

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

for the Year Ended March 31, 2016

1. GENERAL INFORMATION

Piramal Enterprises Limited (the 'Company') is engaged in the business of Pharmaceuticals including Research and Development, Financial Services and Information Management through its subsidiaries. The Company has manufacturing plants in India and sells in Domestic as well as International markets through its overseas subsidiaries and other distribution channels. The Company is a public limited company and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, the Existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211 (3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non current classification of assets and liabilities.

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

ii) Fixed Assets and Depreciation

a. Fixed Assets

Tangible Assets

All fixed assets are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses to acquisition and installation.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the new disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss."

b. Depreciation

Tangible Assets

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the useful lives of the assets specified in Schedule II of the Companies Act, 2013.

Diagnostic equipments placed with customers are amortized over its estimated useful life of 5 years. Vaporizers placed with hospitals are amortized over its estimated useful life of 7 years."

Intangible Assets

Intangible Assets are amortized on a straight line basis over their estimated useful lives.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

The amortization rates used are :

Brands and Trademarks	10 / 15 years *
Copyrights, Know-how (including internally generated) and Intellectual property rights	10 / 15 years *
Computer Software	6 years

*Based on future projections, the Company has estimated the economic life of these assets as stated above and accordingly these assets have been amortized.

c. Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

iii) Investments

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

Long term investments are stated at cost, except where there is a diminution in value (other than temporary), in which case the carrying value is reduced to recognise the decline. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

iv) Inventories

Inventories comprise of Raw and Packing Materials, Work in Progress, Finished Goods (Manufactured and Traded) and Engineering Stores. Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Weighted Average basis. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. The cost of Work-in-progress and Finished Goods comprises of materials, direct labour, other direct costs and related production overheads and Excise duty as applicable.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

v) Employee Benefits

Employee benefits include provident fund, superannuation, pension, employee state insurance scheme, gratuity fund, compensated absences and long term service awards. In case of Provident fund, contributions are made to a Trust administered by the Company, except in case of certain employees, where the Contributions are made to the Regional Provident Fund Office.

Defined Contribution Plans

The Company's contribution to provident fund (in case of contributions to the Regional Provident Fund office), pension and employee state insurance scheme are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

Defined Benefit Plans

The Company contributes to Defined Benefit Plans comprising of Provident Fund, Gratuity Fund, Leave Encashment and Long Term Service Award.

Provident Fund:

In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Actuarial losses/ gains are recognised in the

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Statement of Profit and Loss in the year in which they arise. The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

Gratuity:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan"), administered by an insurer, covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Leave Encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Long Term Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

Short Term employee benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services.

Voluntary Retirement Scheme (VRS) :

Termination benefits in the nature of voluntary retirement benefits are recognised in the Statement of Profit and Loss as and when incurred. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised in the Statement of Profit and Loss in the year in which they arise.

vi) Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

vii) Revenue recognition

Sale of goods: Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Sale of Services: In contracts involving the rendering of services, revenue is measured using the proportionate completion method and is recognised net of service tax.

Income from financing activities relating to interest and redemption premium is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognised when the right to receive dividend is established.

Loan Processing fee is accounted for upfront when it becomes due based on the terms of the agreement.

viii) Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rate prevailing on the date of transactions. Gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currency are recognised in the Statement of Profit and Loss.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Forward Exchange Contracts:

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Exchange difference on such contracts are recognised in the Statement of Profit and Loss. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the year.

Forward Exchange Contracts outstanding as at the year end on account of firm commitments / highly probable forecast transactions and cross currency interest rates swaps are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains are ignored in accordance with the Announcement of Institute of Chartered Accountants of India on 'Accounting for Derivatives' issued in March 2008.

ix) Research and Development

The research and development (R&D) cost is accounted in accordance with Accounting Standard - 26 'Intangible Assets'.

Research

Research costs, including patent filing charges, technical know-how fees, testing charges on animal and expenses incurred on development of a molecule till the stage of Pre-clinical studies and till the receipt of regulatory approval for commencing phase I trials are treated as revenue expenses and charged off to the Statement of Profit and Loss of respective year.

Development

Development costs (costs incurred when the lead molecule enters phase I trial and after obtaining regulatory approval for conducting phase I studies) relating to design and testing of new or improved materials, products or processes are recognized as an intangible assets and are carried forward under Intangible assets under development until the completion of the project as it is expected that such assets will generate future economic benefits. During the course of the studies, if it is observed that the studies are not proceeding as per expectations, the same are discontinued and the amounts classified under Intangible assets under development is charged off to Statement of Profit and Loss.

x) Excise Duty

The excise duty in respect of closing inventory of finished goods is included as part of inventory. The material consumed is net of Central Value Added Tax (CENVAT) credits.

The difference between the Excise duty on opening stock and closing stock is charged to the Statement of Profit and Loss.

xi) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Minimum Alternate Tax credit is recognised as an asset only when and to the extent that there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance sheet date and the carrying amount of the MAT credit is written down to the extent that there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

xii) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

xiii) Borrowing Costs

Borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those fixed assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xiv) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss.

xv) Deferred Revenue and Unbilled Revenue

Amounts received from customers or billed to customers, in advance of services performed are recorded as deferred revenue under Other Current Liabilities. Unbilled revenue included in Other Current Assets, represents amounts recognised in respect of services performed in accordance with contract terms, not yet billed to customers as at the year end.

xvi) Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income/Cost which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under Unallocated Income/Cost.

3. SHARE CAPITAL

	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
AUTHORISED		
250,000,000 (250,000,000) Equity Shares of ₹2/- each	50.00	50.00
3,000,000 (3,000,000) Preference Shares of ₹100/- each	30.00	30.00
24,000,000 (24,000,000) Preference Shares of ₹10/- each	24.00	24.00
105,000,000 (105,000,000) Unclassified Shares of ₹2/- each	21.00	21.00
	125.00	125.00
ISSUED, SUBSCRIBED AND PAID UP		
172,563,100 (172,563,100) Equity Shares of ₹2/- each (fully paid up)	34.51	34.51
TOTAL	34.51	34.51

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

3.1 Reconciliation of number of shares

Equity Shares

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of shares	(₹ in Crores)	No. of shares	(₹ in Crores)
At the beginning of the year	172,563,100	34.51	172,563,100	34.51
Add: Issued during the year	-	-	-	-
Less: Shares cancelled during the year	-	-	-	-
At the end of the year	172,563,100	34.51	172,563,100	34.51

3.2 Details of shareholders holding more than 5% shares in the Company

Particulars	No. of shares	% Holding	No. of shares	% Holding
The Sri Krishna Trust through its Trustees, Mr. Ajay Piramal and Dr. (Mrs.) Swati A. Piramal (Previously held through its Corporate Trustees, Piramal Management Services Private Limited)	83,905,941	48.62%	84,120,694	48.75%
Aberdeen Global Indian Equity (Mauritius) Limited	7,600,000	4.40%	10,237,882	5.93%

3.3 Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the current financial year:

Particulars	Financial Year	No. of shares
i. Equity Shares allotted as fully paid-up pursuant to merger of PHL Holdings Private Limited into the Company	2013-14	84,092,879
ii. Equity Shares allotted as fully paid-up pursuant to demerger of R&D NCE division of Piramal Phytocare Limited (PPL) (formerly known as Piramal Life Sciences Limited) into the Company	2011-12	5,352,585
iii. Equity shares bought back by the Company	2011-12	705,529
iv. Equity shares bought back by the Company	2010-11	41,097,100

3.4 Rights, preferences and restrictions attached to shares

Equity Shares:

The Company has one class of equity shares having a par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

4. RESERVES AND SURPLUS

	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)	
CAPITAL RESERVE			
As per last Balance Sheet	2,358.39	19.25	
Add: Adjusted on Merger (Refer Note 33)	-	2,339.14	
	2,358.39		2,358.39
SECURITIES PREMIUM ACCOUNT			
As per last Balance Sheet	3.69	-	
Add: Credited on Merger (Refer Note 33)	-	3.69	
	3.69		3.69
CAPITAL SUBSIDY			
As per last Balance Sheet	0.40	0.40	
	0.40		0.40
CAPITAL REDEMPTION RESERVE			
As per last Balance Sheet	61.73	61.73	
	61.73		61.73
DEBENTURE REDEMPTION RESERVE			
As per last Balance Sheet	85.42	30.00	
Add: Transfer during the year	438.58	55.42	
	524.00		85.42
GENERAL RESERVE			
As per last Balance Sheet	5,798.55	5,798.55	
Add: Transfer during the year	-	-	
	5,798.55		5,798.55
FOREIGN CURRENCY TRANSLATION RESERVE			
As per last Balance Sheet	-	-	
Add: Transfer during the year (Refer Note 35)	32.08	-	
	32.08		-
SURPLUS IN STATEMENT OF PROFIT AND LOSS			
As per last Balance Sheet	3,104.15	3,182.64	
Add: Credited on Merger (Refer Note 33)	-	27.23	
Add: Profit for the year	1,061.15	372.74	
Less: Depreciation charged to Retained Earnings as per Schedule II (Refer Note 12)	-	7.65	
Less : Appropriations			
Proposed Dividend on Equity Shares	-	345.13	
Dividend Distribution Tax Thereon	-	70.26	
Interim Dividend	301.99	-	
Dividend Distribution Tax Thereon	61.48	-	
Debenture Redemption Reserve	438.58	55.42	
	3,363.25		3,104.15
TOTAL	12,142.09		11,412.33

5. LONG TERM BORROWINGS

Secured			
Term Loan From Banks	1,546.42	345.01	
	1,546.42		345.01
Secured Redeemable Non Convertible Debentures	600.00		-
Unsecured			
Loan From Banks:			
Term Loans	300.00	-	
Foreign Currency Non Repatriable Loans	398.93	-	
	698.93		-
Unsecured Redeemable Non Convertible Debentures	2,795.00		850.00
TOTAL	5,640.35		1,195.01

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Terms of repayment, nature of security and rate of interest in case of Secured Loans:

A. Secured Term Loan from Banks

Nature of Security	Terms of Repayment	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
First Charge on the present and future fixed assets of the Company with a minimum security cover of 1.15 times.	Repayment in 10 semi annual installments from July 2014	244.99	303.33
First Pari-Passu Charge on all movable and immovable fixed assets of the borrower for ₹100 crores with a minimum Financial Asset Cover (FACR) of 1.15 times.	Repayment in seven semi annual installments from May 2016	100.00	100.00
Hypothecation of receivables arising out of identified financial assets i.e. Borrower's investment (a) In debentures pertaining to Real Estate Sector and (b) Inter-corporate deposits pertaining to Real Estate Sector with a minimum asset cover of 1.10 times for overall facilities.	Repayment in 12 equal quarterly installments. First installment first day of the 27th month. Final Maturity 5 years from date of each drawdown.	500.00	-
First pari-passu charge by way of hypothecation of receivables arising out of identified financial assets i.e. investment in Debentures and inter-corporate deposits pertaining to Real Estate Sector with a minimum asset cover of 1.10 times for the overall facilities.	Repayment in 3 equal tranches at the end of 24, 30 and 36 months from the date of first disbursement, Loan availed on December 30, 2015.	250.00	-
Hypothecation of all movable properties of the Company i.e. plant and machinery (excluding Current Assets and Intangible Assets) both present and future at the below locations: (a) Pithampur, Madhya Pradesh, (b) Ennore, Chennai, (c) Digwal Village, Medak District, Andhra Pradesh (d) Mahad District Raigad, Maharashtra and the Equitable Mortgage of all the immovable properties, both Leasehold and Freehold of the Company, both present and future. The charge will be on pari-passu basis with existing Term Lenders with a minimum Financial Asset Cover (FACR) of 1.15 times.	Repayment in 5 Half Yearly installments of ₹ 40 crores each commencing 24 months after the first disbursement, Loan availed on January 29, 2016.	200.00	-
First pari-passu charge by way of hypothecation or receivables arising out of identified financial assets (to the satisfaction of the Lender) covered under loan agreements of the Borrower with a minimum asset cover of 1.10 times for the overall facilities. At any point of time, such assets will not include those assets wherein the scheduled repayment is overdue for more than 120 days or such other days of NPA recognition as per the RBI guidelines, whichever is lower.	Repayment in 14 unequal quarterly installments. The first of such installment of repayment shall fall due on the first day of the 21 st month from the date of the first drawdown. Loan availed on March 30, 2016.	250.00	-
	Repayment in 14 unequal quarterly installments after moratorium period of 18 months. Loan availed on March 31, 2016.	100.00	-

Out of the above, Term Loans of ₹ 98.57 crores (Previous Year ₹ 58.32 crores) are reclassified to Current Maturities of Long-term loans (Refer Note 10). The effective costs for the above loans are in the range of 9.5% to 10.75% per annum (Previous Year 10.25% to 11.55% per annum). Satisfaction of charges in respect of certain repaid loans are still awaited. Creation of charges in respect of certain loans are in process.

B. Secured Debentures:

Particulars	Nature of Security	Terms of repayment	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
5,000 (Previous Year: NIL) (payable annually) 9.25% Secured Rated Listed Redeemable Non-Convertible Debentures of ₹ 1,000,000 each	Secured by First Pari Passu non exclusive charge by hypothecation over the specified identified receivables and a first ranking pari-passu mortgage over Specifically Mortgaged Premises or such other property as may be identified by the Company as set out in the Debenture Trust Deed and the Deed of Hypothecation.	Series A - ₹ 250 crores redeemable at par at the end of 730 days from the date of allotment i.e. January 13, 2016 and Series B - ₹250 crores redeemable at par at the end of 762 days from the date of allotment i.e. January 13, 2016	500.00	-
1000 (Previous Year : NIL) (payable annually) 9.40% Secured Rated Listed Redeemable Non Convertible Debentures of ₹ 1,000,000 each	Secured by a First Pari Passu mortgage over specifically Mortgaged Premises and a first pari passu hypothecation over portions of Specific Identified Receivables as set out in the Debenture Trust Deed and the Deed of Hypothecation.	Option I - ₹ 50 crores redeemable at par at the end of 729 days from the date of allotment i.e. March 1, 2016 and Option II - ₹50 crores redeemable at par at the end of 1,094 days from the date of allotment i.e. March 1, 2016	100.00	-

Creation of charges in respect of certain debentures are in process

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Terms of repayment and rate of interest in case of Unsecured Loans:

A. Unsecured Loans

Particulars	Payment terms	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
Long term Unsecured rupee loans from banks	Repayment from the date of disbursement i.e. October 30, 2015, repayment at the end of 15th month for ₹75 crores ,at the end of 16th month for ₹75 crores and at the end of 17th month for ₹100 crores	250.00	-
	Repayment on September 4, 2017 for an amount of ₹100 crores	100.00	-
	Repayment on April 10, 2017 for an amount of ₹200 crores	200.00	-
Long-term Unsecured foreign currency Non Repatriable loans from banks	Repayment on June 30, 2017 for an amount of ₹250 crores	249.47	-
	Repayment on August 21, 2017 for an amount of ₹150 crores	149.46	-

Out of the above, Loans of ₹ 250 crores (Previous Year: NIL) are reclassified to Current Maturities of Long-term loans (Refer Note 10). The effective costs for the above loans are in the range of 9.5% to 10% per annum.

B. Unsecured Debentures

Particulars	Terms of Repayment	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
NIL (Previous Year 3,500) 9.66% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each	Redeemable at par at the end of 5th year from the allotment date - February 26, 2013. The same has been redeemed on February 8, 2016	-	350.00
5,000 (Previous Year 5,000) 9.43% Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each*	Series A - ₹ 350 crores redeemable at par at the end of 731 days from the date of allotment i.e. March 17, 2015 and Series B - ₹100 crores redeemable at par at the end of 1095 days from the date of allotment i.e. March 17, 2015, Series C - ₹50 crores redeemable at par at the end of 1095 days from the date of allotment i.e. March 17,2015	500.00	500.00
4,000 (Previous Year NIL) 9.15% (payable annually) Unsecured Redeemable Non Convertible Debentures ₹1,000,000 each	Series A - ₹ 150 crores redeemable at par at the end of 711 days from the date of allotment i.e. April 30, 2015 and Series B - ₹150 crores redeemable at par at the end of 746 days from the date of allotment i.e. April 30, 2015 and Series C - ₹100 crores redeemable at par at the end of 767 days from the date of allotment i.e. April 30,2015	400.00	-
1,000 (Previous Year NIL) 9.25% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each	Series D - ₹100 crores redeemable at par at the end of 1096 days from the date of allotment i.e. April 30, 2015.	100.00	-
2,350 (Previous Year NIL) 9.13% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each	Series A - ₹ 235 crores redeemable at par at the end of 731 days from the date of allotment i.e. May 29, 2015	235.00	-
3,850 (Previous Year NIL) 9.22% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each	Series B - ₹ 100 crores redeemable at par at the end of 1092 days from the date of allotment i.e. May 29, 2015 and Series C - ₹ 285 crores redeemable at par at the end of 1096 days from the date of allotment i.e. May 29, 2015	385.00	-
1,550 (Previous Year NIL) 9.18% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each	Series I - ₹ 75 crores redeemable at par at the end of 532 days from the date of allotment i.e. June 30, 2015 and Series II - ₹15 crores redeemable at par at the end of 644 days from the date of allotment i.e. June 30,2015 and Series III - ₹65 crores redeemable at par at the end of 731 days from the date of allotment i.e. June 30,2015.	155.00	-
2,500 (Previous Year NIL) 9.27% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each	Series I - ₹ 250 crores redeemable at par at the end of 581 days from the date of allotment i.e. July 24, 2015	250.00	-
2,450 (Previous Year NIL) 9.27% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each	Series IV - ₹ 21 crores redeemable at par at the end of 974 days from the date of allotment i.e. June 30, 2015 and Series V - ₹ 224 crores redeemable at par at the end of 1112 days from the date of allotment i.e. June 30, 2015	245.00	-
2,000 (Previous Year NIL) 9.35% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each	Series II - ₹ 200 crores redeemable at par at the end of 731 days from the date of allotment i.e. July 24, 2015	200.00	-

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Particulars	Terms of Repayment	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
2,000 (Previous Year NIL) 9.40% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each	Series III - ₹ 200 crores redeemable at par at the end of 1,092 days from the date of allotment i.e. July 24, 2015	200.00	-
7,000 (Previous Year NIL) 9.40% (payable monthly) Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each	Option I - ₹ 400 crores redeemable at par at the end of 1,103 days from the date of allotment i.e. November 26, 2015 and Option II - ₹ 300 crores redeemable at par at the end of 1132 days from the date of allotment i.e. November 26, 2015	700.00	-
1,000 (Previous Year NIL) 9.33% (payable annually) Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each	The amount of ₹ 100 crores redeemable at par at the end of 517 days from the date of allotment i.e. March 22, 2016	100.00	-

Out of the above, Debentures of ₹675 crores (Previous Year NIL) are reclassified to Current Maturities of Long-term loans (Refer Note 10).

* Interest on Series A & B is payable annually. Interest on Series C is payable at maturity.

6. DEFERRED TAX LIABILITIES (NET) (REFER NOTE 2 (xi))

	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
(a) Deferred Tax Liabilities on account of timing differences		
- Depreciation	140.11	132.09
	140.11	132.09
(b) Deferred Tax Assets on account of timing differences		
- Provision for Onerous Contracts	0.37	12.59
- Provision for assets of financial services	86.81	28.30
- Unabsorbed Depreciation / losses **	11.04	57.49
- Other timing differences	41.89	33.71
	140.11	132.09
TOTAL	-	-

Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.

** Deferred Tax Assets have been recognised only to the extent of Deferred Tax Liabilities in respect of unabsorbed depreciation / losses.

7. OTHER LONG-TERM LIABILITIES

Deposits Received	0.69	0.71
Interest Accrued but not due on borrowings	4.91	-
TOTAL	5.60	0.71

8. LONG-TERM PROVISIONS

Provision for employee benefits (Refer Note 34)	18.32	17.48
Provision on Assets of Financial Services *	227.32	64.86
Provision for Onerous contracts *	0.35	1.06
Provision for Litigation and disputes *	13.39	13.39
TOTAL	259.38	96.79

* Refer Note 46 for movements during the year

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

9. SHORT-TERM BORROWINGS

	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
Secured		
Loans from banks		
- Repayable on demand	35.00	35.00
- Others	101.64	89.92
	136.64	124.92
Unsecured		
Commercial Papers	6,060.00	2,075.00
Loans from Related Parties (Refer Note 36)	26.00	-
Loans from banks		
- Repayable on demand	525.00	400.00
- Others	13.42	8.38
	6,624.42	2,483.38
TOTAL	6,761.06	2,608.30

Secured Loans from banks are secured by hypothecation of inventories and book debts.

10. OTHER CURRENT LIABILITIES

Current maturities of long-term debt (Refer Note 5)	1,023.57	58.32
Interest accrued but not due on borrowings	186.10	12.51
Advances from Customers	21.90	10.40
Unpaid dividends (Refer note (a) below)	19.46	13.05
Unamortized Premium on Forward Contracts	1.95	1.70
Other payables		
- Employee Related Liabilities	62.76	29.61
- Accrued Expenses	194.54	171.87
- Payables for purchase of Fixed Assets	7.53	4.41
- Statutory Dues (including tax deducted at source)	1.73	8.07
- Retention money	1.50	-
- Deposits received	0.77	0.53
	268.83	214.49
TOTAL	1,521.81	310.47

(a) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at the year end.

11. SHORT-TERM PROVISIONS

Provision for employee benefits (Refer Note 34)	22.36	17.86
Proposed Dividend on Equity Shares	-	345.13
Tax Payable on Proposed Dividend	-	70.26
Provision on Assets of Financial Services*	23.52	18.39
Provision for Income Tax [Net of Advance Tax of ₹ 154.31 crores (Previous Year ₹ 429.03 crores)]	13.33	14.43
Provision for Wealth Tax	0.21	0.21
Provision for Onerous contracts*	0.71	35.49
TOTAL	60.13	501.77

* Refer Note 46 for movements during the year.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

12. FIXED ASSETS (OWNED UNLESS OTHERWISE STATED)

Particulars	COST			DEPRECIATION / AMORTIZATION				NET BLOCK					
	Opening As at April 1, 2015	On Merger	Additions ##	Deductions / Adjustments	As at March 31, 2016 (A)	Opening As at April 1, 2015	On Merger	For the Year #	Amount charged to Reserves	Deductions / Adjustments	Write-down **	As at March 31, 2016 (B)	As at March 31, 2015 (A-B)
Tangible Assets													
Land Leasehold	16.93	-	-	0.04	16.89	10.72	-	0.07	-	0.01	-	10.78	6.11
Land Freehold	28.87	-	-	7.41	21.46	-	-	-	-	-	-	-	21.46
Buildings	250.66	-	19.18	48.50	221.34	103.71	-	7.79	-	43.99	-	67.51	153.83
Roads	2.14	-	-	-	2.14	1.09	-	0.16	-	-	-	1.25	0.89
Plant & Equipment	844.71	-	93.98	61.08	877.61	404.26	-	47.46	-	50.98	-	400.74	476.87
Furniture and fixtures	44.25	-	4.08	11.16	37.17	21.09	-	3.58	-	9.67	-	15.00	22.17
Motor Vehicles	3.97	-	2.76	0.13	6.60	1.96	-	0.64	-	0.05	-	2.55	4.05
Ships	1.50	-	-	-	1.50	0.46	-	0.10	-	-	-	0.56	0.94
Helicopter [^]	10.97	-	-	-	10.97	1.37	-	0.54	-	-	-	1.91	9.06
Office equipment	13.24	-	4.57	3.55	14.26	10.54	-	1.06	-	3.32	-	8.28	5.98
TOTAL (I)	1,217.24	-	124.57	131.87	1,209.94	555.20	-	61.40	-	108.02	-	508.58	701.36
PREVIOUS YEAR	1,123.38	92.46	86.06	84.66	1,217.24	465.58	15.38	71.37	11.56	42.47	33.78	555.20	662.04
Intangible Assets (Acquired)													
Brands and Trademarks ^{**}	104.91	-	172.60	-	277.51	40.54	-	12.37	-	-	-	52.91	224.60
Copyrights, Know-how and Intellectual property rights	99.26	-	0.53	-	99.79	82.00	-	1.89	-	-	-	83.89	15.90
Computer Software	37.22	-	10.45	10.76	36.91	27.12	-	3.77	-	10.50	-	20.39	16.52
Intangible Assets (Internally Generated)													
Product know-how	2.84	-	-	-	2.84	0.52	-	0.19	-	-	-	0.71	2.13
TOTAL (II)	244.23	-	183.58	10.76	417.05	150.18	-	18.22	-	10.50	-	157.90	259.15
PREVIOUS YEAR	242.20	0.98	3.68	2.63	244.23	119.74	0.53	17.47	-	2.24	14.68	150.18	94.05
GRAND TOTAL (I+II)	1,461.47	-	308.15	142.63	1,626.99	705.38	-	79.62	-	118.52	-	666.48	960.51
PREVIOUS YEAR	1,365.58	93.44	89.74	87.29	1,461.47	585.32	15.91	88.84	11.56	44.71	48.46	705.38	756.09

Refer Note 2(ii)

Refer Note 2(ix)

Depreciation for the year includes depreciation amounting to ₹ 5.51 crores (Previous Year ₹ 18.61 crores) on assets used for Research and Development.
 ## During the year Company incurred ₹ 44.76 crores (Previous Year ₹ 10.17 crores) towards capital expenditure for Research and Development. Refer Note 45
 During the previous year Company revised depreciation rates on tangible fixed assets w.e.f. April 01, 2014 as per the useful life specified in the Schedule II of the Companies Act, 2013 or as assessed by the Company. As prescribed in said Schedule II, an amount of ₹ 7.65 crores (net of deferred tax - ₹ 3.91 crores) has been charged to the opening balance of retained earnings for the assets in respect of which the remaining useful life is NIL as on April 01, 2014 and in respect of other assets on that date, depreciation has been calculated based on the remaining useful life of those assets.

* Certain Brands are in the process of being registered in the name of the Company, for which the necessary application has been made with trade mark registry.

+ The remaining amortization period of Brands and Trademarks range from 3 years to 10 years.

^ The Company has a 25% share in joint ownership of Helicopter.

^^ Write down during previous year represents:

a) Cost associated with the Tangible Assets (₹ 6.90 crores) and Intangible Assets (₹ 10.17 crores). Refer Note 31.

b) Cost associated with R&D scale-down (Tangible Assets - ₹ 26.88 crores and Intangible Assets ₹ 4.51 crores). Refer Note 45.

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

12 A. FIXED ASSETS AS ON MARCH 31, 2015 (OWNED UNLESS OTHERWISE STATED)

Particulars	COST			DEPRECIATION / AMORTIZATION				NET BLOCK					
	Opening As at April 1, 2014	On Merger	Additions ##	Deductions / Adjustments	As at March 31, 2015 (A)	Opening As at April 1, 2014	On Merger	For the Year #	Amount charged to Reserves	Deductions / Adjustments	Write-down	As at March 31, 2015 (B)	As at March 31, 2014 (A-B)
Tangible Assets													
Land Leasehold	11.50	5.43	-	-	16.93	3.21	0.30	0.31	-	-	6.90	10.72	6.21
Land Freehold	28.87	-	-	-	28.87	-	-	-	-	-	-	-	28.87
Buildings	204.05	20.93	26.13	0.45	250.66	92.37	2.73	7.91	-	0.17	0.87	103.71	146.95
Roads	2.14	-	-	-	2.14	0.25	-	0.17	0.67	-	-	1.09	1.05
Plant & Equipment	812.30	60.36	54.75	82.70	844.71	348.52	10.57	55.30	9.47	41.19	21.59	404.26	440.45
Furniture and fixtures	37.47	3.27	4.07	0.56	44.25	12.61	0.67	3.92	0.74	0.34	3.49	21.09	23.16
Motor Vehicles	3.68	0.30	-	0.01	3.97	1.27	0.07	0.61	0.02	0.01	-	1.96	2.01
Ships	1.50	-	-	-	1.50	0.36	-	0.10	-	-	-	0.46	1.04
Helicopter [^]	10.97	-	-	-	10.97	0.83	-	0.54	-	-	-	1.37	9.60
Office equipment	10.90	2.17	1.11	0.94	13.24	6.16	1.04	2.51	0.66	0.76	0.93	10.54	2.70
TOTAL (I)	1,123.38	92.46	86.06	84.66	1,217.24	465.58	15.38	71.37	11.56	42.47	33.78	555.20	662.04
PREVIOUS YEAR	1,066.39	-	78.48	21.49	1,123.38	412.22	-	58.55	-	5.19	-	465.58	657.80
Intangible Assets (Acquired)													
Brands and Trademarks ⁺	106.97	-	-	2.06	104.91	30.08	-	7.28	-	1.95	5.13	40.54	64.37
Copyrights, Know-how and Intellectual property rights	99.35	-	-	0.09	99.26	70.74	-	6.30	-	0.08	5.04	82.00	17.26
Computer Software	33.04	0.98	3.68	0.48	37.22	18.59	0.53	3.70	-	0.21	4.51	27.12	10.10
Intangible Assets (Internally Generated)													
Product Know-how	2.84	-	-	-	2.84	0.33	-	0.19	-	-	-	0.52	2.32
TOTAL (II)	242.20	0.98	3.68	2.63	244.23	119.74	0.53	17.47	-	2.24	14.68	150.18	94.05
PREVIOUS YEAR	221.20	-	21.00	-	242.20	102.07	-	17.67	-	-	-	119.74	122.46
GRAND TOTAL (I+II)	1,365.58	93.44	89.74	87.29	1,461.47	585.32	15.91	88.84	11.56	44.71	48.46	705.38	756.09
PREVIOUS YEAR	1,287.59	-	99.48	21.49	1,365.58	514.29	-	76.22	-	5.19	-	585.32	780.26

Refer Note 2(ii)

Refer Note 2(ix)

Depreciation for the year includes depreciation amounting to ₹ 18.61 crores (Previous Year ₹ 12.14 crores) on assets used for Research and Development.

During the year Company incurred ₹ 10.17 crores (Previous Year ₹ 15.75 crores) towards capital expenditure for Research and Development, Refer Note 45

The Company revised depreciation rates on tangible fixed assets w.e.f. April 01, 2014 as per the useful life specified in the Schedule II of the Companies Act, 2013 or as re-assessed by the Company. As prescribed in said Schedule II, an amount of ₹ 7.65 crores (net of deferred tax - ₹ 3.91 crores) has been charged to the opening balance of retained earnings for the assets in respect of which the remaining useful life is NIL as on April 01, 2014 and in respect of other assets on that date, depreciation has been calculated based on the remaining useful life of those assets. Had the Company continued with the previously applicable Schedule XIV rates, charge for depreciation for the year ended March 31, 2015 would have been lower and the net profit would have been higher by ₹ 10.58 crores.

* Certain Brands are in the process of being registered in the name of the Company, for which the necessary application has been made with trade mark registry.

+ The remaining amortization period of Brands and Trademarks range from 4 years to 9 years.

^ The Company has a 25% share in joint ownership of Helicopter.

^^ Write down represents:

a) Cost associated with the Tangible Assets (₹ 6.90 crores) and Intangible Assets (₹ 10.17 crores), Refer Note 31.

b) Cost associated with R&D scale-down (Tangible Assets - ₹ 26.88 crores and Intangible Assets ₹ 4.51 crores), Refer Note 45.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

13. NON-CURRENT INVESTMENTS (LONG TERM) (REFER NOTE 2(iii))

	Nos. as at March 31, 2016	Nos. as at March 31, 2015	Face Value ₹ (unless stated otherwise)	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
TRADE INVESTMENTS					
1. Investments in Equity Instruments (at cost)					
a) Subsidiary Companies (Unquoted)					
i. Piramal International, Mauritius	1,025,000	1,025,000	1 USD	3.59	3.59
ii. PHL Fininvest Private Limited	6,726,052	6,726,052	10	7.17	7.17
iii. Piramal Holdings (Suisse) SA	21,000	21,000	1000 CHF	106.70	106.70
iv. Piramal Healthcare Inc.	100,000	100,000	0.01 USD	55.67	55.67
v. Piramal Systems and Technologies Private Limited	4,500,000	4,500,000	10	4.50	4.50
vi. Piramal Dutch Holdings N.V.	203,189,531	203,189,531	1 EURO	1,390.54	1,390.54
vii. PEL Finhold Private Limited	10,000	10,000	10	0.01	0.01
viii. Piramal Fund Management Private Limited (erstwhile INDIAREIT Fund Advisors Private Limited)	190,000	190,000	10	108.26	108.26
ix. Piramal Finance Private Limited (erstwhile PHL Finance Private Limited)	425,420,000	425,420,000	10	425.66	425.66
x. Piramal Investment Advisory Services Private Limited	2,700,000	2,700,000	10	2.70	2.70
xi. Convergence Chemicals Private Limited	35,705,100	30,605,100	10	35.71	30.61
xii. DRG Holdco Inc.	7,150	-	1000 USD	47.85	-
xiii. Piramal Assets Reconstruction Private Limited	2,000,000	-	10	2.00	-
xiv. PEL Asset Resurgence Advisory Private Limited	5,000,000	-	10	5.00	-
xv. Piramal Consumer Products Private Limited	20,000	-	10	0.02	-
b) Joint Venture (Unquoted)					
Allergan India Private Limited	3,920,000	3,920,000	10	3.92	3.92
c) Others (Quoted)					
Piramal Phytocare Limited (formerly known as Piramal Life Sciences Limited)	4,550,000	4,550,000	10	4.55	4.55
Shriram City Union Finance Limited	6,579,840	6,579,840	10	800.74	800.74
Shriram Transport Finance Company Limited	22,600,000	22,600,000	100	1,582.00	1,582.00
d) Others (Unquoted)					
Biosyntech, Inc., Canada	7,500,000	7,500,000	0.001 CAD	22.32	22.32
Navayuga Road Projects Private Limited (Total Investment is ₹ 41,140/- (Previous Year ₹ 41,140/-))	4,114	4,114	10	*	*
Shriram Capital Limited (Total Investment is ₹ 98,540/- (Previous Year - ₹ 98,540/-))	1,000	1,000	10	0.01	0.01
Health Superhighway Private Limited (Total Investment is ₹ 10,709,550/- (Previous Year - Nil))	230,858	-	10	1.07	-
2. Investments in Preference Shares (at cost)					
Subsidiary Companies (Unquoted)					
Piramal Fund Management Private Limited (formerly known as "INDIAREIT Fund Advisors Private Limited") (0.01% Cumulative Optionally Convertible Participative Preference Shares)	115,000	115,000	100	115.00	115.00

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

	Nos. as at March 31, 2016	Nos. as at March 31, 2015	Face Value ₹ (unless stated otherwise)	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
3. Investments in Debentures					
a) Investments in Debentures (Quoted) (at cost)					
Redeemable Non-Convertible Debentures					
VGN Developers Private Limited	24,580	22,870	100,000	195.79	228.70
Haamid Real Estates Private Limited	5,500	5,500	100,000	20.63	48.12
Haamid Real Estates Private Limited SR - II	1,700	-	100,000	12.32	-
International Land Developers Private Limited	-	2,436	100,000	-	24.36
SPR Construction Private Limited	1,170	1,000	100,000	96.00	102.00
Three C Green Developers Private Limited	8,812	22,500	100,000	88.12	202.50
GMR Holdings Private Limited - SR A	2,125	-	1,000,000	212.50	-
GMR Holdings Private Limited - SR C - TRANCH I	1,150	-	1,000,000	115.00	-
GMR Holdings Private Limited - SR C - TRANCH II	1,225	-	1,000,000	122.50	-
b) Investments in Debentures (Unquoted) (at cost)					
i) Subsidiary Companies					
Optionally Fully Convertible Debentures					
Piramal Systems & Technologies Private Limited	360	360	1,000,000	36.00	36.00
ii) Others					
Redeemable Optionally Convertible Debentures					
Navayuga Road Projects Private Limited SR - I	4,250	4,250	1,000,000	425.00	425.00
Chitra Holdings Private Limited	1,268	2,000	100,000	3.53	10.85
Aniline Construction Company Private Limited	-	2,500	100,000	-	23.40
Regen Infrastructure Private Limited	2,000	-	1,000,000	189.92	-
Redeemable Non-Convertible Debentures					
Omkar Realtors & Developers Private Limited	6,450	2,450	100,000	365.00	29.91
Omkar City Development Private Limited	750	-	10,000,000	750.00	-
Baashyaam Constructions Private Limited - SR - I	7,110	7,000	100,000	43.50	61.00
Baashyaam Constructions Private Limited - SR - II	3,900	-	100,000	39.00	-
True Value Homes (India) Private Limited	-	2,000	1,000,000	-	156.43
Ozone Developers Bangalore Private Limited	-	10,000	100,000	-	80.00
Darode Jog Realities Private Limited	-	1,600,000	1,000	-	71.10
Century Joint Developments Private Limited	-	8,500	100,000	-	53.13
Century Joint Developments Private Limited	210	-	10,000,000	210.00	-
Landcraft Developers Private Limited	3,150	5,000	100,000	6.25	31.25
Landcraft Developers Private Limited	10,450	6,200	100,000	84.80	62.00
Ozone Homes Private Limited	-	3,800	100,000	-	19.50
Skylark Arcadia Private Limited	-	5,000	100,000	-	25.00
Vijay Group Housing Private Limited	-	6,000	100,000	-	28.00
Vijay Group Housing Private Limited	10,560	-	100,000	105.60	-
Urbanize Developers (India) Private Limited	-	2,000	100,000	-	15.71
Acme Housing India Private Limited	7,600	8,300	100,000	38.00	66.40
Krishna E Campus Private Limited	520	450	1,000,000	47.81	40.85
Haldhar Developers Private Limited	1,000	1,000	1,000,000	100.00	100.00
Rajesh Estate and Nirman Private Limited - SR - I	10	20	5,000,000	5.00	10.00
Rajesh Estate and Nirman Private Limited - SR - II	80	120	5,000,000	40.00	60.00
Virgo Properties Private Limited	-	1,800	100,000	-	15.75
Adarsh Haven Private Limited	951	1,070	1,000,000	47.50	95.11

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

	Nos. as at March 31, 2016	Nos. as at March 31, 2015	Face Value ₹ (unless stated otherwise)	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
Arihant Unitech Realty Project Limited	4,827	2,500	100,000	44.00	22.93
Neelkanth Mansions And Infrastructure Private Limited	13,763	13,800	100,000	123.12	138.00
Neelkanth Vinayak Realtors Private Limited	3,500	2,700	100,000	20.83	27.00
Bestech India Private Limited	8,250	7,500	100,000	82.50	75.00
Bestech India Private Limited	17,329	-	100,000	158.84	-
Bhaveshwar Properties Private Limited	2,300	1,000	100,000	20.52	10.00
Tridhaatu Construction Private Limited SR - I & II	-	1,500	500,000	-	75.00
Kothari Auto Parts Manufacturers Private Limited - SR - A	159	-	5,000,000	99.50	-
Kothari Auto Parts Manufacturers Private Limited - SR - B	192	-	5,000,000	106.00	-
Kothari Auto Parts Manufacturers Private Limited - SR - C	280	-	5,000,000	28.00	-
Ozone Urbana Infra Developers Private Limited - SR - I	4,250	-	1,000,000	400.00	-
Ozone Urbana Infra Developers Private Limited - SR - II	1,500	-	1,000,000	150.00	-
Essem Infra Private Limited	22,500,000	-	100	195.00	-
Wadhwa Group Holdings Private Limited	2,390	-	1,000,000	239.00	-
Ekta Housing Private Limited	835	-	1,000,000	74.74	-
Ekta Parkville Homes Private Limited	1,376	-	1,000,000	123.26	-
Logix City Developers Private Limited	11,850	-	100,000	118.50	-
Forum Homes Private Limited	60	-	10,000,000	60.00	-
Wadhwa Constructions & Infrastructure Private Limited	1,550	-	1,000,000	155.00	-
Nirmal Lifestyle Limited	172	-	10,000,000	154.80	-
Phoenix Hodu Developers Private Limited	9,500	-	100,000	95.00	-
Nilkanth Tech Park Private Limited Facility 1	7,800	-	100,000	78.00	-
Nilkanth Tech Park Private Limited Facility 2	6,000	-	100,000	60.00	-
ATS Homes Private Limited	32,175	-	100,000	321.75	-
Raghuleela Leasing and Constructions Private Limited	175	-	10,000,000	175.00	-
Niraj Kumar Associates Private Limited	3,200	-	100,000	31.54	-
Guardian Promoters & Developers Private Limited	6,900	-	100,000	65.61	-
Arun Excello Homes Private Limited	1,995	-	1,000,000	199.50	-
Arun Excello Realty Private Limited	990	-	1,000,000	99.00	-
Boulevard Projects Private Limited	22,500	-	100,000	216.56	-
Flagship Infrastructure Private Limited	10,000	-	100,000	100.00	-
Ambe Trade Corp Private Limited	6,969	-	100,000	63.00	-
Paranjape Schemes Construction Limited	31,800	-	100,000	314.81	-
Emami Realty Limited	100	-	10,000,000	100.00	-
Akarshak Realty Private Limited	15,000	-	100,000	150.00	-
Marvel Mega Realtors Private Limited	100,000	-	1,000	103.92	-
Kumar Agro Products Private Limited	30,531,013	-	100	305.31	-
Ideal Real Estate Private Limited	580	-	100,000	50.75	-
Kanakia King Style Constructions Private Limited	7,400	-	100,000	74.00	-
Ozone Infra Developers Private Limited	8,500	-	100,000	85.00	-
Evie Real Estate Private Limited	21,000	-	100,000	190.91	-
Keystone Realtors Private Limited	63	-	10,000,000	63.00	-
Keystone Realtors Private Limited	160	-	10,000,000	160.00	-
Vatika Infracon Private Limited	16,673	-	100,000	166.73	-
ATS Heights Private Limited	19,000	-	100,000	190.00	-
Valdel Real Estate Private Limited	70	-	100,000	65.00	-

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

	Nos. as at March 31, 2016	Nos. as at March 31, 2015	Face Value ₹ (unless stated otherwise)	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
NCL Industries Limited	400,000	-	100,000	40.00	-
Sanghi Industries Limited	2,564,829	-	1,000	256.48	-
Essel Green Energy Limited	75	-	100,000	75.00	-
OTHER INVESTMENTS					
Investments in Partnership Firm#					
Shrilekha Financial Services	-	-	-	2,146.16	2,146.16
Investment in Alternative Investment Fund					
Class A Units of Piramal Investment Opportunities Fund Scheme - I	12.62	40.55	10,000,000	12.62	40.55
Class A Units of Faering Capital India Evolving Fund II	150,000	-	1,000	15.00	-
TOTAL (A)				16,548.02	9,320.66
Less : Provision for diminution in value of Investment					
- Piramal International, Mauritius				3.59	3.59
- Biosyntech Inc., Canada				22.32	22.32
TOTAL (B)				25.91	25.91
TOTAL (A-B)				16,522.11	9,294.75

* Amounts are below the rounding off norm adopted by the Company

Note: To the extent of debentures redeemable within 12 months of the reporting date, the amount has been presented as part of current investments as per the requirements of Schedule III. The balance amount has been presented as non-current

Particulars	As at March 31, 2016		As at March 31, 2015	
	Cost ₹ in Crores	Market Value (₹ in Crores)	Cost ₹ in Crores	Market Value (₹ in Crores)
1. Aggregate value of quoted investments	3,250.15	4,037.76	2,992.97	4,433.96
2. Aggregate value of unquoted investments	13,271.96		6,301.78	
TOTAL	16,522.11		9,294.75	

Investment in Partnership firm - Shrilekha Financial Services

Name of Partners	Share in profits (%)
Piramal Enterprises Limited	74.95
Shriram Ownership Trust and its Nominees	25.05
Total capital of the partnership firm	₹ 8.30 crores

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

14. LONG-TERM LOANS AND ADVANCES

	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
Secured and Considered Good (Unless otherwise stated):		
Term Loans	144.73	185.17
Inter Corporate Deposits	1,499.28	583.33
	1,644.01	768.50
Unsecured and Considered Good (Unless otherwise stated):		
Loans to related parties (Refer Note 36)	2,980.20	-
Current Account balances with related parties (Refer Note 36)	33.78	-
	3,013.98	-
Capital Advances	6.67	9.91
Security Deposits	37.42	31.75
Others		
Restricted Deposit - Escrow Account	45.99	-
MAT Credit Entitlement	236.30	27.11
Advances recoverable in cash or in kind or for value to be received	0.27	0.27
Advance Tax [Net of Provision of ₹ 4,268.65 Crores (Previous year ₹ 3,754.38 Crores)]	259.51	210.65
TOTAL	5,244.15	1,048.19

15. OTHER NON - CURRENT ASSETS

Secured and Considered Good (Unless otherwise stated):		
Interest accrued on Investments	370.04	176.96
Unsecured and Considered Good (Unless otherwise stated):		
Interest accrued on Investments	2.00	0.05
Long-term deposits with banks having maturity period more than 12 months	20.00	-
TOTAL	392.04	177.01

16. CURRENT INVESTMENTS (REFER NOTE 2(iii))

	Nos. as at March 31, 2016	Nos. as at March 31, 2015	Face Value ₹ (unless stated otherwise)	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
1) CURRENT PORTION OF LONG-TERM INVESTMENTS					
a. Investments in Debentures (Quoted) (at cost)					
Redeemable Non-Convertible Debentures					
VGN Developers Private Limited	24,580	-	100,000	50.01	-
Haamid Real Estates Private Limited	5,500	5,500	100,000	27.50	6.88
Haamid Real Estates Private Limited - SR - II	1,700	-	100,000	7.04	-
SPR Construction Private Limited	1,170	-	100,000	21.00	-
Three C Green Developers Private Limited	-	22,500	100,000	-	22.50
b. Investments in Debentures (Unquoted) (at cost)					
Redeemable Optionally Convertible Debentures					
Chitra Holdings Private Limited	1,268	2,000	100,000	7.32	7.32
Aniline Construction Company Private Limited	465	7,700	100,000	-	46.54
Aniline Construction Company Private Limited	4,400	2,500	100,000	-	1.60
Ashvi Developers Private Limited	-	13,591	100,000	-	135.91
Kohinoor Planet Constructions Private Limited	680	680	1,000,000	24.00	42.00
Regen Infrastructure Private Limited	2,000	-	1,000,000	10.08	-

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

	Nos. as at March 31, 2016	Nos. as at March 31, 2015	Face Value ₹ (unless stated otherwise)	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
Redeemable Non-Convertible Debentures					
Omkar Realtors & Developers Private Limited	-	15,450	100,000	-	261.08
Omkar Realtors & Developers Private Limited	6,450	-	100,000	67.03	-
Vijay Citspace Private Limited	-	3,830	100,000	-	14.57
Baashyaam Constructions Private Limited -SR - I	7,110	7,000	100,000	15.11	8.10
True Value Homes (India) Private Limited	-	2,000	1,000,000	-	26.07
Ozone Developers Bangalore Private Limited	-	10,000	100,000	-	17.38
Darode Jog Realities Private Limited	704,000	1,600,000	1,000	70.38	83.42
Century Joint Developments Private Limited	-	8,500	100,000	-	31.88
Landcraft Developers Private Limited	3,150	5,000	100,000	25.00	16.97
Landcraft Developers Private Limited	10,450	-	100,000	19.70	-
Ozone Homes Private Limited	-	3,800	100,000	-	18.50
Skylark Arcadia Private Limited	-	5,000	100,000	-	25.00
Vijay Group Housing Private Limited	-	6,000	100,000	-	23.00
Vijay Group Housing Private Limited	10,560	-	100,000	3.40	-
Urbanize Developers (India) Private Limited	-	2,000	100,000	-	4.29
Acme Housing India Private Limited	7,600	8,300	100,000	38.00	16.60
Krishna E Campus Private Limited	520	450	1,000,000	9.19	4.15
Adarsh Haven Private Limited	951	1,070	1,000,000	47.60	11.89
Virgo Properties Private Limited	-	1,800	100,000	-	2.25
Arihant Unitech Realty Project Limited	4,827	-	100,000	3.76	-
Neelkanth Mansions And Infrastructure Private Limited	13,763	-	100,000	29.51	-
Neelkanth Vinayak Realtors Private Limited	3,500	-	100,000	6.17	-
Bhaveshwar Properties Private Limited	2,300	-	100,000	6.48	-
Ozone Urbana Infra Developers Private Limited - SR - I	4,250	-	1,000,000	25.00	-
Essem Infra Private Limited	22,500,000	-	100	29.96	-
Ekta Housing Private Limited	835	-	1,000,000	7.63	-
Ekta Parksville Homes Private Limited	1,376	-	1,000,000	12.42	-
Nirmal Lifestyle Limited	145	-	10,000,000	17.20	-
Boulevard Projects Private Limited	22,500	-	100,000	8.44	-
Ambe Trade Corp Private Limited	6,969	-	100,000	6.69	-
Ideal Real Estate Private Limited	5,800	-	100,000	7.25	-
Evie Real Estate Private Limited	21,000	-	100,000	19.09	-
Valdel Real Estate Private Limited	70	-	100,000	5.00	-
2) INVESTMENTS IN MUTUAL FUNDS (AT LOWER OF COST OR MARKET VALUE) (UNQUOTED)					
Birla Sun Life Cash Plus - Daily Dividend Direct Plan - Reinvest	-	1,996,993	100	-	20.01
HDFC Cash Management Fund - Saving Plan - Direct Plan - Daily Dividend Reinvestment - Reinvest	-	14,106,891	10	-	15.00
ICICI Prudential Liquid - Direct Plan - Daily Dividend - Reinvest	-	2,499,375	100	-	25.01
Reliance Liquid Fund - Treasury Plan - Direct Daily Dividend Option - Reinvest	-	196,310	1,000	-	30.01
UTI-Liquid Cash Plan- Institutional - Direct Plan - Daily Dividend - Reinvest	-	98,125	1,000	-	10.00
TOTAL				626.96	927.93

Note: To the extent of debentures redeemable within 12 months of the reporting date, the amount has been presented as part of current investments as per the requirements of Schedule III. The balance amount has been presented as non-current

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

	As at March 31, 2016		As at March 31, 2015	
	Cost (₹ in Crores)	Market Value (₹ in Crores)	Cost (₹ in Crores)	Market Value (₹ in Crores)
1. Aggregate value of quoted investments	105.55	105.55	29.38	29.38
2. Aggregate value of unquoted investments	521.41		898.55	
TOTAL	626.96		927.93	

17. INVENTORIES (REFER NOTE 2 (iv))

	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
Raw and Packing Materials [includes in Transit ₹ 6.28 Crores (Previous year ₹ 1.10 Crores)]	145.57	133.36
Work-in-Progress	142.03	118.28
Finished Goods	59.94	41.55
Stock-in-trade	11.46	7.17
Stores and Spares	16.15	20.72
TOTAL	375.15	321.08
Details of Inventories		
i. Work-in-Progress		
Bulk Drugs	118.31	96.62
Liquids, Drops & Solutions	5.44	4.51
Tablets & Capsules	13.05	12.42
Vitamin A in various forms & Combinations	5.23	4.73
TOTAL	142.03	118.28
ii. Finished Goods		
Tablets & Capsules	26.87	16.20
Liquids, Drops & Solutions	8.58	7.45
Bulk Drug & Intermediates	15.77	13.05
Vitamin A in various Forms & Combinations	8.71	4.83
Personal Care Products	0.01	0.01
Others	-	0.01
TOTAL	59.94	41.55
iii. Stock-in-trade		
Tablets & Capsules	0.85	0.38
Liquids, Drops & Solutions	0.64	0.24
Consumer Care Products	9.46	6.41
Others	0.51	0.14
TOTAL	11.46	7.17

Note:

- Inventories are net of breakages and unsaleable stock.
- Opening and Closing Inventories are net of physician samples

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

18. TRADE RECEIVABLES

	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
i. Outstanding for a period exceeding 6 months from the date they are due for payment		
Secured - considered good	0.11	0.10
Unsecured - considered good	2.75	14.61
Unsecured - considered doubtful	17.56	13.63
	20.42	28.34
Less: Provision for doubtful debts	17.56	13.63
	2.86	14.71
ii. Others - Considered good		
Secured	0.09	0.10
Unsecured	337.18	312.78
	337.27	312.88
TOTAL	340.13	327.59

19. CASH AND BANK BALANCES

- Cash and Cash equivalents		
i. Cash on Hand	0.04	0.09
ii. Balance with Banks		
- Current Accounts	7.68	27.18
	7.68	27.18
	7.72	27.27
- Other bank balances		
i. Earmarked balances with banks		
- Unclaimed Dividend Account	19.46	13.05
- Others	0.02	0.02
	19.48	13.07
ii. Margin Money	12.28	0.05
	31.76	13.12
TOTAL	39.48	40.39

20. SHORT-TERM LOANS AND ADVANCES

Secured and Considered Good (Unless otherwise stated):		
Term Loans	45.64	35.12
Inter Corporate Deposits	1,227.48	1,331.67
	1,273.12	1,366.79
Unsecured and Considered Good (Unless otherwise stated)		
Loans to related parties (Refer Note 36)	449.12	1,777.78
Current Account balances with related parties (Refer Note 36)	2.67	141.93
	451.79	1,919.71
Others		
Advances recoverable in cash or in kind or for value to be received		
Unsecured and Considered Good	228.97	98.67
Considered Doubtful	0.08	0.08
	229.05	98.75
Less: Provision for Doubtful Advances	0.08	0.08
	228.97	98.67
Inter Corporate Deposits	8.30	8.30
Less: Provision for Doubtful Inter Corporate Deposits	8.30	8.30
	-	-
Security Deposits	4.22	6.29
Balance with Government Authorities	41.43	36.53
TOTAL	1,999.53	3,427.99

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

21. OTHER CURRENT ASSETS

	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
Unsecured and Considered Good (Unless otherwise stated)		
Forward Exchange Contract Receivable	0.52	6.74
Interest Receivable	82.60	30.08
Claims Receivable	34.72	13.33
TOTAL	117.84	50.15

22. CONTINGENT LIABILITIES AND COMMITMENTS

A Contingent liabilities			
1	Claims against the Company not acknowledged as debt: Vide Demand dated June 5, 1984, the Government has asked for payment to the credit of the Drugs Prices Equalisation Account, the difference between the common sale price and the retention price on production of Vitamin 'A' Palmitate (Oily Form) from January 28, 1981 to March 31, 1985 which is not accepted by the Company. The Company has been legally advised that the demand is untenable.	0.61	0.61
2	Guarantees issued to Government authorities and various parties including guarantees issued on behalf of subsidiaries.	3,343.71	3,316.85
3	Others		
i.	Appeals filed in respect of disputed demands:		
	Income Tax		
	- where the Company is in appeal	677.76	740.04
	- where the Department is in appeal	144.25	144.25
	Sales Tax	14.43	15.41
	Central / State Excise	10.36	18.29
	Labour Matters	0.39	0.42
	Stamp Duty	4.05	4.05
	Legal Cases	8.50	8.50
ii.	Bills Discounted	66.30	78.70
iii.	Unexpired Letters of Credit	12.61	10.58
	Note: Future cash outflows in respect of 1 and 3(i) above are determinable only on receipt of judgments/decisions pending with various forums/authorities.		
B Commitments			
a.	Estimated amount of contracts remaining to be executed on capital account and not provided for;	21.61	19.71
b.	Other Commitments		
	Commitment to invest in non-convertible debentures	1,257.45	798.94
	Commitment to invest in Inter Company Deposits	439.95	60.00
	Commitment to invest in Optionally Convertible Debentures	-	100.00
	The Company has imported raw materials at concessional rates, under the Advance Licence Scheme of the Government of India, undertaking to fulfil quantified exports in stipulated period	15.44	21.64

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

23. REVENUE FROM OPERATIONS

	Year Ended March 31, 2016 (₹ in Crores)	Year Ended March 31, 2015 (₹ in Crores)
Sale of products	1,746.72	1,604.37
Sale of Services	120.35	108.28
Income from Financing Activities +	1,650.43	602.84
TOTAL	3,517.50	2,315.49
Other operating revenues		
Interest Income on loans	15.63	95.31
Processing Charges Received	2.89	3.07
Miscellaneous Income	20.48	23.30
	39.00	121.68
	3,556.50	2,437.17
Less: Excise duty	39.97	35.76
TOTAL	3,516.53	2,401.41

+ Includes interest of ₹ 1,144.33 Crores (Previous year - ₹ 478.98 Crores) on long term investments.

	Manufactured	Traded	Manufactured	Traded
Tablets & Capsules	411.31	42.36	385.86	47.22
Liquids, Drops & Solutions	220.68	13.14	192.15	12.81
Bulk Drugs & Intermediates	743.84	-	646.30	-
Vitamin A in various Forms & Combinations	143.99	-	143.08	-
Consumer Care Products	*	126.86	0.15	108.27
Others	-	4.57	4.37	28.40
TOTAL	1,519.82	186.93	1,371.91	196.70

* Amounts are below the rounding off norms adopted by the Company

24. OTHER INCOME

Interest Income		
- On Current Investments	-	6.08
- On Loans and Bank Deposits	240.21	202.54
	240.21	208.62
Dividend Income		
- On Non-current Investments	47.31	3.92
- On Current Investments	5.74	28.22
	53.05	32.14
Profit on Sale of Investment (Net)	-	0.42
Exchange Gain (Net) (Refer Note 35)	119.71	48.41
Miscellaneous Income	12.12	9.00
TOTAL	425.09	298.59

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

25. COST OF RAW AND PACKING MATERIALS CONSUMED

	Year Ended March 31, 2016 (₹ in Crores)	Year Ended March 31, 2015 (₹ in Crores)
Opening Inventory	133.36	122.24
Add: Purchases (Net)	871.66	808.92
Less: Closing Inventory	145.57	133.36
TOTAL	859.45	797.80

26. PURCHASES OF STOCK-IN-TRADE

Traded Goods	70.35	80.24
TOTAL	70.35	80.24
Purchases of Stock-in-Trade comprises of		
Tablets & Capsules	4.13	3.13
Liquids, Drops & Solutions	5.35	5.26
Consumer Care Products	57.75	47.30
Others	3.12	24.55
TOTAL	70.35	80.24

27. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

OPENING STOCKS :		
Work-in-Progress	118.28	108.09
Finished Goods	41.55	41.21
Stock-in-trade	7.17	13.35
Less : Excise Duty	1.34	2.14
	165.66	160.51
CLOSING STOCKS :		
Work-in-Progress	142.03	118.28
Finished Goods	59.94	41.55
Stock-in-trade	11.46	7.17
Less : Excise Duty	3.34	1.34
	210.09	165.66
TOTAL	(44.43)	(5.15)

28. EMPLOYEE BENEFITS EXPENSE

Salaries and Wages	315.24	235.02
Contribution to Provident and Other Funds	12.52	9.99
Contribution to Gratuity Fund	5.22	9.22
Staff Welfare	30.67	22.90
TOTAL	363.65	277.13

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

29. FINANCE COSTS

	Year Ended March 31, 2016 (₹ in Crores)	Year Ended March 31, 2015 (₹ in Crores)
Interest Expense	779.83	304.18
Interest on Income Tax	0.02	-
Other borrowing costs	12.36	2.73
TOTAL	792.21	306.91

30. OTHER EXPENSES

Processing Charges	3.41	8.25
Consumption of Stores and Spares Parts	34.44	36.32
Consumption of Laboratory Materials	13.84	12.04
Power, Fuel and Water Charges	61.18	56.51
Repairs and Maintenance		
Buildings	17.41	13.80
Plant and Machinery	18.58	14.75
Others	0.25	0.19
	36.24	28.74
Rent		
Premises	24.78	20.00
Other Assets	8.81	8.29
	33.59	28.29
Rates & Taxes (includes Excise Duty)	32.05	28.61
Insurance	7.62	6.62
Travelling Expenses	31.90	27.01
Directors' Commission	1.80	2.88
Directors' Sitting Fees	0.87	0.90
Provision for Doubtful Debts	3.93	0.50
Provision on Assets of Financial Services	167.59	49.12
Loss on Sale of Fixed Assets (Net)	2.19	3.69
Advertisement and Business Promotion Expenses	98.88	112.72
Expenditure towards Corporate Social Responsibility activities (Refer Note below)	25.86	19.66
Donations	1.01	8.93
Freight	20.04	30.29
Export Expenses	2.98	9.54
Clearing and Forwarding Expenses	5.21	6.39
Communication and Postage	10.76	9.36
Printing and Stationery	5.92	3.27
Claims	3.65	3.56
Legal Charges	2.52	2.61
Professional Charges	50.91	38.91
Royalty Expense	16.75	11.59
Service Charges	35.74	42.46
Information Technology Costs	10.45	3.04
R & D Expenses (Net)	60.82	183.12
Miscellaneous Expenses	17.71	31.80
TOTAL	799.86	806.73

Note:

Details in respect of Corporate Social Responsibility Expenditure:

- Gross amount required to be spent during the year – NIL .
- Amount spent during the year on Revenue Expenditure – ₹ 25.86 Crores.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

31. EXCEPTIONAL INCOME/(EXPENSES) - NET

	Year Ended March 31, 2016 (₹ in Crores)	Year Ended March 31, 2015 (₹ in Crores)
Gain on Sale of Properties [(Refer Note 31(a)]	70.23	-
Gain on Sale of Vodafone Investment [(Refer Note 31(b)]	-	3,036.08
Loss on Sale of Investment (Refer Note 31(c) and 33)	-	(2,423.28)
Loss on Sale of Piramal Clinical Research Business [(Refer Note 31(d)]	(2.60)	-
(Costs)/ Income associated with R&D scale down (Refer Note 45)	2.56	(299.45)
Costs associated with write-down of Tangible / Intangible Assets (Refer Note 12)	-	(17.07)
Gain on sale of Lab Diagnostics and Point of Care Business [(Refer Note 31(e)]	-	2.60
TOTAL	70.19	298.88

- a) During the year, the Company has sold certain properties having a written down value of ₹ 11.07 Crores for ₹ 81.30 Crores resulting in a net gain of ₹ 70.23 Crores.
- b) During the previous year, the Company had divested its entire equity stake, comprising of 45,425,328 shares, in Vodafone India Limited to Prime Metals Limited, an indirect subsidiary of Vodafone Group Plc., for a total consideration of ₹ 8,900.45 Crores, resulting in a gain of ₹ 3,036.08 Crores.
- c) During the previous year, consequent to the scheme of amalgamation referred in Note 33, the Company had sold its investments in PHL Infrastructure Finance Company Private Limited, and the difference between sale consideration and the cost of investment amounting to ₹ 2,423.28 Crores was recognized and disclosed under Exceptional Expenses.
- d) The Company sold its clinical research business known as PCR business. Fixed assets of this division along with the employees were transferred on a slump sale basis as a part of the transaction for a consideration of ₹ 4.64 Crores, resulting in a loss of ₹ 2.60 Crores.
- e) During the previous year, the Company sold its Lab Diagnostics and Point of Care business for a consideration of ₹ 13.00 Crores, resulting in a gain of ₹ 2.60 Crores.

32. PROPOSED DIVIDEND

The final dividend proposed for the year is as follows:

Particulars	As at March 31, 2016 (₹ in Crores)	As at March 31, 2015 (₹ in Crores)
On Equity Shares of ₹ 2/- each		
- Amount of dividend proposed	-	345.13
- Dividend Per Equity Share	NA	₹ 20 per share

33. The Scheme of Amalgamation ("the Scheme") of Oxygen Bio Research Private Limited ("O2H"), Piramal Pharmaceutical Development Services Private Limited ("PPDSPL") and PHL Capital Private Limited ("PHL Capital") (collectively referred to as "transferor companies") with the Company, under Sections 391 to 394 of the Companies Act, 1956 was sanctioned by the Hon'ble High Courts of Gujarat and Bombay on November 11, 2014 and November 28, 2014 respectively. The Scheme became effective on December 12, 2014 and December 27, 2014 upon filing of the said orders with the Registrar of Companies, Gujarat and Maharashtra respectively.

Consequently, all the assets and liabilities of transferor companies were transferred to and vested in the Company with effect from April 01, 2014 ("the Appointed Date").

The amalgamation was accounted for under the "pooling of interest" method referred to in Accounting Standard 14 - Accounting for Amalgamation, as prescribed by the Scheme.

Accordingly, all the assets, liabilities and other reserves of transferor companies as on April 01, 2014 were aggregated with those of the Company at their respective book values. As prescribed by the Scheme no consideration was paid as the transferor Companies were wholly owned step down subsidiaries of the Company. Accordingly, the resultant difference amounting to ₹ 2,339.14 Crores was credited to capital reserve account during the previous year.

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

The book value of assets and liabilities taken over from the transferor companies as on the appointed date were transferred to the Company as mentioned below:

Particulars	(₹ in Crores)	
Assets		
Non-Current Assets		
Tangible Assets	77.08	
Intangible Assets	0.45	
Capital Work-in-Progress	1.98	
Intangible Assets under development	0.15	
Investments	2,348.33	
Loans and Advances	6.95	2,434.94
Current Assets		
Inventories	2.21	
Trade Receivables	22.58	
Cash and bank balances	21.32	
Short-term loans and advances	3.18	
Other current assets	0.25	49.54
	(I)	2,484.48
Liabilities		
Non-Current Liabilities		
Deferred tax liabilities	3.88	
Long-term provisions	0.92	4.80
Current Liabilities		
Short-term provisions	0.92	
Trade payables	22.87	
Other current liabilities	3.32	27.11
	(II)	31.91
Reserves		
Securities Premium	3.69	
Surplus in Statement of Profit and Loss	27.23	30.92
	(III)	30.92
Net Assets (I-II-III)		2,421.65
Less: Adjustment of Inter-group investments		82.51
Credited to Capital Reserves (Refer Note 4)		2,339.14

34 EMPLOYEE BENEFITS :

Brief description of the Plans:

The Company has various schemes for long-term benefits such as Provident Fund, Superannuation, Gratuity, Leave Encashment, Pension and Long-term Service Award. In case of funded schemes, the funds are recognized by the Income tax authorities and administered through trustees. The Company's defined contribution plans are Provident Fund (in case of certain employees), Superannuation, Employees State Insurance Fund and Employees' Pension Scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions to such plans. The Company's defined benefit plans include Provident Fund (in case of certain employees), Gratuity, Leave Encashment and Long-term Service Award.

I. Charge to the Statement of Profit and Loss based on contributions:

Particulars	Year Ended March 31, 2016 (₹ in Crores)	Year Ended March 31, 2015 (₹ in Crores)
Employer's contribution to Regional Provident Fund Office	0.62	0.64
Employer's contribution to Superannuation Fund	0.49	0.69
Employer's contribution to Employees' State Insurance	0.35	0.20
Employer's contribution to Employees' Pension Scheme 1995	3.85	2.93

Included in Contribution to Provident and Other Funds and R&D Expenses (Refer Note 28 and 30).

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

II. Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2016.

A. Change in Defined Benefit Obligation

(₹ in Crores)

	(Funded)				(Non-Funded)	
	Gratuity		Provident Fund		Long-term Service Award	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2016	2015	2016	2015	2016	2015
Present Value of Defined Benefit Obligation as at beginning of the year	35.08	26.97	133.56	123.72	0.88	1.31
Interest Cost	2.79	2.51	10.61	9.52	0.07	0.12
Current Service Cost	3.29	2.24	8.56	7.71	0.06	0.09
Past Service Cost	-	-	-	-	1.10	-
Contributions by the employees	-	-	13.49	11.86	-	-
Liability Transferred In for employees joined	-	-	7.07	3.63	-	-
Liability Transferred Out for employees left	-	-	(7.72)	(2.36)	-	-
Benefits Paid	(3.78)	(5.68)	(13.88)	(20.52)	(0.19)	(0.08)
Actuarial (gain) / loss	1.92	9.04	-	-	0.05	(0.56)
Present Value of Defined Benefit Obligation as at the end of the year	39.30	35.08	151.69	133.56	1.97	0.88

B. Changes in the Fair Value of Assets

(₹ in Crores)

	(Funded)				(Non-Funded)	
	Gratuity		Provident Fund		Long-term Service Award	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2016	2015	2016	2015	2016	2015
Fair Value of Plan Assets as at beginning of the year	25.58	25.04	133.56	123.72	-	-
Expected Return on Plan Assets	2.04	2.18	10.61	9.52	-	-
Contributions	5.00	3.16	22.05	19.57	-	-
Liability Transferred In for employees joined	-	-	7.07	3.63	-	-
Liability Transferred Out for employees left	-	-	(7.72)	(2.36)	-	-
Benefits Paid	(3.78)	(5.68)	(13.88)	(20.52)	-	-
Actuarial gain / (loss)	(0.54)	0.88	-	-	-	-
Fair Value of Plan Assets as at the end of the year	28.30	25.58	151.69	133.56	-	-

C. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

(₹ in Crores)

	(Funded)				(Non-Funded)	
	Gratuity		Provident Fund		Long-term Service Award	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2016	2015	2016	2015	2016	2015
Present Value of Funded Obligation as at end of the year	39.30	35.08	151.69	133.56	-	-
Fair Value of Plan Assets as at end of the year	28.30	25.58	151.69	133.56	-	-
Funded Liability/(Asset) recognized in the Balance Sheet (Refer Notes 8 and 11)	11.00	9.50	-	-	-	-
Present Value of Unfunded Obligation as at end of the year	-	-	-	-	1.97	0.88
Unrecognized Actuarial gain / (loss)	-	-	-	-	-	-
Unfunded Liability recognized in the Balance Sheet (Refer Notes 8 and 11)	-	-	-	-	1.97	0.88

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

D. Amount recognized in the Balance Sheet

(₹ in Crores)

	(Funded)				(Non-Funded)	
	Gratuity		Provident Fund		Long-term Service Award	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2016	2015	2016	2015	2016	2015
Present Value of Defined Benefit Obligation as at the end of the year	39.30	35.08	151.69	133.56	1.97	0.88
Fair Value of Plan Assets as at end of the year	28.30	25.58	151.69	133.56	-	-
Net Liability/(Asset) recognized in the Balance Sheet (Refer Note 8 and 11)	11.00	9.50	-	-	1.97	0.88
Recognized under:						
Long term provision (Refer note 8)	1.89	1.74	-	-	1.67	0.77
Short term provision (Refer note 11)	9.11	7.76	-	-	0.30	0.11

E. Expenses recognized in Statement of Profit and Loss

(₹ in Crores)

	(Funded)				(Non-Funded)	
	Gratuity		Provident Fund		Long-term Service Award	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2016	2015	2016	2015	2016	2015
Current Service Cost	3.29	2.24	8.56	7.71	0.06	0.09
Past Service Cost	-	-	-	-	1.10	-
Interest Cost	2.79	2.51	10.61	9.52	0.07	0.12
Expected Return on Plan Assets	(2.04)	(2.18)	(10.61)	(9.52)	-	-
Curtailments Cost / (Credit)	-	-	-	-	-	-
Settlements Cost / (Credit)	-	-	-	-	-	-
Net Actuarial (gain) / loss	2.46	8.16	-	-	0.05	(0.56)
Total Expenses / (Income) recognized in the Statement of Profit And Loss*	6.50	10.73	8.56	7.71	1.28	(0.35)

*Included in Salaries and Wages, Contribution to Provident and Other Funds, Gratuity Fund and R&D Expenses (Refer Notes 28 and 30).

F. Actual Return on Plan Assets

(₹ in Crores)

	(Funded)				(Non-Funded)	
	Gratuity		Provident Fund		Long-term Service Award	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2016	2015	2016	2015	2016	2015
Expected Return on Plan Assets	2.04	2.18	10.61	9.52	-	-
Actuarial gain / (loss) on Plan Assets	(0.54)	0.88	-	-	-	-
Actual Return on Plan Assets	1.50	3.06	10.61	9.52	-	-

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

G. Major Category of Plan Assets as a % of total Plan Assets

(%)

	(Funded)				(Non-Funded)	
	Gratuity		Provident Fund		Long-term Service Award	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2016	2015	2016	2015	2016	2015
Government Securities (Central and State)	54.12	44.70	37.41	36.14	-	-
Corporate Bonds	36.25	44.59	10.47	7.11	-	-
Equity Shares of Listed Companies	9.63	10.71	0.80	-	-	-
Fixed Deposits under Special Deposit Schemes of Central Government	-	-	18.95	21.65	-	-
Public Sector Unit Bonds	-	-	32.37	35.10	-	-

H. Principal actuarial assumptions used:

(%)

	(Funded)				(Non-Funded)	
	Gratuity		Provident Fund		Long-term Service Award	
	Year Ended March 31,		Year Ended March 31,		Year Ended March 31,	
	2016	2015	2016	2015	2016	2015
Discount Rate (per annum)	7.80	7.96	7.56	7.96	7.80	7.96
Expected Rate of return on Plan Assets (per annum)	7.80	7.96	8.80	8.75	-	-

I. Amounts recognized in the current year and previous four years:

(₹ in Crores)

	Gratuity (Funded)				
	As at March 31,				
	2016	2015	2014	2013	2012
Defined Benefit Obligation	39.30	35.08	26.97	24.17	18.35
Plan Assets	28.30	25.58	25.04	23.59	15.35
Deficit / (Surplus)	11.00	9.50	1.93	0.58	3.00
Experience adjustment on plan liabilities loss	2.52	1.24	3.39	4.73	2.47
Experience adjustment on plan assets gain/ (loss)	(0.53)	0.88	(0.59)	(0.10)	0.63

(₹ in Crores)

	Provident Fund (Funded)				
	As at March 31,				
	2016	2015	2014	2013	2012
Defined Benefit Obligation	151.69	133.56	123.72	104.95	96.18
Plan Assets	151.69	133.56	123.72	104.95	96.18
Deficit / (Surplus)	-	-	-	-	-
Experience adjustment on plan liabilities loss	-	-	-	-	-
Experience adjustment on plan assets gain/ (loss)	-	-	-	-	-

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

(₹ in Crores)

	Long Term Service Award (Non-Funded)				
	As at March 31,				
	2016	2015	2014	2013	2012
Defined Benefit Obligation	1.97	0.88	1.31	0.39	0.31
Plan Assets	-	-	-	-	-
Deficit / (Surplus)	1.97	0.88	1.31	0.39	0.31
Experience adjustment on plan liabilities (gain) / loss	0.18	(0.26)	0.16	0.01	0.23
Experience adjustment on plan assets gain/ (loss)	-	-	-	-	-

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- J. Expected employer's contribution for the next year is ₹ 9.11 Crores (Previous Year ₹ 7.76 Crores) for Gratuity.
- K. The liability for Leave Encashment (Non-Funded) as at year end is ₹ 27.67 Crores (Previous year ₹ 24.89 Crores) (Refer Notes 8 and 11).
The expected rate of return on plan assets is based on market expectations at the beginning of the year. The rate of return on long-term government bonds is taken as reference for this purpose.
35. The Company has with effect from October 1, 2015 reclassified the foreign currency loans given to certain foreign subsidiaries as long term loans forming part of the Company's net investment in a non-integral foreign operation. Accordingly, the Company has accounted for the exchange gain on revaluation of these loans amounting to ₹ 32.08 Crores (Previous year NIL) in Foreign Exchange Translation Reserve during the year.

36. Information in accordance with the requirements of Accounting Standard 18 on Related Party Disclosures.

1. List of related parties

A. Controlling Companies

The Ajay G. Piramal Foundation Q
 Piramal Healthcare Limited-Senior Employee Option SchemeQ
 Piramal Enterprises Limited-Trustees of Piramal Enterprises Executive TrustQ
 Piramal Life Sciences Limited - Senior Employees Stock Option Trust Q
 The Sri Krishna Trust through its Trustees, Mr.Ajay Piramal and Dr.(Mrs.) Swati A. Piramal (Previously held through its Corporate Trustees, Piramal Management Services Private Limited) Q
 QThere are no transactions during the year.

B. Subsidiary Companies/ Step down subsidiaries / Jointly Controlled Entities/ Associates and its intermediates

Located in India

Allergan India Private Limited (Allergan)
 Convergence Chemicals Private Limited (Convergence)
 Novus Cloud Solutions Private Limited Q (Upto April 1, 2015) +
 Zebra Management Services Private Limited Q (w.e.f. April 1, 2015) +
 PEL Finhold Private Limited
 PEL Asset Resurgence Advisory Private Limited (w.e.f. February 22, 2016)
 Piramal Asset Reconstruction Private Limited (w.e.f. January 29, 2016)
 Piramal Consumer Products Private Limited (w.e.f. March 23, 2016)
 PHL Fininvest Private Limited (PHL Fininvest)
 Piramal Finance Private Limited (formerly known as PHL Finance Private Limited (PHL Finance)) (Piramal Finance)
 Piramal Foundation for Educational Leadership (PFEL)
 Piramal Fund Management Private Limited (formerly known as Indiareit Fund Advisors Private Limited) (Piramal Fund)
 Piramal Healthcare Foundation
 Piramal Investment Advisory Services Private Limited (PIASPL)
 Piramal Swasthya Management and Research Institute (formerly known as "Health Management and Research Institute") (PSMRI)
 Piramal Systems & Technologies Private Limited (Piramal Systems)

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Piramal Udgam Data Management Solutions (Udgam)
 Shrilekha Financial Services (Partnership firm) (Shrilekha)
 Shriram Capital Limited (Shriram Capital) +
 Shriram Transport Finance Company Limited (w.e.f. July 21, 2015) (Shriram Transport) ++
 Shriram City Union Finance Limited (w.e.f. July 21, 2015) (Shriram City Union) ++
 Shriram Life Insurance Company Limited (w.e.f. July 21, 2015) (Shriram Life) ++
 Shriram General Insurance Company Limited (w.e.f. July 21, 2015) (₹) ++
 Shriram Credit Company Limited (w.e.f. July 21, 2015) (₹) ++
 Bharat Re-insurance Brokers Private Limited (w.e.f. July 21, 2015) (₹) ++
 Shriram Overseas Investment Private Limited (w.e.f. July 21, 2015) (₹) ++
 Shriram Investments Holdings Limited (w.e.f. July 21, 2015) (₹) ++

Located Outside India

Activate Networks Inc. ## (₹)
 Bluebird Aero Systems Limited (₹)
 Coldstream Laboratories Inc **
 Decision Resources Group Asia Limited ## (₹)
 Decision Resources Group UK Limited ## (₹)
 Decision Resources Inc. (formerly Decision Resources LLC) ** (₹)
 Decision Resources International Inc. ## (₹)
 DR/ Decision Resources LLC ## (₹)
 DR/MRG Holdings LLC ## (₹)
 DRG Analytics & Insights Private Limited (w.e.f. May 11, 2015) ## (₹)
 DRG Holdco Inc (w.e.f. August 26, 2015) (DRG Holdco) **
 DRG UK Holdco Limited ## (₹)
 Healthcare Business Insights LLC (w.e.f. May 14, 2015) ##
 Indiareit Investment Management Company # (₹)
 Millennium Research Group ## (₹)
 PEL-DRG Dutch Holdco BV (w.e.f. March 7, 2016) (₹)
 Piramal Asset Management Private Limited (formerly known as 'INDIAREIT Asset Management Private Limited') # (₹)
 Piramal Critical Care Deutschland GmbH ** (₹)
 Piramal Dutch Holdings N.V. (Dutch Holdings)
 Piramal Dutch IM Holdco BV (w.e.f. March 7, 2016) (₹)
 Piramal Imaging GmbH *
 Piramal Imaging SA *
 Piramal IPP Holdings LLC (w.e.f. November 6, 2015) ** (₹)
 Piramal Technologies SA \$ (₹)
 Piramal Critical Care Inc (PCCI) **
 Piramal Critical Care Italia, SPA *
 Piramal Critical Care Limited (formerly known as Piramal Life Sciences (UK) Limited) ** (₹)
 Piramal Healthcare (Canada) Limited (Piramal Healthcare, Canada) **
 Piramal Healthcare Inc. **
 Piramal Healthcare Pension Trustees Limited ** (₹)
 Piramal Healthcare UK Limited (Piramal Healthcare UK) **
 Piramal Holdings (Suisse) SA (Piramal Holdings)
 Piramal Imaging Limited (formerly known as Oxygen Healthcare Limited) (Imaging UK) *
 Piramal International (₹)
 Piramal Pharma Inc **
 Sigmatic Limited ## (₹)
 + Held through Shrilekha

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

++ Held through Shriram Capital

* Held through Piramal Holdings (Suisse) SA

** Held through Piramal Dutch Holdings N.V.

Held through Piramal Fund Management Private Limited

\$ Held through Piramal Systems & Technologies Private Limited

Held through Decision Resources Inc

Q There are no transactions during the year with the above companies.

C. Other related parties where common control exists

Aasan Developers and Constructions Private Limited (Demerged from Piramal Estates) (Aasan Developers)

Gopikrishna Piramal Memorial Hospital (GPMH)

Piramal Corporate Services Limited (PCSL)

Piramal Estates Private Limited (Piramal Estates)

Piramal Glass Limited (PGL)

Piramal Phytocare Limited (formerly known as Piramal Life Sciences Limited (PPL))

Piramal Realty Private Limited Q

Piramal Water Private Limited Q

Piramal Forging Private Limited (Piramal Forging)

Piramal Security Private Limited (Piramal Security)

Piramal Hospitality Private Limited (Piramal Hospitality)

Topzone Mercantile Company LLP (Topzone)

D. Key Management Personnel and their relatives

Mr. Ajay G. Piramal

Dr. (Mrs.) Swati A. Piramal

Ms. Nandini Piramal

Mr. Vijay Shah

Mr. Peter De Young [husband of Ms. Nandini Piramal]

2. Details of transactions with related parties.

Details of Transactions	(₹ in Crores)							
	Subsidiaries / Jointly Controlled Entities/ Associates & Intermediates		Other Related Parties		Key Management Personnel		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
Purchase of Goods								
- PGL	-	-	4.12	3.20	-	-	4.12	3.20
- PCCI	25.68	10.50	-	-	-	-	25.68	10.50
TOTAL	25.68	10.50	4.12	3.20	-	-	29.80	13.70
Sale of Goods								
- Allergan	59.24	37.49	-	-	-	-	59.24	37.49
- Piramal Healthcare UK	26.90	30.08	-	-	-	-	26.90	30.08
- Piramal Healthcare, Canada	1.70	11.56	-	-	-	-	1.70	11.56
- PCCI	56.76	29.24	-	-	-	-	56.76	29.24
- Piramal Critical Care Italia, SPA	-	2.53	-	-	-	-	-	2.53
- Others	-	0.38	-	-	-	-	-	0.38
TOTAL	144.60	111.28	-	-	-	-	144.60	111.28
Rendering of Services								
- Piramal Finance	2.00	2.00	-	-	-	-	2.00	2.00
- Piramal Healthcare, Canada	0.14	0.69	-	-	-	-	0.14	0.69
- Allergan	0.94	0.53	-	-	-	-	0.94	0.53
- Piramal Healthcare UK	0.22	0.88	-	-	-	-	0.22	0.88

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

(₹ in Crores)

Details of Transactions	Subsidiaries / Jointly Controlled Entities/ Associates & Intermediates		Other Related Parties		Key Management Personnel		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	- Others	0.50	0.25	0.01	0.03	-	-	0.51
TOTAL	3.80	4.35	0.01	0.03	-	-	3.81	4.38
Guarantee commission received								
- Piramal Finance	2.46	4.21	-	-	-	-	2.46	4.21
TOTAL	2.46	4.21	-	-	-	-	2.46	4.21
Receiving of Services								
- Piramal Pharma Inc	20.36	23.32	-	-	-	-	20.36	23.32
- Piramal Healthcare UK	14.60	19.87	-	-	-	-	14.60	19.87
- Imaging UK	-	0.12	-	-	-	-	-	0.12
- Others	0.10	-	-	-	-	-	0.10	-
TOTAL	35.06	43.31	-	-	-	-	35.06	43.31
Royalty Paid								
- PCSL	-	-	15.89	10.82	-	-	15.89	10.82
TOTAL	-	-	15.89	10.82	-	-	15.89	10.82
Rent Paid								
- Piramal Estates	-	-	9.34	11.64	-	-	9.34	11.64
- Aasan Developers	-	-	1.76	-	-	-	1.76	-
- Others	-	-	0.44	0.34	-	-	0.44	0.34
TOTAL	-	-	11.54	11.98	-	-	11.54	11.98
Reimbursement of expenses recovered								
- PGL	-	-	-	1.41	-	-	-	1.41
- PCCI	1.60	1.28	-	-	-	-	1.60	1.28
- Piramal Imaging SA	-	0.56	-	-	-	-	-	0.56
- Piramal Healthcare UK	2.21	1.17	-	-	-	-	2.21	1.17
- Others	1.00	0.39	0.18	0.19	-	-	1.18	0.58
TOTAL	4.81	3.40	0.18	1.60	-	-	4.99	5.00
Reimbursement of expenses paid								
- Piramal Healthcare UK	0.28	2.74	-	-	-	-	0.28	2.74
- Piramal Imaging GmbH	-	0.44	-	-	-	-	-	0.44
- GPMH	-	-	1.52	-	-	-	1.52	-
- Others	0.08	0.06	-	0.04	-	-	0.08	0.10
TOTAL	0.36	3.24	1.52	0.04	-	-	1.88	3.28
Expenditure towards Corporate Social Responsibility activities								
- PFEL	15.88	13.62	-	-	-	-	15.88	13.62
- Udgam	0.57	0.89	-	-	-	-	0.57	0.89
- PSMRI	1.10	-	-	-	-	-	1.10	-
TOTAL	17.55	14.51	-	-	-	-	17.55	14.51
Donation Paid								
- Piramal Water	-	-	-	0.27	-	-	-	0.27
- PSMRI	0.52	-	-	-	-	-	0.52	-
TOTAL	0.52	-	-	0.27	-	-	0.52	0.27

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Details of Transactions	(₹ in Crores)							
	Subsidiaries / Jointly Controlled Entities/ Associates & Intermediates		Other Related Parties		Key Management Personnel		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
Sale of Assets								
- Topzone	-	-	70.00	-	-	-	70.00	-
TOTAL	-	-	70.00	-	-	-	70.00	-
Purchase of Securities								
- Piramal Forging	-	-	0.01	-	-	-	0.01	-
- Piramal Security	-	-	*	-	-	-	*	-
- Piramal Hospitality	-	-	*	-	-	-	*	-
TOTAL	-	-	0.01	-	-	-	0.01	-
Sale of Securities								
- Piramal Fund	-	60.63	-	-	-	-	-	60.63
TOTAL	-	60.63	-	-	-	-	-	60.63
Share of Profit								
- Shrulekha	36.06	-	-	-	-	-	36.06	-
TOTAL	36.06	-	-	-	-	-	36.06	-
Dividend Income								
- Allergan	-	3.92	-	-	-	-	-	3.92
- Shriram Capital	*	-	-	-	-	-	*	-
- Shriram Transport	22.60	-	-	-	-	-	22.60	-
- Shriram City Union	10.20	-	-	-	-	-	10.20	-
- Piramal Healthcare Inc.	47.31	-	-	-	-	-	47.31	-
TOTAL	80.11	3.92	-	-	-	-	80.11	3.92
Finance granted /(repayments) - Net (including loans and Equity contribution in cash or in kind)								
- Shrulekha	-	2,117.45	-	-	-	-	-	2,117.45
- PHL Fininvest	0.75	(27.15)	-	-	-	-	0.75	(27.15)
- Piramal Healthcare Inc.	796.39	521.41	-	-	-	-	796.39	521.41
- Piramal Holdings	410.42	280.96	-	-	-	-	410.42	280.96
- DRG Holdco	325.19	-	-	-	-	-	325.19	-
- Convergence	12.29	30.61	-	-	-	-	12.29	30.61
- Piramal Fund	62.50	81.25	-	-	-	-	62.50	81.25
- Piramal Finance	(38.00)	38.00	-	-	-	-	(38.00)	38.00
- Others	7.76	6.72	-	-	-	-	7.76	6.72
TOTAL	1,577.30	3,049.25	-	-	-	-	1,577.30	3,049.25

* Amounts are below the rounding off norms adopted by the Company.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Details of Transactions	(₹ in Crores)							
	Subsidiaries / Jointly Controlled Entities/ Associates & Intermediates		Other Related Parties		Key Management Personnel		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
Loan Taken /(repayments) - Net								
- Piramal Finance	21.00	-	-	-	-	-	21.00	-
- Shriram Life	5.00	-	-	-	-	-	5.00	-
TOTAL	26.00	-	-	-	-	-	26.00	-
Interest Received on Loans								
- PHL Fininvest	0.70	82.72	-	-	-	-	0.70	82.72
- Piramal Healthcare Inc.	96.27	62.15	-	-	-	-	96.27	62.15
- Piramal Holdings	45.92	34.35	-	-	-	-	45.92	34.35
- Others	14.96	7.76	-	-	-	-	14.96	7.76
TOTAL	157.85	186.98	-	-	-	-	157.85	186.98
Interest Received on debentures								
- Piramal System	2.16	2.16	-	-	-	-	2.16	2.16
TOTAL	2.16	2.16	-	-	-	-	2.16	2.16
Interest paid on loans								
- Piramal Finance	0.57	1.72	-	-	-	-	0.57	1.72
- Shriram Life	0.02	-	-	-	-	-	0.02	-
TOTAL	0.59	1.72	-	-	-	-	0.59	1.72
Remuneration								
- Mr. Ajay G. Piramal	-	-	-	-	6.93	11.65	6.93	11.65
- Dr. (Mrs.) Swati A. Piramal	-	-	-	-	3.33	4.57	3.33	4.57
- Ms. Nandini Piramal	-	-	-	-	2.34	3.53	2.34	3.53
- Mr. Vijay Shah	-	-	-	-	3.82	6.57	3.82	6.57
- Mr. Peter De Young	-	-	-	-	2.35	2.52	2.35	2.52
TOTAL	-	-	-	-	18.77	28.84	18.77	28.84

Account Balances	(₹ in Crores)							
	Subsidiaries / Jointly Controlled Entities/ Associates & Intermediates		Other Related Parties		Key Management Personnel		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
Remuneration payable								
- Mr. Ajay G. Piramal	-	-	-	-	-	10.24	-	10.24
- Dr. (Mrs.) Swati A. Piramal	-	-	-	-	-	3.08	-	3.08
- Ms. Nandini Piramal	-	-	-	-	-	2.09	-	2.09
- Mr. Vijay Shah	-	-	-	-	-	5.08	-	5.08
TOTAL	-	-	-	-	-	20.49	-	20.49
Loans to related parties								
- Piramal Healthcare Inc.	1,947.24	1,067.45	-	-	-	-	1,947.24	1,067.45
- Piramal Holdings	1,032.96	569.40	-	-	-	-	1,032.96	569.40
- Others	449.12	140.93	-	-	-	-	449.12	140.93
TOTAL	3,429.32	1,777.78	-	-	-	-	3,429.32	1,777.78

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

(₹ in Crores)

Account Balances	Subsidiaries / Jointly Controlled Entities/ Associates & Intermediates		Other Related Parties		Key Management Personnel		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
Current Account balances with related parties								
- Piramal Healthcare Inc	-	132.08	-	-	-	-	-	132.08
- Piramal Holdings	33.78	7.35	-	-	-	-	33.78	7.35
- Others	4.21	2.50	-	-	-	-	4.21	2.50
TOTAL	37.99	141.93	-	-	-	-	37.99	141.93
Trade Receivables								
- Piramal Healthcare UK	21.20	19.83	-	-	-	-	21.20	19.83
- PCCI	24.73	-	-	-	-	-	24.73	-
- Piramal Healthcare Canada	-	3.63	-	-	-	-	-	3.63
- PGL	-	-	-	0.81	-	-	-	0.81
- Others	0.60	3.02	0.05	-	-	-	0.65	3.02
TOTAL	46.53	26.48	0.05	0.81	-	-	46.58	27.29
Advance from Customer								
- Allergan	2.87	-	-	-	-	-	2.87	-
TOTAL	2.87	-	-	-	-	-	2.87	-
Consideration Receivable								
- Topzone	-	-	70.00	-	-	-	70.00	-
TOTAL	-	-	70.00	-	-	-	70.00	-
Loans from Related Parties								
- Piramal Finance	21.00	-	-	-	-	-	21.00	-
- Shriram Life	5.00	-	-	-	-	-	5.00	-
TOTAL	26.00	-	-	-	-	-	26.00	-
Long-Term Loans and Advances								
- Piramal Estates	-	-	-	6.72	-	-	-	6.72
- Aasan Developers	-	-	7.28	-	-	-	7.28	-
TOTAL	-	-	7.28	6.72	-	-	7.28	6.72
Short-Term Loans and Advances								
- Shriram Life	0.39	-	-	-	-	-	0.39	-
TOTAL	0.39	-	-	-	-	-	0.39	-
Trade Payable								
- Piramal Pharma Inc	34.10	31.18	-	-	-	-	34.10	31.18
- Piramal Healthcare UK	2.05	4.12	-	-	-	-	2.05	4.12
- PCCI	22.84	-	-	-	-	-	22.84	-
- PCSL	-	-	4.89	-	-	-	4.89	-
- Others	-	4.62	0.71	0.45	-	-	0.71	5.07
TOTAL	58.99	39.92	5.60	0.45	-	-	64.59	40.37

* Amounts are below the rounding off norms adopted by the Company.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

	For the year ended March 31, 2016	For the year ended March 31, 2015
(₹ in Crores)		
37. a. Value of imports calculated on CIF basis:		
i. Raw Materials	388.09	359.74
ii. Capital Goods	38.40	46.11
iii. Traded Goods	9.91	31.54
b. Expenditure in Foreign Currency		
i. Service charges	34.97	42.46
ii. Professional Fees	11.74	11.58
iii. Travelling	1.08	6.67
iv. Laboratory Consumables	9.75	9.41
v. Books, periodicals & subscriptions	1.71	7.71
vi. Commission	1.89	2.29
vii. Interest Expense	0.35	1.18
viii. Export Expenses	0.15	6.71
ix. Clinical Expenses	1.11	6.93
x. Others	10.39	18.97
c. Dividend Remitted in Foreign Currency		
A] Final dividend:		
Dividend paid during the year (₹ In Crores)	8.71	22.73
Number of non-resident shareholders	233	232
Number of equity shares held by such non-resident shareholders	4,330,370	4,330,186
Year to which the dividends relate to	2014-15	2013-14
B] Interim dividend:		
Dividend paid during the year (₹ In Crores)	7.58	-
Number of non-resident shareholders	229	-
Number of equity shares held by such non-resident shareholders	4,330,251	-
Year to which the dividends relate to	2015-16	-
38. EARNINGS IN FOREIGN CURRENCY		
i. Exports of Goods calculated on FOB basis	1,136.15	1,000.85
ii. Dividend received from subsidiaries	47.31	-
iii. Interest	142.20	96.50
iv. Service Income	117.88	103.64
39. Miscellaneous Expenditure in Note 30 includes Auditors' Remuneration in respect of:		
Statutory Auditors:		
a) Audit Fees	1.00	0.84
b) Other Services	0.09	0.10
c) Reimbursement of Out of pocket Expenses	0.03	0.01

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

40. Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(₹ in Crores)

Particulars	As at March 31, 2016	As at March 31, 2015
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year-end	3.46	0.58
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.49	1.11
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	89.75	47.31
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	1.38	0.56
Further interest remaining due and payable for earlier years	1.11	0.55

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

41. The Company has advanced loans to its subsidiary companies. The disclosures pursuant to Regulation 34(3) read with para A of Schedule V to SEBI Listing Regulations, 2015:

Amounts outstanding as at the year-end were:

(₹ in Crores)

Subsidiary Companies	As at March 31, 2016	As at March 31, 2015
Piramal Holdings (Suisse) SA	1,032.96	569.40
PHL Fininvest Private Limited	8.60	7.85
Piramal Healthcare Inc.	1,947.24	1,067.45
Piramal Systems & Technologies Private Limited	14.06	13.70
Piramal Dutch Holdings N.V.	0.55	0.13
Piramal Fund Management Private Limited	143.75	81.25
Piramal Finance Private Limited	-	38.00
Convergence Chemicals Private Limited	7.19	-
DRG Hold Co Inc.	274.98	-

The maximum amounts due during the year were:

(₹ in Crores)

Subsidiary Companies	As at March 31, 2016	As at March 31, 2015
PHL Fininvest Private Limited	8.60	1,815.08
Piramal Healthcare Inc.	1,947.24	1,067.45
Piramal Holdings (Suisse) SA	1,032.96	617.34
Piramal Fund Management Private Limited	143.75	81.25
Piramal Finance Private Limited	151.00	38.00
Piramal Systems & Technologies Private Limited	14.06	15.52
PHL Infrastructure Finance Company Private Limited	-	2.43
Piramal Dutch Holdings N.V.	0.55	0.16
Convergence Chemicals Private Ltd	7.19	20.00
Piramal Investment Advisory Services Private Limited	-	0.50
DRG Hold Co Inc.	318.52	-

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

42. The Company's significant operating lease arrangements are mainly in respect of residential / office premises and computers. The aggregate lease rentals payable on these leasing arrangements are charged as rent under "Other Expenses" in Note 30. These lease arrangements are for a period not exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms. The Company has placed a refundable deposit of ₹ 32.01 Crores (Previous Year ₹ 27.41 Crores) in respect of these leasing arrangements. Future lease rentals payable in respect of non-cancellable operating leases have been mentioned below:

Payable	(₹ in Crores)	
	As at March 31, 2016	As at March 31, 2015
Not later than one year	22.32	37.23
Later than one year but not later than five years	62.13	8.33
Later than five years	-	-

43. DERIVATIVES INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY (FC) EXPOSURE

a) Derivatives outstanding as at the reporting date

i. Hedge of firm commitment and highly probable forecast transaction	As at March 31, 2016		As at March 31, 2015	
	FC in Crores	₹ In Crores	FC in Crores	₹ In Crores
Forward contracts to sell USD / INR	3.90	267.17	7.28	473.92
Forward contracts to sell EUR / USD	1.20	91.38	-	-
Forward contracts to sell GBP / USD	1.20	114.57	0.95	87.28

ii. Hedge of Receivable of Loan to related parties	As at March 31, 2016		As at March 31, 2015	
	FC in Crores	₹ In Crores	FC in Crores	₹ In Crores
Forward contracts to sell USD	4.33	296.94	3.07	194.36

iii. Hedge of loans payable to banks	As at March 31, 2016		As at March 31, 2015	
	FC in Crores	₹ In Crores	FC in Crores	₹ In Crores
Cross currency interest rate swap USD/INR	6.02	398.93	-	-

b) Mark-to-market losses on the above

Particulars	For the year ended March 31, 2016 ₹ In Crores	For the year ended March 31, 2015 ₹ In Crores
Mark-to-market losses provided for	9.40	-

c) Particulars of unhedged foreign currency exposures as at the reporting date

Currencies	March 31, 2016				March 31, 2015			
	Advances from customers		Trade receivables		Advances from customers		Trade receivables	
	FC in Crores	₹ In Crores	FC in Crores	₹ In Crores	FC in Crores	₹ In Crores	FC in Crores	₹ In Crores
AUD	-	-	-	-	*	0.09	0.01	0.47
EUR	0.04	2.69	0.42	31.55	0.01	0.91	0.82	54.79
GBP	*	0.14	0.73	69.22	0.01	0.65	0.66	61.15
USD	0.46	30.56	2.82	187.15	0.28	17.53	2.37	147.87
CAD	-	-	0.02	0.78	-	-	-	-
SGD	-	-	*	0.16	-	-	-	-

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Currencies	March 31, 2016				March 31, 2015			
	Advances to vendors		Trade payables		Advances to vendors		Trade payables	
	FC in Crores	₹ In Crores	FC in Crores	₹ In Crores	FC in Crores	₹ In Crores	FC in Crores	₹ In Crores
CAD	-	-	*	0.03	*	*	-	-
CHF	0.10	7.12	0.03	2.04	*	0.31	0.04	2.83
EUR	0.09	6.70	0.11	8.11	0.13	8.49	0.07	4.56
GBP	0.02	1.57	0.03	2.77	0.02	1.96	0.05	4.83
THB	0.04	0.07	-	-	0.04	0.04	-	-
SEK	0.13	1.03	0.04	0.28	0.13	0.97	0.04	0.26
USD	0.29	19.18	1.87	124.13	0.29	18.13	1.58	98.74
NZD	-	-	*	*	-	-	*	*
JPY	0.03	0.02	0.02	0.01	-	-	-	-
SGD	*	*	-	-	-	-	-	-

Currencies	March 31, 2016		March 31, 2015	
	Loan from Banks		Loan from Banks	
	FC in Crores	₹ In Crores	FC in Crores	₹ In Crores
USD	1.12	73.94	0.85	52.94

Currencies	March 31, 2016				March 31, 2015			
	Loans		Current Account Balances		Loans		Current Account Balances	
	FC in Crores	₹ In Crores	FC in Crores	Rs. In Crores	FC in Crores	₹ In Crores	FC in Crores	₹ In Crores
USD	34.76	2,293.53	0.12	7.88	17.33	1,080.46	2.51	134.69
GBP	2.06	196.78	-	-	1.08	99.73	0.01	1.28
EUR	5.94	447.90	0.32	24.42	3.64	244.45	0.05	3.22
CHF	0.30	20.57	0.02	1.51	0.28	17.98	*	0.24

* Amounts are below the rounding off norm adopted by the Company.

44. Earnings Per Share (EPS) – EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
1. Profit after tax (₹ in Crores)	1,061.15	372.74
2. Weighted Average Number of Shares (nos.)	172,563,100	172,563,100
3. Earnings Per Share - Basic and Diluted (₹)	61.49	21.60
4. Face value per share (₹)	2.00	2.00

45. The Company conducts research and development to find new sustainable chemical routes for pharmaceutical and herbal products. The Company is undertaking development activities for Oral Solids and Sterile Injectables, apart from other Active Pharmaceutical Ingredients. The Company has research and development centres in Mumbai, Ennore and Ahmedabad.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Details of additions to fixed assets and qualifying Revenue Expenditure for Department of Scientific & Industrial Research (DSIR) approved research and development facilities / division of the Company at Mumbai and Ennore for the year ended March 31, 2016 are as follows:

Description	(₹ in Crores)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue Expenditure	35.36	90.47
Capital Expenditure, Net		
Additions to fixed assets (Refer Note 12)	30.28	10.17
Less: Sale proceeds of the assets and Transfer of the Assets	3.75	9.60
Less: Credit for transfer of R&D assets out of R&D centre	6.74	11.75
TOTAL	19.79	(11.18)

During the previous year, the Company had decided to curtail investments in New Chemical Entity research. The Company continued the development of two molecules – P11187 and P7435 till the end of its current stage i.e. Phase I. As part of this expenditure curtailment and reallocation of funds initiative, employees connected with NCE R&D were offered a Voluntary Early Separation Scheme which was executed in a fair and transparent manner.

Accordingly, Costs and write-downs associated with the scale-down incurred during the year, disclosed under Exceptional Income / (Expenses) (Refer Note 31), are mentioned below:

Description	(₹ in Crores)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Costs associated with Voluntary Early Settlement Scheme	-	16.98
Provision for Onerous contracts	-	52.04
Write-down of Intangible assets under development	-	148.68
Write-down of Tangible and Intangible Assets	-	31.39
(Gain)/Loss on sale of Tangible assets	(2.56)	25.69
Other costs associated with scale-down	-	24.67
TOTAL (Refer Note 31)	(2.56)	299.45

46. MOVEMENT IN PROVISIONS:

Particulars	Assets of Financial Services		Litigations / Disputes		Onerous Contracts	
	As at		As at		As at	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Balances as at the beginning of the year	83.25	34.13	13.39	12.89	36.55	-
Additions	167.59	49.12	-	0.50	-	52.04
Amount used	-	-	-	-	(35.49)	(15.49)
Unused amounts reversed	-	-	-	-	-	-
Balances as at the end of the year	250.84	83.25	13.39	13.39	1.06	36.55
Classified as Non-current (Refer Note 8)	227.32	64.86	13.39	13.39	0.35	1.06
Classified as Current (Refer Note 11)	23.52	18.39	-	-	0.71	35.49
TOTAL	250.84	83.25	13.39	13.39	1.06	36.55

The Company assesses all investments in Debentures, Term loans and Inter-corporate Deposits given for their recoverability and accordingly, makes provisions on these Assets of Financial Services Segment in respect of likely non-performing assets, as considered necessary. As a matter of prudence, the Company has provided for such assets based on past experience, emerging trends and estimates.

Provision for Onerous contracts represents the amounts provided for contracts where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

47. JOINT VENTURES

The Company has the following investments in jointly controlled entities.

Particulars	Proportion of ownership in the Company	
	March 31, 2016	March 31, 2015
Allergan India Private Limited ("Allergan")	49.00%	49.00%
Shrilekha Financial Services (Partnership firm) ("Shrilekha")	74.95%	74.95%

The Company's share of each of the assets, liabilities, income and expenses without elimination of the effect of intra-group transactions, in Allergan based on audited financial statements are as follows-

Particulars	₹ in Crores	
	March 31, 2016	March 31, 2015
Assets		
Tangible Assets	2.50	1.72
Intangible Assets	-	0.06
Intangible Assets under Development	-	0.49
Deferred Tax Asset (net)	3.46	1.72
Long-Term Loans and Advances	5.27	5.59
Inventories	11.59	18.91
Trade Receivables	19.80	10.03
Cash and Cash Equivalents	75.45	38.92
Other Non-Current Assets	-	-
Short-Term Loans and Advances	3.52	3.05
Other Current Assets	1.79	1.12
Liabilities		
Long-Term Provisions	-	-
Trade Payables	17.71	13.54
Other Current Liabilities	23.43	3.87
Short-Term Provisions	8.27	2.42
Income		
Revenue from operations (Net)	165.30	137.04
Other Income	2.78	1.74
Expenses		
Purchases of stock-in-trade	47.59	57.64
Changes in inventories of finished goods, work-in-progress and stock-in-trade	7.33	(8.85)
Employee benefits expense	22.41	22.04
Depreciation and amortization expense	0.98	0.97
Other Expenses	34.38	32.38
Provision for Taxation (including Deferred Tax)	19.59	11.93
Contingent Liabilities & Commitments		
Contingent Liabilities	13.73	11.75
Capital Commitments	-	0.08

The Company's share of each of the assets, liabilities, income and expenses without elimination of the effect of intra-group transactions, in

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Shrilekha based on audited Financial Statements for the year ended March 31, 2016 are as follows-

Particulars	₹ in Crores	
	March 31, 2016	March 31, 2015
Assets		
Fixed Assets	*	*
Investments	1,588.23	1,588.21
Cash and Cash Equivalents	0.41	0.43
Other Current Assets	0.06	0.05
Liabilities		
Loan Account	0.02	0.02
Trade Payables	0.02	0.02
Income		
Dividend Income	36.06	0.07
Interest received on Bank Deposits	-	*
Expenditure	*	*

* - Below the rounding off threshold applied by the company.

48. The Company is engaged in pharmaceutical business (mainly consisting of manufacturing and sale of own and traded bulk drugs and formulations) and Financial services which are considered the Primary reportable business segments. The Secondary Segments based on geographical segmentation are considered to be businesses outside India and within India.

Details	₹ in Crores					
	Pharmaceuticals manufacturing and services		Financial services		Total	
	March 2016	March 2015	March 2016	March 2015	March 2016	March 2015
Revenues						
- External	1,827.10	1,676.89	1,650.43	602.84	3,477.53	2,279.73
- Other Operating Revenues	23.37	26.37	15.63	95.31	39.00	121.68
Revenue from Operations	1,850.47	1,703.26	1,666.06	698.15	3,516.53	2,401.41
Segment Results	388.67	(382.51)	900.12	1,176.66	1,288.79	794.15
Add: Exchange Gain					119.71	48.41
Add: Unallocated income net off unallocated expenses*					(97.29)	79.50
Less: Finance Cost					(220.11)	(275.68)
Profit Before Tax					1,091.10	646.38
Less: Tax Expenses					(29.95)	(273.64)
Profit After Tax					1,061.15	372.74

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

Included in the above Segment results, are the Exceptional Items as mentioned below:

(₹ in Crores)

Details	Pharmaceuticals manufacturing and services		Financial services		Total	
	March 2016	March 2015	March 2016	March 2015	March 2016	March 2015
	Gain on sale of properties (Refer Note 31(a))	70.23	-	-	-	70.23
Gain on Sale of Vodafone Investment (Refer Note 31(b))	-	-	-	3,036.08	-	3,036.08
Loss on Sale of Investment (Refer Note 31(c) and 33)	-	-	-	(2,423.28)	-	(2,423.28)
Loss on Sale of PCR Business (Refer Note 31(d))	(2.60)	-	-	-	(2.60)	-
(Costs) / Income associated with R&D scale down (Refer Note 45)	2.56	(299.45)	-	-	2.56	(299.45)
Costs associated with write-down of Tangible / Intangible Assets (Refer Note 12)	-	(17.07)	-	-	-	(17.07)
Gain on sale of Lab Diagnostics and Point of Care Business (Refer Note 31(e))	-	2.60	-	-	-	2.60
TOTAL	70.19	(313.92)	-	612.80	70.19	298.88

Other Information

(₹ in Crores)

Details	Pharmaceuticals manufacturing and services		Financial services		Total	
	March 2016	March 2015	March 2016	March 2015	March 2016	March 2015
	Segment Assets	4,708.24	3,689.04	18,210.33	9,740.21	22,918.57
Unallocable Corporate Assets	-	-	-	-	3,802.21	3,003.33
TOTAL ASSETS					26,720.78	16,432.58
Segment Liabilities	639.87	611.04	10,769.37	83.25	11,409.24	694.29
Unallocable Corporate Liabilities	-	-	-	-	3,134.94	4,291.45
TOTAL LIABILITIES					14,544.18	4,985.74
Capital Expenditure	349.62	135.43	-	-	349.62	135.43
Depreciation and amortization	79.62	88.84	-	-	79.62	88.84
Non Cash expenditure other than depreciation and amortization	8.10	18.33	167.59	49.12	175.69	67.45

Secondary Segments

(₹ in Crores)

Details	Within India		Outside India		Total	
	March 2016	March 2015	March 2016	March 2015	March 2016	March 2015
	Revenue from operations	2,262.51	1,296.92	1,254.02	1,104.49	3,516.53
Carrying amounts of Segment Assets	21,505.95	13,003.43	5,214.83	3,429.16	26,720.78	16,432.58
Additions to Tangible and Intangible Assets	349.62	135.43	-	-	349.62	135.43

*With increasing complexity, growth, diversity and the current nature of the Company's businesses and various initiatives undertaken to benefit the Company, the Company considers it impracticable to allocate the corporate expenses attributable to the Company as a whole, to individual

NOTES TO FINANCIAL STATEMENTS (CONTD.)

for the Year Ended March 31, 2016

business segments on a reasonable basis. As per the revised internal management reporting system, the evaluation of the business segment performance and the decision to allocate resources to business segments are carried out without factoring Corporate Expenses. Accordingly effective from Current year, the corporate expenses are treated as "Unallocable expenditure". Had the Company continued to allocate the Corporate expenses to individual business segments as done in earlier periods the segment results for the current year would have been ₹ 311.93 Crores for Pharmaceuticals manufacturing and services segment and ₹ 819.99 Crores for Financial services.

49. a) Materials Consumed

	For the year ended March 31, 2016	For the year ended March 31, 2015
Carvedilol USP (Teva)	62.36	69.08
Vitamin A Acetate 2.8 Mio IU/G Unstab	32.26	37.03
FADCP	27.23	26.99
Cis Tosylate	26.25	35.60
Cis + Hydroxylactam	24.05	12.80
Others *	687.30	616.30
TOTAL	859.45	797.80

* Containing various raw materials, none of which represents more than 5% of total consumption of raw materials.

Whereof:

	For the year ended March 31, 2016		For the year ended March 31, 2015	
	(₹ in Crores)	%	(₹ in Crores)	%
Imported at Landed Cost	375.31	44%	367.58	46%
Indigenous	484.14	56%	430.22	54%
TOTAL	859.45		797.80	

b) Stores and Spares Parts Consumed

Whereof:

	For the year ended March 31, 2016		For the year ended March 31, 2015	
	(₹ in Crores)	%	(₹ in Crores)	%
Imported at Landed Cost	0.08	0%	0.03	0%
Indigenous	34.36	100%	36.29	100%
TOTAL	34.44		36.32	

50. During the year, the Company identified a fraud committed by an employee in one of its divisions. The Company initiated an internal investigation in the matter. Based on the results of the investigation, it was concluded that the employee had misrepresented to various customers and raised forged invoices and credit notes to the extent of ₹ 3.18 Crores. The Company has filed a criminal complaint with appropriate authorities and will pursue the matter further. The Company has taken appropriate measures and has further strengthened internal processes and controls to prevent such cases.

51. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signature to note 1 to 51 of financial statements.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership Number: 048125

Ajay G. Piramal Chairman
Rajesh Laddha Chief Financial Officer
Leonard D'Souza Company Secretary

Mumbai, May 16, 2016

Mumbai, May 16, 2016

FORM AOC-1 (CONTD.)

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Name of the Subsidiary Company	Piramal Technologies SA		PEL Finhold Private Limited		Convergence Chemicals Private Limited		PEL Asset Resurgence Advisory Private Limited		Piramal Asset Reconstruction Private Limited		Piramal Consumer Products Private Limited		Piramal Udgam Data Management Solutions ^		Piramal Foundation for Education Leadership ^		Piramal Healthcare Foundation ^		Piramal Swasthya Management and Research Institute ^	
	31.12.2015*	CHF	31.03.2016	INR	31.03.2016	INR	31.03.2016	INR	31.03.2016	INR	31.03.2016	INR	31.03.2016	INR	31.03.2016	INR	31.03.2016	INR	31.03.2016	INR
Reporting period for the subsidiary	31.12.2015*		31.03.2016		31.03.2016		31.03.2016		31.03.2016		31.03.2016		31.03.2016		31.03.2016		31.03.2016		31.03.2016	
Reporting currency	USD		INR		INR		INR		INR		INR		INR		INR		INR		INR	
Exchange rate	69.02		-		-		-		-		-		-		-		-		-	
Share capital	22.78		0.01		5.00		2.00		0.02		0.02		-		-		-		-	
Reserves & Surplus	(10.86)		-		(0.05)		(0.05)		-		-		0.40		4.80		**		10.73	
Total assets	45.33		0.01		5.01		2.02		0.02		0.02		0.46		15.52		**		26.61	
Total liabilities	33.42		-		0.06		0.07		-		-		0.06		10.72		**		15.88	
Investments	45.00		-		-		-		-		-		-		-		-		-	
Turnover	0.07		-		-		-		-		-		1.20		20.26		-		58.77	
Profit before taxation	(2.71)		-		(0.06)		(0.07)		-		-		0.05		(1.35)		**		4.00	
Provision for taxation	-		-		(0.01)		(0.02)		-		-		0.10		-		-		-	
Profit after taxation	(2.71)		-		(0.05)		(0.05)		-		-		(0.05)		(1.35)		**		4.00	
Proposed dividend	-		-		-		-		-		-		-		-		-		-	
% of shareholding	100		100		100		100		100		100		100		100		100		100	

Name of the Subsidiary Company	DRG Holdco Inc.		Piramal IPP Holdings LLC		Decision Resources Inc.		Decision Resources International, Inc.		DR/Decision Resources, LLC		DR/MRG Holdings, LLC		Millennium Research Group Inc.		Decision Resources Group Asia Ltd		DRG UK Holdco Limited		Decision Resources Group UK Limited	
	31.12.2015*	USD	31.12.2015*	USD	31.12.2015*	USD	31.12.2015*	USD	31.12.2015*	USD	31.12.2015*	USD	31.12.2015*	USD	31.12.2015*	USD	31.12.2015*	GBP	31.12.2015*	GBP
Reporting period for the subsidiary	31.12.2015*		31.12.2015*		31.12.2015*		31.12.2015*		31.12.2015*		31.12.2015*		31.12.2015*		31.12.2015*		31.12.2015*		31.12.2015*	
Reporting currency	USD		USD		USD		USD		USD		USD		USD		USD		USD		GBP	
Exchange rate	66.26		66.26		66.26		66.26		66.26		66.26		66.26		66.26		66.26		95.35	
Share capital	474.08		-		1,742.20		-		-		-		337.28		-		11.51		142.61	
Reserves & Surplus	(23.40)		-		(762.05)		(14.67)		976.68		51.48		(329.05)		(1.28)		(10.90)		22.86	
Total assets	3,755.80		1,716.11		5,115.86		699.87		3,845.06		533.94		188.48		18.96		142.61		218.09	
Total liabilities	3,305.12		-		4,135.73		714.54		1,897.93		6.18		180.25		20.24		142.00		52.63	
Investments	1,716.11		1,716.11		1,206.25		-		476.28		337.28		-		-		142.61		200.04	
Turnover	5.21		-		-		93.21		933.79		-		105.11		8.86		-		4.77	
Profit before taxation	(23.40)		-		(164.49)		8.78		105.03		9.85		(7.40)		0.76		(6.81)		2.20	
Provision for taxation	-		-		182.96		0.39		(267.89)		-		(0.62)		(0.05)		-		-	
Profit after taxation	(23.40)		-		(347.45)		8.39		372.92		9.85		(6.78)		0.81		(6.81)		2.20	
Proposed dividend	-		-		-		-		-		-		-		-		-		-	
% of shareholding	100		100		100		100		100		100		100		100		100		100	

STANDALONE FINANCIAL STATEMENTS

FORM AOC-1 (CONTD.)

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Name of the Subsidiary Company	(₹ in Crores)			
	Sigmatic Limited	Activate Networks Inc.	Healthcare Business Insights LLC (Consolidated)	DRG Analytics & Insights Private Limited
Reporting period for the subsidiary	31.12.2015*	31.12.2015*	31.12.2015*	31.03.2016
Reporting currency	GBP	USD	USD	INR
Exchange rate	95.35	66.26	66.26	-
Share capital	0.00	23.85	-	0.01
Reserves & Surplus	16.13	4.25	16.07	5.18
Total assets	50.72	35.22	252.29	22.71
Total liabilities	34.59	7.12	37.45	17.52
Investments	2.73	-	-	-
Turnover	77.07	11.18	41.01	22.74
Profit before taxation	9.94	3.43	16.07	2.98
Provision for taxation	2.13	0.82	-	0.61
Profit after taxation	7.81	4.25	16.07	2.36
Proposed dividend	-	-	-	-
% of shareholding	100	100	100	100

*For the purposes of the Consolidated Financial Statements included in this annual report, the accounts of the Company have been rolled forward to March 31, 2016. The details provided herein, however, are based on the statutory financial year.

**Amounts are below the rounding off norm adopted by the Company.

^Companies formed under Section 25 of the Companies Act, 1956 (Section 8 of Companies Act, 2013) and hence have no share capital

1. Name of the subsidiaries which are yet to commence operations
 - a) Piramal Dutch IM Holdco B.V. - Details are not provided since the first accounting period, post incorporation, will end on December 31, 2016.
 - b) PEL-DRG Dutch Holdco B.V. - Details are not provided since the first accounting period, post incorporation, will end on December 31, 2016.
 - c) PEL Asset Resurgence Advisory Private Limited
 - d) Piramal Asset Reconstruction Private Limited
 - e) Piramal Consumer Products Private Limited
2. Name of the subsidiaries which have been liquidated or sold during the year - NONE

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/JOINT VENTURES

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies And Joint Ventures

Name of the Associates / Joint Ventures	(₹ in Crores)			
	Allergan India Private Limited (Allergan)	Shrilekha Financial Services (partnership firm)	Bluebird Aero Systems Limited	Shriram Capital Limited
Latest Audited Balance Sheet Date	31.03.2016	31.03.2016	31.12.2014	31.03.2015
Shares of Associates / Joint Ventures held by the Company on the year end				
- No.	3,920,000	-	67,137	161,076,548
- Amount of Investment in Associate / Joint Venture	3.92	2,146.16	43.95	1,745.64
- Extent of Holding %	49%	74.95%	27.83%	20%
Description of how there is significant influence	Based on shareholding	Based on shareholding	Based on shareholding	Based on shareholding
Reason why the associate / joint venture is not consolidated	NA	NA	NA	NA
Networth attributable to Shareholding as per latest audited Balance Sheet	74.01	1,588.66	3.86	1,673.09
Profit / Loss for the year				
i. Considered in Consolidation	35.85	**	6.30	152.98
ii. Not considered in Consolidation	NA	NA	NA	NA

1. Name of the associates / joint ventures which are yet to commence operations - NONE

2. Name of the associates / joint ventures which have been liquidated or sold during the year - Novus Cloud Solutions Private Limited

** Amounts are below the rounding off norm adopted by the Company.