

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, 2018

Particulars	Three months ended 31/12/2018	Three months ended 30/09/2018	Corresponding Three months ended 31/12/2017	Year to date figures for current period ended 31/12/2018	Year to date figures for previous period ended 31/12/2017	(Rs. in Crores) Previous year ended 31/03/2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	3,489.08	3,144.10	2,858.36	9,535.67	7,648.29	10,639.35
Other income (Net)	102.80	56.31	63.79	227.57	223.02	259.53
Total Income	3,591.88	3,200.41	2,922.15	9,763.24	7,871.31	10,898.88
Expenses						
Cost of materials consumed	262.75	312.36	353.85	858.06	889.09	1,223.93
Purchases of stock-in-trade	86.32	136.64	44.89	276.93	225.76	299.91
Changes in inventories of finished goods, stock-in-trade and work-in-progress	0.24	(112.01)	(66.62)	(117.22)	(110.77)	(5.49)
Excise duty	-	-	-	-	8.32	8.32
Employee benefits expense	595.57	554.81	542.24	1,685.83	1,429.45	1,988.14
Finance costs	1,168.83	1,016.18	749.72	3,094.09	2,147.66	2,978.30
Depreciation and amortisation expense	132.57	123.36	109.99	384.72	362.23	477.33
Other expenses (Net)	516.92	599.26	536.62	1,679.11	1,427.36	1,964.67
Total Expenses	2,763.20	2,630.60	2,270.69	7,861.52	6,379.10	8,935.11
Profit before exceptional item, share of net profits of associates and joint ventures and tax	828.68	569.81	651.46	1,901.72	1,492.21	1,963.77
Exceptional item (Refer Note 4)	-	-	-	(452.25)	-	-
Profit before share of net profits of associates and joint ventures and tax	828.68	569.81	651.46	1,449.47	1,492.21	1,963.77
Tax Expense						
(1) Current tax (including tax expense of prior years)	183.17	226.65	187.63	565.00	562.02	850.68
(2) Deferred tax (Net)	109.87	(63.87)	24.16	71.84	(58.43)	(157.92)
(3) Deferred tax on account of merger of subsidiaries	-	-	-	-	-	(3,569.18)
Profit after tax	535.64	407.03	439.67	812.63	988.62	4,840.19
Share of net profit of associates and joint ventures	67.63	73.39	50.80	201.25	187.68	280.09
Profit after tax and share of profit of associates and joint ventures	603.27	480.42	490.47	1,013.88	1,176.30	5,120.28
Other Comprehensive Income and (Expense) (OCI)						
A. Items that will not be reclassified to profit or loss						
(a) Changes in fair values of equity instruments through OCI	159.35	(579.59)	995.49	(807.64)	745.35	667.11
(b) Remeasurement of post employment benefit plans	(0.49)	(0.83)	(0.74)	(3.56)	(4.55)	(12.15)
(c) Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	(0.01)
Less: Income tax impact on above	0.19	8.50	0.27	24.24	1.58	(20.87)
B. Items that may be reclassified to profit or loss						
(a) Deferred gains / (losses) on cash flow hedge	(6.99)	(3.40)	0.19	0.18	6.73	11.48
(b) Exchange differences on translation of financial statements of foreign operations	(255.03)	338.61	(130.93)	259.42	(31.28)	129.45
Less: Income tax impact on above	51.86	(74.89)	20.14	(64.28)	(37.12)	(89.19)
Other Comprehensive Income / (Expense), net of tax expense	(51.11)	(311.60)	884.42	(591.64)	680.71	685.82
Total Comprehensive Income, net of tax expense	552.16	168.82	1,374.89	422.24	1,857.01	5,806.10
Profit / (Loss) attributable to:						
Owners of Piramal Enterprises Limited	603.98	481.19	490.92	1,016.23	1,177.54	5,121.49
Non-Controlling interests	(0.71)	(0.77)	(0.45)	(2.35)	(1.24)	(1.21)
Other Comprehensive Income / (Expense) attributable to:						
Owners of Piramal Enterprises Limited	(51.11)	(311.60)	884.42	(591.64)	680.71	685.82
Non-Controlling interests	-	-	-	-	-	-
Total Comprehensive Income / (Expense) attributable to:						
Owners of Piramal Enterprises Limited	552.87	169.59	1,375.34	424.59	1,858.25	5,807.31
Non-Controlling interests	(0.71)	(0.77)	(0.45)	(2.35)	(1.24)	(1.21)


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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Particulars	Three months ended 31/12/2018 (Unaudited)	Three months ended 30/09/2018 (Unaudited)	Corresponding Three months ended 31/12/2017 (Unaudited)	Year to date figures for current period ended 31/12/2018 (Unaudited)	Year to date figures for previous period ended 31/12/2017 (Unaudited)	Previous year ended 31/03/2018 (Audited)
Paid-up Equity Share Capital (Face Value of Rs.2/- each)	36.68	36.20	34.56	36.68	34.56	36.05
Reserves (excluding Revaluation Reserves)						26,409.34
Earnings Per Equity Share (EPS) (Face Value of Rs.2/- each) (not annualised) (Refer Note 8(a))						
a) Basic EPS for the period/year (Rs.)	30.41	24.23	26.25	51.16	66.20	281.75
b) Diluted EPS for the period/year (Rs.)	30.28	24.13	26.25	50.95	66.20	281.67

See accompanying notes to the financial results

Additional Information:

The following additional information is presented to disclose the effect on net profit after tax and share of profits of associates and joint ventures, Basic and Diluted EPS, without the effect of loss on disposal of subsidiary in the nine months ended December 31, 2018 (Refer Note 4) and the effect of deferred tax on merger of subsidiaries in the year ended March 31, 2018.

Particulars	(Rs. in Crores)	
	Year to date figures for current period ended 31/12/2018	Previous year ended 31/03/2018
Profit after tax and share of profit of associates and joint ventures		
As reported in the consolidated financial results	1,013.88	5,120.28
Add: Loss on sale of imaging business (Refer Note 4)	452.25	-
Less: Adjustment for Deferred tax on merger of subsidiaries	-	(3,569.18)
Adjusted Profit after tax and share of profit of associates and joint ventures	1,466.13	1,551.10
Basic EPS for the period (Rs.) (Refer Note 8(a))		
As reported in the consolidated financial results	51.16	281.75
Add: Loss on sale of imaging business	22.77	-
Less: Adjustment for Deferred tax on merger of subsidiaries	-	196.35
Adjusted Basic EPS	73.93	85.40
Diluted EPS for the period (Rs.) (Refer Note 8(a))		
As reported in the consolidated financial results	50.95	281.67
Add: Loss on sale of Imaging business	22.68	-
Less: Adjustment for Deferred tax on merger of subsidiaries	-	196.30
Adjusted Diluted EPS	73.63	85.37



Notes:

1 The unaudited consolidated financial results for the three months and nine months ended December 31, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on January 28, 2019. The Statutory Auditors of the Company have carried out a limited review of these results.

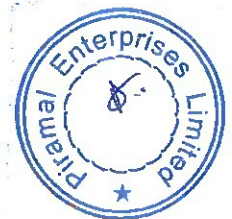
2 Segment Wise Revenue, Results and Capital Employed

(Rs. in Crores)

Particulars	Three months ended 31/12/2018	Three months ended 30/09/2018	Corresponding Three months ended 31/12/2017	Year to date figures for current period ended 31/12/2018	Year to date figures for previous period ended 31/12/2017	Previous year ended 31/03/2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
Total Income from Operations, Net						
a. Pharmaceuticals	1,157.10	1,120.37	1,074.59	3,343.25	3,086.66	4,448.57
b. Financial services	1,840.48	1,731.58	1,315.92	5,130.68	3,586.09	4,981.57
c. Healthcare Insights & Analytics	491.50	292.15	467.85	1,061.74	975.54	1,209.21
Total Income from Operations	3,489.08	3,144.10	2,858.36	9,535.67	7,648.29	10,639.35
2. Segment Results						
a(i) Pharmaceuticals (before Exceptional item)	256.88	219.00	185.65	633.62	583.21	800.06
a(ii) Less: Exceptional item (Refer Note 4)	-	-	-	452.25	-	-
a(iii) Pharmaceuticals (after Exceptional item)	256.88	219.00	185.65	181.37	583.21	800.06
b. Financial services	662.59	645.99	546.15	1,922.37	1,464.66	1,993.32
c. Healthcare Insights & Analytics	191.29	18.21	148.76	221.02	193.64	167.71
Total (a(iii) + b + c)	1,110.76	883.20	880.56	2,324.76	2,241.51	2,961.09
Less: Depreciation and amortisation expense	132.57	123.36	109.99	384.72	362.23	477.33
Less: Finance costs (unallocated)	179.09	160.47	136.08	480.98	428.43	572.11
Add : Net unallocated income / (Net unallocated expense)	29.58	(29.56)	16.97	(9.59)	41.36	52.12
Total Profit Before Tax	828.68	569.81	651.46	1,449.47	1,492.21	1,963.77
3. Capital Employed						
(Segment Assets - Segment Liabilities)						
a. Pharmaceuticals						
Segment Assets	8,480.85	8,505.87	8,240.78	8,480.85	8,240.78	8,378.75
Segment Liabilities	(1,341.55)	(1,477.51)	(2,178.33)	(1,341.55)	(2,178.33)	(1,330.13)
b. Financial services						
Segment Assets	64,293.46	60,722.75	46,961.13	64,293.46	46,961.13	52,659.63
Segment Liabilities	(46,211.24)	(43,351.45)	(31,788.98)	(46,211.24)	(31,788.98)	(35,787.37)
c. Healthcare Insights & Analytics						
Segment Assets	5,899.61	5,921.79	5,403.51	5,899.61	5,403.51	5,475.97
Segment Liabilities	(426.59)	(441.88)	(448.70)	(426.59)	(448.70)	(475.92)
d. Unallocated						
Segment Assets	5,197.50	5,402.34	2,450.78	5,197.50	2,450.78	6,169.04
Segment Liabilities	(9,465.07)	(9,478.97)	(7,915.39)	(9,465.07)	(7,915.39)	(8,644.58)
Total Capital Employed	26,426.97	25,802.94	20,724.80	26,426.97	20,724.80	26,445.39

Note:

Segment results of Pharmaceuticals and Healthcare Insights & Analytics segment represent Earnings before Interest, Tax, Depreciation and Amortisation (adjusted for exceptional item) and segment results of Financial services represent Earnings before Tax, Depreciation and Amortisation.



3 Standalone Information:
(Rs. in Crores)

Particulars	Three months ended 31/12/2018	Three months ended 30/09/2018	Corresponding Three months ended 31/12/2017	Year to date figures for current period ended 31/12/2018	Year to date figures for previous period ended 31/12/2017	Previous year ended 31/03/2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Total Income	826.63	1,198.53	897.79	3,075.50	2,671.83	3,936.74
2. Profit / (Loss) before tax	(98.26)	444.63	93.55	(710.41)	382.12	753.45
3. Profit / (Loss) after tax	(67.47)	358.26	81.05	(799.78)	273.36	518.47

4 In June 2018, the Company's wholly owned subsidiary, Piramal Holdings (Suisse) SA, sold its entire ownership interest in its wholly owned subsidiary Piramal Imaging SA and its subsidiaries for a cash consideration of Rs. 7.99 Crores (including working capital adjustment) and consideration contingent on future profits of the Imaging business over a period not exceeding 10 years. The fair value of the contingent consideration is insignificant. The net loss on sale amounts to Rs.452.25 Crores on consolidated basis. The disposal group does not constitute a separate major component of the Group and therefore has not been classified as discontinued operations.

5 Effective April 1, 2018, the Group 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 nine months ended December 31, 2018, 3,129,600 equity shares were allotted by the Company upon exercise of options by the CCD holders. Subsequent to December 31, 2018, 186,000 equity shares were allotted by the Company upon exercise of options by the CCD holders.

7 The secured listed non-convertible debentures of the Group aggregating Rs. 13,695 Crores as on December 31, 2018 are secured against specified receivables and a first ranking pari passu mortgage over Specifically Mortgaged Property.

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

8 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 nine months ended December 31, 2018 and year ended March 31, 2018, respectively.

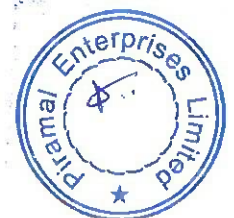
Earnings per share (Basic and Diluted) for three months and nine months ended December 31, 2017 and year ended March 31, 2018 has been retrospectively adjusted for effect of Rights Issue stated above.

As on December 31, 2018, 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. Of the said 788,764 reserved equity shares, CCD holders entitled for 124,802 equity shares have not exercised the option to subscribe to the rights equity shares. These unsubscribed rights and also those arising in future, if any, shall be dealt with, in accordance with the law, post conversion of all the outstanding CCDs into equity shares and hence are considered to be dilutive in nature.

b) Proceeds from the rights issue have been utilised upto December 31, 2018 in the following manner :

(Rs. in Crores)

Particulars	Planned	Three months ended 31/03/2018	Three months ended 30/06/2018	Three months ended 30/09/2018	Three months ended 31/12/2018	Actual till 31/12/2018
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	-	0.01	1,000.00
c) General Corporate Purposes	216.22	-	25.85	-	2.13	27.98
Add: Issue related expenses	11.63	6.05	2.60	-	-	8.65
Total	1,977.85	1,634.96	149.53	-	2.14	1,786.63
Less : Rights Shares held in Abeyance	(6.41)	-	-	-	-	-
Less : Rights Shares reserved in favour of Compulsorily Convertible Debenture Holders (Refer Note 8(a))	(187.73)	-	-	-	-	-
Less : Interest Income received from Fixed Deposits placed with Banks from Right Issue Proceeds	-	(1.39)	(1.53)	-	-	(2.92)
Total	1,783.71	1,633.57	148.00	-	2.14	1,783.71
Unutilised proceeds kept as Fixed Deposit with Bank	-	148.00	-	-	-	-



9 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 and with National Company Law Tribunal on December 4, 2018 .

For **PIRAMAL ENTERPRISES LIMITED**



Ajay G. Piramal
Chairman

January 28, 2019, Mumbai

