

The Board of Directors
Piramal Enterprises Limited
Piramal Tower,
Ganpatrao Kadam Marg,
Lower Parel,
Mumbai – 400013,
India

1. We have reviewed the unaudited financial results of Piramal Enterprises Limited (the “Company”) for the quarter ended December 31, 2016 which are included in the accompanying ‘Statement of Standalone Unaudited Results for the quarter and nine months ended December 31, 2016’ together with the notes thereon (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations, 2015”) and SEBI Circular dated July 5, 2016, which has been initialled by us for identification purposes. The Statement is the responsibility of the Company’s management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company’s opening unaudited Balance Sheet as at April 1, 2015 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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.
3. 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. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We did not review the financial results of 1 joint operation considered in the preparation of the Statement and which constitute total revenue of Rs. Nil and Rs. Nil and net loss of Rs. Nil and Rs. Nil for the quarter and period then ended. These financial results and other financial information have been reviewed by other auditor whose reports have been furnished to us, and our conclusion on the Statement to the extent they have been derived from such financial results is based solely on the report of such other auditor.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 and SEBI circular dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Jeetendra Mirchandani
Partner
Membership Number: 048125

Mumbai
February 13, 2017

PIRAMAL ENTERPRISES LIMITED
Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013,
STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(Rs. in Lakhs)

Particulars	3 months ended 31/12/2016 (Unaudited)	Preceding 3 months ended 30/09/2016 (Unaudited)	Corresponding 3 months ended in the previous year 31/12/2015 (Unaudited)	Year to date figures for current period ended 31/12/2016 (Unaudited)	Year to date figures for previous period ended 31/12/2015 (Unaudited)
Income from operations					
Gross Sales / Income from Operations (inclusive of Excise duty)	61,098	119,585	88,276	283,700	234,933
Other Operating Income	882	1,675	735	3,666	1,970
Total Income from Operations	61,980	121,260	89,011	287,366	236,903
Expenses					
Cost of Materials Consumed	18,878	22,546	23,575	62,381	67,106
Purchase of Stock-in-Trade	3,430	3,644	1,352	9,780	4,427
Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(1,275)	(4,050)	(708)	(6,903)	(7,059)
Employee benefits expense	9,206	9,489	8,402	27,587	27,519
Depreciation and amortisation expense	2,448	2,232	1,986	6,985	5,641
Research and Development Expenses	957	1,101	1,885	3,306	4,892
Other Expenses, Net	13,753	16,378	18,828	47,940	56,981
Total Expenses	47,397	51,340	55,320	151,076	159,507
Profit / (Loss) from operations before other income, finance costs and exceptional items	14,583	69,920	33,691	136,290	77,396
Other Income (Refer Note 6)	15,312	22,782	15,302	50,860	43,307
Profit / (Loss) from ordinary activities before finance costs and exceptional items	29,895	92,702	48,993	187,150	120,703
Finance Costs	22,181	40,934	21,105	97,418	51,324
Profit / (Loss) from ordinary activities after finance costs but before exceptional items	7,714	51,768	27,888	89,732	69,379
Exceptional Income / (Expense) (Refer Note 8)	(44)	-	-	(44)	(260)
Profit / (Loss) from ordinary activities before tax	7,670	51,768	27,888	89,688	69,119
Tax Expense, Net (Refer Note 7)	1,654	7,010	721	13,149	(1,163)
Net Profit / (Loss) from ordinary activities after tax	6,016	44,758	27,167	76,539	70,282
Extraordinary Items (net of tax expense)	-	-	-	-	-
Net Profit / (Loss)	6,016	44,758	27,167	76,539	70,282
Other Comprehensive Income and (Expense), net of tax : A. Items that will not be reclassified to profit or loss B. Items that will be reclassified to profit or loss	(90,364) (96)	21,854 -	(22,564) -	(2,305) (96)	(84,966) -
Total Comprehensive Income and (Expense)	(84,444)	66,612	4,603	74,138	(14,684)
Paid-up Equity Share Capital (Face Value Rs.2/- each)	3,451	3,451	3,451	3,451	3,451
Earnings Per Share (EPS) (of Rs.2/- each)					
a) Basic and diluted EPS before extraordinary items for the period (Rs.)	3.48	25.94	15.74	44.35	40.73
b) Basic and diluted EPS after extraordinary items for the period (Rs.)	3.48	25.94	15.74	44.35	40.73



Piramal Enterprises Limited

(Formerly known as Piramal Healthcare Limited) | CIN : L24110MH1947PLC005719
Office Address: A Wing 6th Floor 247 Park LBS Marg Vikhroli West Mumbai 400 083 India
Registered Office: Piramal Tower Ganpatrao Kadam Marg Lower Parel (W) Mumbai 400 013 India
T +91 22 3095 6666 F +91 22 3095 6665
W www.piramal.com

1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 13, 2017.

2. **Segment Wise Revenue, Results and Capital Employed**

(Rs. in Lakhs)

	3 months ended	Preceding 3	Corresponding 3	Year to date	Year to date
	31/12/2016	months ended	months ended in	figures for	figures for
	(Unaudited)	30/09/2016	the previous year	current period	previous period
		(Unaudited)	31/12/2015	ended	ended
			(Unaudited)	(Unaudited)	(Unaudited)
1. Segment Revenue					
Total Income from Operations, Net					
a. Pharmaceuticals manufacturing and services	44,275	49,839	47,545	140,545	132,395
b. Financial services	17,705	71,421	41,466	146,821	104,508
Total	61,980	121,260	89,011	287,366	236,903
Less: Inter Segment revenue	-	-	-	-	-
Total Income from Operations, Net	61,980	121,260	89,011	287,366	236,903
2. Segment Results					
Profit / (Loss) including Exceptional Items but before Tax, Finance Cost and Exchange Gain					
a. Pharmaceuticals manufacturing and services	3,030	7,555	16,757	20,710	29,476
b. Financial services (Refer Note 6)	9,801	53,918	17,850	91,698	48,815
Total	12,831	61,473	34,607	112,408	78,291
Add : Exchange Gain / (Loss), Net	3,128	(3,354)	2,200	2,544	13,571
Add : Unallocated Income / (Net of unallocated cost)	(2,125)	(1,931)	(3,556)	(7,854)	(7,215)
Less: Finance Cost (unallocated)	5,164	4,420	5,363	17,410	15,528
Total Profit / (Loss) Before Tax	7,670	51,768	27,888	89,688	69,119
3. Capital Employed					
(Segment Assets - Segment Liabilities)					
a. Pharmaceuticals manufacturing and services					
Segment Assets	507,070	571,988	501,611	507,070	501,611
Segment Liabilities	(69,291)	(63,630)	(59,903)	(69,291)	(59,903)
b. Financial services					
Segment Assets	1,492,152	1,955,776	1,632,914	1,492,152	1,632,914
Segment Liabilities	(617,868)	(995,626)	(830,811)	(617,868)	(830,811)
c. Unallocated					
Segment Assets	461,427	350,065	323,488	461,427	323,488
Segment Liabilities	(417,420)	(376,034)	(293,672)	(417,420)	(293,672)
Total Capital Employed	1,356,070	1,442,539	1,273,627	1,356,070	1,273,627

3. The Standalone Financial Results for the quarter and nine months ended December 31, 2016 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with a transition date of April 1, 2015.

4. The secured listed non-convertible debentures of the Company aggregating to Rs.170,000 Lakhs as on December 31, 2016 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.




5. The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Description	(Rs. in Lakhs)	
	Quarter Ended 31/12/2015	Nine Months Ended 31/12/2015
	(Unaudited)	(Unaudited)
Net profit as per Previous GAAP (Indian GAAP)	31,634	32,596
On account of measuring Financial Assets at Amortised Cost through Effective Interest Rate method and Fair value through Profit & Loss	(4,617)	(12,696)
On account of measuring Financial Liabilities at Amortised Cost through Effective Interest Rate method	78	694
Expected Credit Loss provision on Financial Assets	(2,435)	(5,215)
Mark-to-market valuation of derivatives	329	(201)
Notional Guarantee Commission Income	495	1,500
Remeasurement of defined benefit obligations transferred to Other Comprehensive Income and (Expense)	(93)	199
Rent equalisation	(294)	(588)
Reversal of Foreign Currency Translation Reserve	1,604	1,604
Others	(36)	3
Deferred tax Impacts on above	502	2,386
Net profit as per Ind AS	27,167	70,282
Other Comprehensive Income and (Expense), net of tax	(22,564)	(84,966)
Total Comprehensive Income and (Expense)	4,603	(14,684)

6. During the period and quarter ended December 31, 2016, the Company has down-sold a portion of its lending portfolio comprising of Loan book assets of Rs.1,395,027 lakhs (Rs. 121,226 lakhs for the quarter) and Borrowings of Rs.1,251,058 lakhs (Rs.119,568 lakhs for the quarter), forming part of its financial services business to its wholly owned subsidiary Piramal Finance Limited (formerly known as Piramal Finance Private Limited), for a net consideration of Rs. 143,969 lakhs (Rs.1,658 lakhs for the quarter). Accordingly, the results for the quarter / period ended December 31, 2016 are not comparable with the previous periods. Expected Credit Loss provision of Rs.20,191 lakhs (Rs.2,156 lakhs for the quarter) has been reversed accordingly.
7. Tax expense (Net) comprises of Current tax and Deferred Tax and is net of MAT credit entitlement.
8. Exceptional Income / (Expense) includes:
- Employee severance costs of Rs.44 lakhs during the quarter and period ended December 31, 2016 and
 - Loss on sale of clinical research business known as 'Piramal Clinical Research (PCR)' (formerly known as Wellquest) during the previous period, Rs.260 lakhs
9. During the period:
- The Company through its wholly owned subsidiary, PEL Pharma Inc., has acquired 100% stake in Ash Stevens Inc., a US based Contract Development and Manufacturing Organisation ('CDMO'), in an all cash deal on August 16, 2016 for a total consideration of Rs. 30,143 Lakhs.
 - The Company through its wholly owned subsidiary, Piramal Critical Care UK Limited, has acquired five anaesthesia and pain management injectable products from Janssen Pharmaceutica NV, in an all cash deal on October 10, 2016 for an upfront consideration of Rs. 106,992 lakhs (inclusive of transaction costs), and an earnout consideration upto USD 20 million (equivalent Rs.13,310 lakhs), if the Product portfolio achieves certain agreed financial milestones over the next 30 months.
 - The Company has acquired four brands from Pfizer Limited on September 26, 2016 for a consideration of Rs.12,081 lakhs (inclusive of transaction costs).
10. Subsequent to the quarter end, the Company through its wholly owned subsidiary, Piramal Critical Care UK Limited, has entered in to an agreement to acquire a portfolio of intrathecal spasticity and pain management drugs from Mallinckrodt LLC in an all cash deal on January 30, 2017 for a consideration of Rs.116,417 lakhs and upto an additional USD 32 million (equivalent Rs.21,786 lakhs) payable depending on financial performance of the acquired assets over the next 3 years.

For **PIRAMAL ENTERPRISES LIMITED**


Ajay G. Piramal
Chairman

February 13, 2017, Mumbai

