

**PIRAMAL ENTERPRISES LIMITED**
**Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070  
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2018**
**(Rs.in Crores)**

Particulars	Three months ended 30/09/2018	Three months ended 30/06/2018	Corresponding three months ended 30/09/2017	Year to date figures for current period ended 30/09/2018	Year to date figures for previous period ended 30/09/2017	Previous Year ended 31/03/2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	904.94	863.50	802.25	1,768.44	1,422.88	3,296.95
Other income (Net)	293.59	186.84	177.90	480.43	351.16	639.79
<b>Total Income</b>	<b>1,198.53</b>	<b>1,050.34</b>	<b>980.15</b>	<b>2,248.87</b>	<b>1,774.04</b>	<b>3,936.74</b>
<b>Expenses</b>						
Cost of materials consumed	207.71	172.73	197.12	380.44	391.33	809.73
Purchases of stock-in-trade	19.26	21.88	24.44	41.14	45.65	100.73
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(48.29)	6.85	5.11	(41.44)	(42.70)	(24.84)
Excise duty	-	-	-	-	8.32	8.32
Employee benefits expense	104.64	105.36	103.69	210.00	208.03	442.72
Finance costs	331.64	296.91	242.39	628.55	463.02	989.55
Depreciation and amortisation expense	32.84	31.84	25.77	64.68	50.69	111.58
Other expenses (Net)	106.10	183.59	157.71	289.69	361.13	745.50
<b>Total Expenses</b>	<b>753.90</b>	<b>819.16</b>	<b>756.23</b>	<b>1,573.06</b>	<b>1,485.47</b>	<b>3,183.29</b>
<b>Profit Before Exceptional Items and Tax</b>	<b>444.63</b>	<b>231.18</b>	<b>223.92</b>	<b>675.81</b>	<b>288.57</b>	<b>753.45</b>
Exceptional items (Refer Note 4)	-	(1,287.96)	-	(1,287.96)	-	-
<b>Profit/(Loss) Before Tax</b>	<b>444.63</b>	<b>(1,056.78)</b>	<b>223.92</b>	<b>(612.15)</b>	<b>288.57</b>	<b>753.45</b>
<b>Tax Expense</b>						
(1) Current tax (including tax expense of prior years)	66.51	29.26	49.75	95.77	66.42	175.38
(2) Deferred tax	19.86	4.53	23.51	24.39	29.84	59.60
<b>Profit/(Loss) After Tax</b>	<b>358.26</b>	<b>(1,090.57)</b>	<b>150.66</b>	<b>(732.31)</b>	<b>192.31</b>	<b>518.47</b>
<b>Other Comprehensive Income and (Expense) (OCI)</b>						
<b>A. Items that will not be subsequently reclassified to profit or loss</b>						
(a) Changes in fair values of equity instruments through OCI	(579.59)	(387.40)	(89.33)	(966.99)	(250.14)	667.11
(b) Remeasurement of Post Employment Benefit Obligations	0.13	(2.31)	1.16	(2.18)	(3.34)	(5.52)
Less: Income tax impact on above	8.15	15.57	(0.41)	23.72	1.15	(21.04)
<b>B. Items that will be subsequently reclassified to profit or loss</b>						
Deferred gains/(losses) on cash flow hedge	(11.17)	-	(1.33)	(11.17)	(1.61)	(0.20)
Less: Income tax impact on above	3.85	-	0.46	3.85	0.56	0.07
<b>Total Other Comprehensive Income / (Expense) (OCI), Net of Tax Expense</b>	<b>(578.63)</b>	<b>(374.14)</b>	<b>(89.45)</b>	<b>(952.77)</b>	<b>(253.38)</b>	<b>640.42</b>
<b>Total Comprehensive Income / (Expense), Net of Tax Expense</b>	<b>(220.37)</b>	<b>(1,464.71)</b>	<b>61.21</b>	<b>(1,685.08)</b>	<b>(61.07)</b>	<b>1,158.89</b>
Paid-up Equity Share Capital (Face Value of Rs.2/- each)	36.20	36.12	34.51	36.20	34.51	36.05
Reserves (excluding Revaluation Reserves)						21,300.80
<b>Net Worth (Refer Footnote 1)</b>				<b>16,770.64</b>	<b>11,567.95</b>	<b>18,978.46</b>
Paid-up Debt Capital				3,375.00	5,195.00	4,434.00
Debt Redemption Reserve				690.23	655.79	690.23
Earnings Per Equity Share (EPS) (Face Value of Rs.2/- each) (Refer Note 7(a))						
a) Basic EPS for the period/year (Rs.)	18.04	(54.91)	8.69	(36.87)	11.10	28.52
b) Diluted EPS for the period/year (Rs.)	17.96	(54.91)	8.69	(36.87)	11.10	28.52
Debt Equity Ratio (Refer Footnote 2)				1.1	1.0	0.7
Debt Service Coverage Ratio (Refer Footnote 3)				0.7	0.5	0.6
Interest Service Coverage Ratio (Refer Footnote 4)				2.1	1.6	1.8

See accompanying notes to the financial results

**Additional Information:**

The following additional information is presented to disclose the effect on net profit after tax, Basic and Diluted EPS, without the effect of exceptional items (Refer Note 4).

Particulars	(Rs. in Crores)	
	Three months ended 30/06/2018	Year to date figures for current period ended 30/09/2018
Loss After Tax As reported in the standalone financial results	(1,090.57)	(732.31)
Add: Impact of Exceptional Items	1,287.96	1,287.96
<b>Adjusted Profit After Tax</b>	<b>197.39</b>	<b>555.65</b>
Basic EPS for the period (Rs.) (Refer Note 7(a))		
As reported in the standalone financial results	(54.91)	(36.87)
Add: Impact of Exceptional Items	64.85	64.84
<b>Adjusted Basic EPS</b>	<b>9.94</b>	<b>27.97</b>
Diluted EPS for the period (Rs.) (Refer Note 7(a))		
As reported in the standalone financial results	(54.91)	(36.87)
Add: Impact of Exceptional Items	64.81	64.73
<b>Adjusted Diluted EPS</b>	<b>9.90</b>	<b>27.86</b>

**Footnotes:**

- Net Worth = Share Capital + Other Equity (excluding Capital Reserve)
- Debt equity Ratio:  
Debt = Long term Borrowings + Short term Borrowings + Current maturities of Long term Borrowings  
Equity = Paid up Share Capital+ Other Equity
- Debt Service Coverage Ratio = (Earnings before Interest, Tax and Exceptional items) / (Interest Expense + Principal Repayment of Debt excluding loans transferred)  
Debt = Long Term Debt  
Interest Expense = Interest on Long Term Debt
- Interest Service Coverage Ratio = (Earnings before Interest, Tax and Exceptional items) / Interest Expense



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

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**Notes:**

1. The unaudited standalone financial results for the three months and six months ended September 30, 2018 have been reviewed by the Audit Committee at its meeting held on October 25, 2018 and approved by the Board of Directors of the Company at its meeting held on October 25, 2018. The Statutory Auditors of the Company have carried out a limited review of these results.

**2. Statement of Standalone Assets and Liabilities :**
**(Rs.in Crores)**

Particulars	As at	
	30/09/2018	31/03/2018
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>1. Non-Current Assets</b>		
(a) Property, Plant & Equipment	1,384.19	1,381.79
(b) Capital Work in Progress	83.46	77.18
(c) Intangible Assets	406.36	425.40
(d) Intangible Assets under development	47.43	34.53
(e) Financial Assets:		
(i) Investments	21,046.69	20,867.45
(ii) Loans	13,322.23	8,393.58
(iii) Other Financial Assets	51.47	53.03
(f) Deferred Tax Assets (Net)	272.56	269.38
(g) Other Non-Current Assets	360.90	295.47
<b>Total Non-Current Assets</b>	<b>36,975.29</b>	<b>31,797.81</b>
<b>2. Current Assets</b>		
(a) Inventories	446.60	382.58
(b) Financial Assets:		
(i) Investments	1,662.67	2,863.13
(ii) Trade Receivables	432.74	492.96
(iii) Cash & Cash equivalents	253.09	521.94
(iv) Bank balances other than (iii) above	37.90	32.88
(v) Loans	271.30	248.97
(vi) Other Financial Assets	303.29	133.38
(c) Other Current Assets	277.20	258.49
<b>Total Current Assets</b>	<b>3,684.79</b>	<b>4,934.33</b>
<b>Total Assets</b>	<b>40,660.08</b>	<b>36,732.14</b>
<b>EQUITY AND LIABILITIES</b>		
<b>1. Equity</b>		
(a) Equity Share Capital	36.20	36.05
(b) Other Equity	19,092.83	21,300.80
<b>Total Equity</b>	<b>19,129.03</b>	<b>21,336.85</b>
<b>2. Liabilities</b>		
<b>Non-Current Liabilities</b>		
(a) Financial Liabilities:		
(i) Borrowings	2,120.96	4,011.56
(ii) Other Financial Liabilities	6.87	3.54
(b) Provisions	33.01	28.02
<b>Total Non-Current Liabilities</b>	<b>2,160.84</b>	<b>4,043.12</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities:		
(i) Borrowings	14,979.22	7,979.17
(ii) Trade Payables	566.59	543.57
(iii) Other Financial Liabilities	3,676.58	2,725.47
(b) Other Current Liabilities	27.94	51.21
(c) Provisions	39.03	45.46
(d) Current Tax Liabilities (Net)	80.85	7.29
<b>Total Current Liabilities</b>	<b>19,370.21</b>	<b>11,352.17</b>
<b>Total Equity &amp; Liabilities</b>	<b>40,660.08</b>	<b>36,732.14</b>



**3. Segment Wise Revenue, Results and Capital Employed**
**(Rs. in Crores)**

Particulars	Three months ended 30/09/2018	Three months ended 30/06/2018	Corresponding Three months ended 30/09/2017	Year to date figures for current period ended 30/09/2018	Year to date figures for previous period ended 30/09/2017	Previous Year ended 31/03/2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Segment Revenue</b>						
<b>Total Income from Operations, Net</b>						
a. Pharmaceuticals	495.24	500.83	501.60	996.07	872.96	2,037.90
b. Financial Services	409.70	362.67	300.65	772.37	549.92	1,259.05
<b>Total</b>	<b>904.94</b>	<b>863.50</b>	<b>802.25</b>	<b>1,768.44</b>	<b>1,422.88</b>	<b>3,296.95</b>
Less: Inter Segment Revenue	-	-	-	-	-	-
<b>Total Income from Operations, Net</b>	<b>904.94</b>	<b>863.50</b>	<b>802.25</b>	<b>1,768.44</b>	<b>1,422.88</b>	<b>3,296.95</b>
<b>2. Segment Results</b>						
a(i) Pharmaceuticals (before exceptional items) #	210.83	161.04	199.51	371.87	263.30	582.28
a(ii) Less : Exceptional Items (Refer Note 4)	-	1,287.96	-	1,287.96	-	-
a(iii) Pharmaceuticals (after exceptional items)	210.83	(1,126.92)	199.51	(916.09)	263.30	582.28
b. Financial Services	197.77	94.75	89.11	292.52	165.92	458.84
<b>Total (a(iii)+b)</b>	<b>408.60</b>	<b>(1,032.17)</b>	<b>288.62</b>	<b>(623.57)</b>	<b>429.22</b>	<b>1,041.12</b>
Less: Depreciation and Amortisation expense	32.84	31.84	25.77	64.68	50.69	111.58
Less: Finance Costs (unallocated)	91.14	78.92	93.48	170.06	186.53	356.35
Add : Unallocated Income (Net of unallocated expense)	160.01	86.15	54.55	246.16	96.57	180.26
<b>Total Profit/(loss) Before Tax</b>	<b>444.63</b>	<b>(1,056.78)</b>	<b>223.92</b>	<b>(612.15)</b>	<b>288.57</b>	<b>753.45</b>
<p>#Segment results of Pharmaceuticals includes exchange gain of Rs 35.68 Crores and Rs 43.99 Crores for the three months ended September 30, 2018 and three months ended June 30, 2018, respectively, exchange gain of Rs. 79.67 Crores and Rs. 231.52 Crores for the six months ended September 30, 2018 and year ended March 31, 2018, respectively, and exchange gain of Rs. 54.59 Crores and Rs 139.93 Crores for the three months and six months ended September 30, 2017, respectively.</p>						
<b>3. Capital Employed</b>						
<b>(Segment Assets - Segment Liabilities)</b>						
a. Pharmaceuticals						
Segment Assets	3,520.65	4,578.07	5,732.38	3,520.65	5,732.38	5,730.51
Segment Liabilities	(789.97)	(756.42)	(697.47)	(789.97)	(697.47)	(754.93)
b. Financial Services						
Segment Assets	30,534.19	26,798.55	18,031.40	30,534.19	18,031.40	25,285.11
Segment Liabilities	(15,956.08)	(12,477.40)	(9,088.15)	(15,956.08)	(9,088.15)	(10,394.40)
c. Unallocated						
Segment Assets	6,605.24	5,760.58	5,092.53	6,605.24	5,092.53	5,716.52
Segment Liabilities	(4,785.00)	(4,020.73)	(5,144.36)	(4,785.00)	(5,144.36)	(4,245.96)
<b>Total Capital Employed</b>	<b>19,129.03</b>	<b>19,882.65</b>	<b>13,926.33</b>	<b>19,129.03</b>	<b>13,926.33</b>	<b>21,336.85</b>

**Note:**

Segment results of Pharmaceuticals segment represent Earnings before Interest, Tax, Depreciation and Amortisation (adjusted for exceptional items) and Segment results of Financial Services represent Earnings before Tax, Depreciation and Amortisation.



4. In June 2018, the Company's wholly owned subsidiary, Piramal Holdings (Suisse) SA (referred to as "PHSA") sold its entire ownership interest in its wholly owned subsidiary Piramal Imaging SA. Consequently, the Company's cost of equity investment in and loans granted to PHSA amounting to Rs. 115.58 Crores and Rs. 1,172.38 Crores, respectively have been provided for.

5. Effective April 1, 2018, the Company adopted Ind AS 115 - Revenue from contracts with customers, using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect of adoption of Ind AS 115 is insignificant.

6. On October 25, 2017, 464,330 Compulsorily Convertible Debentures ("CCD") having face value of Rs. 107,600 per CCD were allotted to the CCD holders for an aggregate amount of Rs. 4,996.19 Crores. Each CCD is convertible into 40 equity shares of Rs. 2 each. Out of this, 225,000 Equity shares were allotted by the Company upon exercise of options by the CCD holders in the previous year.

During the six months ended September 30, 2018, 706,320 equity shares were allotted by the Company upon exercise of options by the CCD holders. Subsequent to September 30, 2018, 322,240 equity shares were allotted by the Company upon exercise of options by the CCD holders.

7. (a) On March 8, 2018, the Company issued 8,310,275 Equity shares under Rights Issue at a price of Rs. 2,380 per share (including premium of Rs.2,378 per share). Out of the aforesaid issue, 8,984 and 7,485,574 equity shares were allotted by the Company during the six months ended September 30, 2018 and year ended March 31, 2018, respectively. 788,764 Rights Equity shares have been reserved for the CCD Holders (as per regulation 53 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009) and 26,953 Rights Equity Shares have been kept in abeyance. Since there is a loss for the six months ended September 30, 2018 and three months ended June 30, 2018 after exceptional items, potential equity shares are not considered as dilutive and hence diluted EPS is the same as basic EPS.

Earnings per share (Basic and Diluted) for three months ended September 30, 2017, six months ended September 30, 2017 and year ended March 31, 2018 has been retrospectively adjusted for effect of Rights Issue stated above.

(b) Proceeds from the right issue have been utilised upto September 30, 2018 in the following manner :

(Rs. in Crores)					
Particulars	Planned	Three months ended March 31, 2018	Three months ended June 30, 2018	Three months ended September 30, 2018	Actual till September 30, 2018
a) Investment in Piramal Capital and Housing Finance Limited (formerly known as Piramal Housing Finance Limited) (wholly owned subsidiary)	750.00	750.00	-	-	750.00
b) Repayment or pre-payment, in full or part, of certain borrowings availed by the Company	1,000.00	878.91	121.08	-	999.99
c) General Corporate Purposes	216.22	-	25.85	-	25.85
Add: Issue related expenses	11.63	6.05	2.60	-	8.65
<b>Total</b>	<b>1,977.85</b>	<b>1,634.96</b>	<b>149.53</b>	-	<b>1,784.49</b>
Less : Rights Shares held in Abeyance	(6.41)	-	-	-	-
Less : Rights Shares reserved in favour of Compulsorily Convertible Debenture Holders	(189.87)	-	-	-	-
Less : Interest Income received from Fixed Deposits placed with Banks from Rights Issue Proceeds	-	(1.39)	(1.53)	-	(2.92)
<b>Total</b>	<b>1,781.57</b>	<b>1,633.57</b>	<b>148.00</b>	-	<b>1,781.57</b>
Unutilised proceeds kept as Fixed Deposit with Bank	-	148.00	-	-	*

\* This does not include Rs 2.14 Crores of Right issue proceeds received which is pending utilisation as on September 30, 2018.

8. The secured listed non-convertible debentures of the Company aggregating Rs. 3,250 Crores as on September 30, 2018 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 listed non-convertible debentures of the Company exceeds hundred percent of the principal amount of the said debentures.

9. During the three months and year ended March 31, 2018 the Company had transferred a portion of its lending portfolio comprising of Loan book assets of Rs.3,001.67 Crores and Borrowings of Rs.1,272.19 Crores, forming part of its financial services business to its wholly owned subsidiary Piramal Capital and Housing Finance Limited (formerly known as Piramal Housing Finance Limited), for a net consideration of Rs. 1,729.48 Crores.

The Board of Directors in its meeting held on May 28, 2018 had approved a proposal to initiate a transfer of certain assets and liabilities forming part of Company's financial services business, to its wholly owned subsidiaries, for a net consideration not exceeding Rs. 2,950 Crores, in one or more tranches, which is expected to be concluded by December 31, 2018, subject to clearances. Out of this, the Company has transferred a portion of its lending portfolio comprising of Loan book assets of Rs. 2,207.72 Crores and Rs. 694.41 Crores forming part of its financial services business to its wholly owned subsidiaries Piramal Capital and Housing Finance Limited (formerly known as Piramal Housing Finance Limited), and PHL Fininvest Private Limited, respectively for a consideration of Rs. 2,902.13 Crores. Accordingly, the results for the three months ended September 30, 2018 are not comparable with the earlier periods presented.

10. The Board of Directors on May 28, 2018 have approved a "Scheme of Amalgamation" ("Scheme") of Piramal Phytocare Limited, an associate of the Company with the Company and its respective shareholders. The Scheme is subject to approval of shareholders and other regulatory authorities as applicable. The Scheme has been filed with the Stock Exchanges on July 26, 2018.

11. The Board of Directors recommended dividend of Rs. 25 per equity share for the year ended March 31, 2018 in its meeting dated May 28, 2018 which has been approved by the shareholders in the Annual General Meeting dated July 30, 2018. Consequently, dividend of Rs. 542.76 Crores (inclusive of Dividend Distribution tax of Rs. 91.27 Crores) has been paid to holders of fully paid equity shares during the current quarter ended September 30, 2018.

For **PIRAMAL ENTERPRISES LIMITED**

Ajay G. Piramal  
Chairman

October 25, 2018, Mumbai

