b) Exchange differences on translation of foreign operations	(130.93)	81.44	54.59	(31.28)	12.26	(217.48)
Less: Income Tax Impact on above	20.14	(28.71)	(2.02)	(37.12)	(2.02)	49.94
Other Comprehensive Income / (Expense) (OCI) for the period, net of tax expense	884.42	(30.15)	(856.36)	680.71	1.79	681.89
Total Comprehensive Income / (Expense) for the period	1,374.89	353.45	(452.28)	1,857.01	943.16	1,933.93
Net Profit attributable to:						
Owners of Piramal Enterprises Limited	490.92	384.00	404.08	1,177.54	941.37	1,252.33
Non-Controlling interests	(0.45)	(0.40)	-	(1.24)	-	(0.29)
Other comprehensive income is attributable to:						
Owners of Piramal Enterprises Limited	884.42	(30.15)	(856.36)	680.71	1.79	681.89
Non-Controlling interests	-	-	-	-	-	-
Total comprehensive income is attributable to:						
Owners of Piramal Enterprises Limited	1,375.34	353.85	(452.28)	1,858.25	943.16	1,934.22
Non-Controlling interests	(0.45)	(0.40)	-	(1.24)	-	(0.29)
Paid-up Equity Share Capital (Face Value Rs.2/- each)	34.56	34.51	34.51	34.56	34.51	34.51
Earnings Per Equity Share (EPS) (of Rs.2/- each) (not annualised)						
a) Basic and diluted EPS before extraordinary items for the period (Rs.)	26.35	22.25	23.42	66.47	54.55	72.57
b) Basic and diluted EPS after extraordinary items for the period (Rs.)	26.35	22.25	23.42	66.47	54.55	72.57



Piramal Enterprises Limited
(Formerly Known as Piramal Healthcare Limited)
CIN : L24110MH1947PLC005719

Registered Office: Piramal Ananta, Agastya Corporate Park, Opp Fire Brigade, Kamani Junction, LBS Mag, Kurla (West), Mumbai 400 070 India

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Segment Wise Revenue, Results, Assets, Liabilities and Capital Employed

(Rs. in Crores)

Particulars	Three months ended 31/12/2017	Three months ended 30/09/2017	Corresponding Three months ended 31/12/2016	Year to date figures for current period ended 31/12/2017	Year to date figures for previous period ended 31/12/2016	Previous year ended 31/03/2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
Total Income from Operations, Net						
a. Pharmaceuticals	1,074.59	1,094.22	975.68	3,086.66	2,736.40	3,972.87
b. Financial services	1,315.92	1,185.93	902.30	3,586.09	2,352.31	3,351.50
c. Healthcare Insights & Analytics	467.85	255.71	463.76	975.54	995.40	1,222.38
Total	2,858.36	2,535.86	2,341.74	7,648.29	6,084.11	8,546.75
Less: Inter Segment revenue	-	-	-	-	-	-
Total Income from Operations	2,858.36	2,535.86	2,341.74	7,648.29	6,084.11	8,546.75
2. Segment Results						
a. Pharmaceuticals	185.65	259.57	98.86	583.21	317.86	592.82
b. Financial services	546.15	472.76	342.73	1,464.66	887.14	1,283.67
c. Healthcare Insights & Analytics	148.76	20.11	190.54	193.64	224.56	214.26
Total	880.56	752.44	632.13	2,241.51	1,429.56	2,090.75
Less: Depreciation	109.99	129.33	110.11	362.23	260.16	381.70
Less: Finance Cost (unallocated)	136.08	144.15	114.41	428.43	306.15	436.50
Add : Unallocated Income / (Net of unallocated cost)	16.97	12.28	26.91	41.36	47.74	37.71
Total Profit / (Loss) Before Tax	651.46	491.24	434.52	1,492.21	910.99	1,310.26
3. Capital Employed						
(Segment Assets - Segment Liabilities)						
a. Pharmaceuticals						
Segment Assets	8,240.78	7,978.80	6,466.09	8,240.78	6,466.09	7,086.32
Segment Liabilities	(2,178.33)	(2,170.53)	(982.37)	(2,178.33)	(982.37)	(1,565.22)
b. Financial services						
Segment Assets	46,961.13	40,827.72	30,606.91	46,961.13	30,606.91	33,003.70
Segment Liabilities	(31,788.98)	(30,421.70)	(21,270.24)	(31,788.98)	(21,270.24)	(22,478.04)
c. Healthcare Insights & Analytics						
Segment Assets	5,403.51	5,331.30	5,630.66	5,403.51	5,630.66	5,846.02
Segment Liabilities	(448.70)	(418.54)	(516.21)	(448.70)	(516.21)	(1,086.20)
d. Unallocated						
Segment Assets	2,450.78	2,484.70	2,069.69	2,450.78	2,069.69	2,303.31
Segment Liabilities	(7,915.39)	(8,681.34)	(8,099.52)	(7,915.39)	(8,099.52)	(8,227.32)
Total Capital Employed	20,724.80	14,930.41	13,905.01	20,724.80	13,905.01	14,882.57

Note:

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



Notes:

1 The Consolidated financial results for the three months and nine months ended December 31, 2017, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on January 30, 2018. The statutory auditors, Deloitte Haskins & Sells LLP have issued an unqualified review conclusion. Consolidated financial results for the three months and nine months ended December 31, 2016 and year ended March 31, 2017 were reviewed/audited by the previous auditors - Price Waterhouse.

2 Standalone Information
(Rs. in Crores)

Particulars	Three months ended 31/12/2017	Three months ended 30/09/2017	Corresponding Three months ended 31/12/2016	Year to date figures for current period ended 31/12/2017	Year to date figures for previous period ended 31/12/2016	Previous year ended 31/03/2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Total Income	897.79	980.15	778.76	2,671.83	3,382.26	4,166.46
2. Profit before tax	93.55	223.92	76.70	382.12	896.88	919.93
3. Profit after tax	81.05	150.66	60.16	273.36	765.39	776.78

3 The secured listed non-convertible debentures of the Company aggregating to Rs.9,235 Crores as on December 31, 2017 are secured by way of the hypothecation over the specified identified receivables and a first ranking pari passu mortgage over Specifically Mortgaged Property.


The Asset cover on the secured and unsecured listed non-convertible debentures of the Company exceeds hundred percent of the principal amount of the said debentures.

4 Compulsorily Convertible Debentures ("CCD") for an aggregate amount of Rs. 4,996.19 Crores have been allotted to the CCD holders upon receipt of the necessary funds on October 25, 2017. Considering the effect of conversion of these CCDs into equity shares, the Earnings Per Share (Basic & Diluted) for the three months and nine months ended December 31, 2017 is not comparable with that of the earlier periods.

5 The Company has filed a Draft letter of offer with Securities and Exchange Board of India on November 8, 2017 for rights issue of equity shares for an amount upto Rs. 2,000 Crores.

6 Exceptional expense includes employee severance costs for the period and quarter ended December 31, 2016 of Rs. 1.81 crores and Rs. 9.95 crores for the previous year ended March 31, 2017

7 Results of certain associates included in these Consolidated financial results have not been adjusted to apply uniform accounting policies as it is impracticable.

For PIRAMAL ENTERPRISES LIMITED


Ajay G. Piramal
Chairman

January 30, 2018, Mumbai

