

PIRAMAL ENTERPRISES LIMITED
Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2018
(Rs. in Crores)

Particulars	Three months ended 31/12/2018	Three months ended 30/09/2018	Corresponding Three months ended 31/12/2017	Year to date figures for current period ended 31/12/2018	Year to date figures for previous period ended 31/12/2017	Previous Year ended 31/03/2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	890.35	904.94	871.06	2,658.79	2,293.94	3,296.95
Other income (Net) (Refer Note 4)	(63.72)	293.59	26.73	416.71	377.89	639.79
Total Income	826.63	1,198.53	897.79	3,075.50	2,671.83	3,936.74
Expenses						
Cost of materials consumed	193.33	207.71	216.30	573.77	607.63	809.73
Purchases of stock-in-trade	28.14	19.26	31.04	69.28	76.89	100.73
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(41.39)	(48.29)	(50.78)	(82.83)	(93.48)	(24.84)
Excise duty	-	-	-	-	8.32	8.32
Employee benefits expense	110.12	104.64	107.86	320.12	315.89	442.72
Finance costs	417.30	331.64	250.94	1,045.85	713.96	989.55
Depreciation and amortisation expense	33.13	32.84	29.76	97.81	80.45	111.58
Other expenses (Net)	184.26	106.10	219.12	473.95	580.25	745.50
Total Expenses	924.89	753.90	804.24	2,497.95	2,289.71	3,183.29
Profit/(Loss) Before Exceptional Item and Tax	(98.26)	444.63	93.55	577.55	382.12	753.45
Exceptional item (Refer Note 3)	-	-	-	(1,287.96)	-	-
Profit/(Loss) Before Tax	(98.26)	444.63	93.55	(710.41)	382.12	753.45
Tax Expense						
(1) Current tax (including tax expense of prior years)	(4.83)	66.51	25.45	90.94	91.87	175.38
(2) Deferred tax	(25.96)	19.86	(12.95)	(1.57)	16.89	59.60
Profit/(Loss) After Tax	(67.47)	358.26	81.05	(799.78)	273.36	518.47
Other Comprehensive Income and (Expense) (OCI)						
A. Items that will not be subsequently reclassified to profit or loss						
(a) Changes in fair values of equity instruments through OCI	159.35	(579.59)	995.49	(807.64)	745.35	667.11
(b) Remeasurement of Post Employment Benefit Obligations	(0.66)	0.13	(0.50)	(2.84)	(3.84)	(5.52)
Less: Income tax impact on above	0.23	8.15	0.18	23.95	1.33	(21.04)
B. Items that will be subsequently reclassified to profit or loss						
Deferred gains/(losses) on cash flow hedge	11.51	(11.17)	2.56	0.34	0.95	(0.20)
Less: Income tax impact on above	(3.97)	3.85	(0.89)	(0.12)	(0.33)	0.07
Total Other Comprehensive Income / (Expense), Net of Tax Expense	166.46	(578.63)	996.84	(786.31)	743.46	640.42
Total Comprehensive Income / (Expense), Net of Tax Expense	98.99	(220.37)	1,077.89	(1,586.09)	1,016.82	1,158.89
Paid-up Equity Share Capital (Face Value of Rs.2/- each)	36.68	36.20	34.56	36.68	34.56	36.05
Reserves (excluding Revaluation Reserves)						21,300.80
Net Worth (Refer Footnote)						18,978.46
Earnings Per Equity Share (EPS) (Face Value of Rs.2/- each) (not annualised) (Refer Note 7(a))						
a) Basic EPS for the period/year (Rs.)	(3.40)	18.04	4.33	(40.27)	15.37	28.52
b) Diluted EPS for the period/year (Rs.)	(3.40)	17.96	4.33	(40.27)	15.37	28.51

See accompanying notes to the financial results

Additional Information:

The following additional information is presented to disclose the effect on net profit after tax, Basic and Diluted EPS, without the effect of exceptional item (Refer Note 3).

Particulars	(Rs. in Crores)
	Year to date figures for current period ended 31/12/2018
Loss After Tax As reported in the standalone financial results	(799.78)
Add: Impact of Exceptional item	1,287.96
Adjusted Profit After Tax	488.18
Basic EPS for the period (Rs.) (Refer Note 7(a))	
As reported in the standalone financial results	(40.27)
Add: Impact of Exceptional item	64.85
Adjusted Basic EPS	24.58
Diluted EPS for the period (Rs.) (Refer Note 7(a))	
As reported in the standalone financial results	(40.27)
Add: Impact of Exceptional item	64.75
Adjusted Diluted EPS	24.48

Footnotes:

Net Worth = Share Capital + Other Equity (excluding Capital Reserve)


Piramal Enterprises Limited
 (Formerly Known as Piramal Healthcare Limited)

CIN : L24110MH1947PLC005719

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Notes:

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

2. Segment Wise Revenue, Results and Capital Employed

(Rs. in Crores)

Particulars	Three months ended 31/12/2018	Three months ended 30/09/2018	Corresponding Three months ended 31/12/2017	Year to date figures for current period ended 31/12/2018	Year to date figures for previous period ended 31/12/2017	Previous Year ended 31/03/2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
Total Income from Operations, Net						
a. Pharmaceuticals	498.55	495.24	514.95	1,494.62	1,387.91	2,037.90
b. Financial Services	391.80	409.70	356.11	1,164.17	906.03	1,259.05
Total Income from Operations, Net	890.35	904.94	871.06	2,658.79	2,293.94	3,296.95
2. Segment Results						
a(i) Pharmaceuticals (before exceptional item) #	49.47	210.83	75.16	421.34	338.46	582.28
a(ii) Less : Exceptional Item (Refer Note 3)	-	-	-	1,287.96	-	-
a(iii) Pharmaceuticals (after exceptional item)	49.47	210.83	75.16	(866.62)	338.46	582.28
b. Financial Services	53.85	197.77	126.52	346.37	292.44	458.84
Total (a(iii)+b)	103.32	408.60	201.68	(520.25)	630.90	1,041.12
Less: Depreciation and Amortisation expense	33.13	32.84	29.76	97.81	80.45	111.58
Less: Finance Costs (unallocated)	100.85	91.14	85.61	270.91	272.14	356.35
Add : Net unallocated income / (Net unallocated expense)	(67.60)	160.01	7.24	178.56	103.81	180.26
Total Profit/(loss) Before Tax	(98.26)	444.63	93.55	(710.41)	382.12	753.45
#Segment Results of Pharmaceuticals Segment includes foreign exchange gain/(loss) :	(5.86)	35.68	(36.59)	77.72	103.34	231.52
3. Capital Employed						
(Segment Assets - Segment Liabilities)						
a. Pharmaceuticals						
Segment Assets	3,468.29	3,520.65	5,607.78	3,468.29	5,607.78	5,730.51
Segment Liabilities	(737.89)	(789.97)	(707.34)	(737.89)	(707.34)	(754.93)
b. Financial Services						
Segment Assets	28,611.74	30,534.19	23,054.26	28,611.74	23,054.26	25,285.11
Segment Liabilities	(13,757.48)	(15,956.08)	(9,574.56)	(13,757.48)	(9,574.56)	(10,394.40)
c. Unallocated						
Segment Assets	6,589.72	6,605.24	5,585.98	6,589.72	5,585.98	5,716.52
Segment Liabilities	(4,875.53)	(4,785.00)	(4,542.67)	(4,875.53)	(4,542.67)	(4,245.96)
Total Capital Employed	19,298.85	19,129.03	19,423.45	19,298.85	19,423.45	21,336.85

Note:

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



3. In June 2018, the Company's wholly owned subsidiary, Piramal Holdings (Suisse) SA (referred to as "PHSA") sold its entire ownership interest in its wholly owned subsidiary Piramal Imaging SA. Consequently, the Company's cost of equity investment in PHSA amounting to Rs. 1,287.96 Crores have been provided for.

4. Other income (Net) includes the net effect of Foreign Exchange Gain/(Loss) :

(Rs. in Crores)						
Particulars	Three months ended 31/12/2018	Three months ended 30/09/2018	Corresponding Three months ended 31/12/2017	Year to date figures for current period ended 31/12/2018	Year to date figures for previous period ended 31/12/2017	Previous Year ended 31/03/2018
Exchange Gain/(Loss), Net	(120.10)	150.64	(68.25)	116.93	110.72	251.57

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

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

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

7. (a) On March 8, 2018, the Company issued 8,310,275 Equity shares under Rights Issue at a price of Rs. 2,380 per share (including premium of Rs.2,378 per share). Out of the aforesaid issue, 8,984 and 7,485,574 equity shares were allotted by the Company during the nine months ended December 31, 2018 and year ended March 31, 2018, respectively.

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

As on December 31, 2018, 788,764 Rights Equity shares have been reserved for the CCD Holders (as per regulation 53 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009) and 26,953 Rights Equity Shares have been kept in abeyance. Of the said 788,764 reserved equity shares, CCD holders entitled for 124,802 equity shares have not exercised the option to subscribe to the rights equity shares. These unsubscribed rights and also those arising in future, if any, shall be dealt with, in accordance with the law, post conversion of all the outstanding CCDs into equity shares and hence are considered to be dilutive in nature. Consequent to the loss for the three and nine months ended December 31, 2018, after exceptional item, potential equity shares are considered as anti-dilutive and hence diluted EPS is the same as basic EPS.

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

(Rs. in Crores)						
Particulars	Planned	Three months ended March 31, 2018	Three months ended June 30, 2018	Three months ended September 30, 2018	Three months ended December 31, 2018	Actual till December 31, 2018
a) Investment in Piramal Capital and Housing Finance Limited (formerly known as Piramal Housing Finance Limited) (wholly owned subsidiary)	750.00	750.00	-	-	-	750.00
b) Repayment or pre-payment, in full or part, of certain borrowings availed by the Company	1,000.00	878.91	121.08	-	0.01	1,000.00
c) General Corporate Purposes	216.22	-	25.85	-	2.13	27.98
Add: Issue related expenses	11.63	6.05	2.60	-	-	8.65
Total	1,977.85	1,634.96	149.53	-	2.14	1,786.63
Less : Rights Shares held in Abeyance	(6.41)	-	-	-	-	-
Less : Rights Shares reserved in favour of Compulsorily Convertible Debenture Holders (Refer note 7(a))	(187.73)	-	-	-	-	-
Less : Interest Income received from Fixed Deposits placed with Banks from Rights Issue Proceeds	-	(1.39)	(1.53)	-	-	(2.92)
Total	1,783.71	1,633.57	148.00	-	2.14	1,783.71
Unutilised proceeds kept as Fixed Deposit with Bank	-	148.00	-	-	-	-

8. The secured listed non-convertible debentures of the Company aggregating Rs. 8,240 Crores as on December 31, 2018 are secured against specified receivables (including those relating to a wholly owned subsidiary) and a first ranking pari passu mortgage over Specifically Mortgaged Property.

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



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

The Board of Directors in its meeting held on May 28, 2018 had approved a proposal to initiate a transfer of certain financial assets and financial liabilities, to its wholly owned subsidiaries, for a net consideration not exceeding Rs. 2,950 Crores, in one or more tranches. Out of this, during the nine months ended December 31, 2018, the Company has transferred financial assets of Rs. 2,207.72 Crores and Rs. 694.41 Crores to its wholly owned subsidiaries Piramal Capital and Housing Finance Limited (formerly known as Piramal Housing Finance Limited), and PHL Fininvest Private Limited, respectively for an aggregate consideration of Rs. 2,902.13 Crores. Accordingly, the results for the nine months ended December 31, 2018 are not comparable with the corresponding period presented.

10. The Board of Directors on May 28, 2018 have approved a "Scheme of Amalgamation" ("Scheme") of Piramal Phytocare Limited, an associate of the Company with the Company and its respective shareholders. The Scheme is subject to approval of shareholders and other regulatory authorities as applicable. The Scheme has been filed with the Stock Exchanges on July 26, 2018 and with National Company Law Tribunal on December 4, 2018 .

For **PIRAMAL ENTERPRISES LIMITED**



Ajay G. Piramal
Chairman

January 28, 2019, Mumbai

