

PIRAMAL ENTERPRISES LIMITED
Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2019

Particulars	Three months ended 30/09/2019	Three months ended 30/06/2019	Corresponding Three months ended 30/09/2018	Year to date figures for current period ended 30/09/2019	Year to date figures for previous period ended 30/09/2018	(Rs. in Crores) Previous year ended 31/03/2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	3,603.56	3,506.25	3,144.10	7,109.81	6,046.59	13,215.34
Other income (Net) (Refer Note 11)	62.68	66.90	56.31	129.58	124.77	312.80
Total Income	3,666.24	3,573.15	3,200.41	7,239.39	6,171.36	13,528.14
Expenses						
Cost of materials consumed	473.61	270.22	312.36	743.83	595.31	1,216.76
Purchases of stock-in-trade	34.64	139.35	136.64	173.99	190.61	307.36
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(69.01)	(80.56)	(112.01)	(149.57)	(117.46)	5.09
Employee benefits expense	585.00	585.85	554.81	1,170.85	1,090.26	2,250.35
Finance costs	1,418.21	1,408.49	1,016.18	2,826.70	1,925.26	4,409.74
Depreciation and amortisation expense	166.39	158.21	123.36	324.60	252.15	520.15
Other expenses (Net) (Refer Note 11)	325.45	485.57	599.26	811.02	1,162.19	2,341.18
Total Expenses	2,934.29	2,967.13	2,630.60	5,901.42	5,098.32	11,050.63
Profit before share of net profit of associates and joint ventures, exceptional items and tax	731.95	606.02	569.81	1,337.97	1,073.04	2,477.51
Share of net profit of associates and joint ventures	96.10	72.89	73.39	168.99	133.62	319.38
Profit after share of net profit of associates and joint ventures before exceptional items and tax	828.05	678.91	643.20	1,506.96	1,206.66	2,796.89
Exceptional items (Refer Note 8(a) and 8(b))	(14.05)	(11.32)	-	(25.37)	(452.25)	(465.64)
Profit after share of net profit of associates and joint ventures and before tax	814.00	667.59	643.20	1,481.59	754.41	2,331.25
Tax Expense						
(1) Current tax (including tax expense of prior years)	101.84	311.12	226.65	412.96	381.83	722.42
(2) Deferred tax (Net)	158.08	(93.56)	(63.87)	64.52	(38.03)	138.71
Profit after tax and share of profit of associates and joint ventures	554.08	450.03	480.42	1,004.11	410.61	1,470.12
Other Comprehensive Income and (Expense) (OCI)						
A. Items that will not be reclassified to profit or loss						
(a) Changes in fair values of equity instruments through OCI	(184.55)	(784.99)	(579.59)	(969.54)	(966.99)	(551.69)
(b) Remeasurement of post employment benefit plans	(0.14)	(2.83)	(0.83)	(2.97)	(3.07)	(4.10)
Income tax impact on above	0.16	0.99	8.50	1.15	24.05	24.35
B. Items that may be reclassified to profit or loss						
(a) Deferred gains / (losses) on cash flow hedge	(7.61)	(39.18)	(3.40)	(46.79)	7.17	(6.91)
(b) Exchange differences on translation of financial statements of foreign operations	130.99	(23.08)	338.61	107.91	514.45	236.18
(c) Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	(6.16)
Income tax impact on above	(26.17)	4.14	(74.89)	(22.03)	(116.14)	(49.06)
Other Comprehensive Expense, net of tax expense	(87.32)	(844.95)	(311.60)	(932.27)	(540.53)	(357.39)
Total Comprehensive Income/ (Loss), net of tax expense	466.76	(394.92)	168.82	71.84	(129.92)	1,112.73
Profit / (Loss) attributable to:						
Owners of Piramal Enterprises Limited	554.69	450.89	481.19	1,005.58	412.25	1,473.09
Non-Controlling interests	(0.61)	(0.86)	(0.77)	(1.47)	(1.64)	(2.97)



Piramal Enterprises Limited
(Formerly Known as Piramal Healthcare Limited)
CIN: L24110MH19 47PLC005719

Registered Office: Piramal Ananta, Agastya Corporate Park Opp Fire Brigade, Kamani Junction LBS Marg, Kurla (West) Mumbai, Maharashtra 400070, India

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Particulars	Three months ended 30/09/2019	Three months ended 30/06/2019	Corresponding Three months ended 30/09/2018	Year to date figures for current period ended 30/09/2019	Year to date figures for previous period ended 30/09/2018	Previous year ended 31/03/2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Other Comprehensive Expense attributable to:						
Owners of Piramal Enterprises Limited	(87.32)	(844.95)	(311.60)	(932.27)	(540.53)	(357.39)
Non-Controlling interests	-	-	-	-	-	-
Total Comprehensive Income / (Loss) attributable to:						
Owners of Piramal Enterprises Limited	467.37	(394.06)	169.59	73.31	(128.28)	1,115.70
Non-Controlling interests	(0.61)	(0.86)	(0.77)	(1.47)	(1.64)	(2.97)
Paid-up Equity Share Capital (Face Value of Rs.2/- each)	39.77	39.77	36.20	39.77	36.20	36.89
Reserves (excluding Revaluation Reserves)						27,216.14
Earnings Per Equity Share (EPS) (Face Value of Rs.2/- each) (not annualised) (Refer Note 12(a))						
a) Basic EPS for the period/year (Rs.)	27.90	22.69	24.23	50.59	20.76	74.16
b) Diluted EPS for the period/year (Rs.)	27.81	22.61	24.13	50.42	20.67	73.86

See accompanying notes to the financial results

Additional Information:

The following additional information is presented to disclose the effect on net profit after tax and share of profits of associates and joint ventures, Basic and Diluted EPS, without the effect of loss on disposal of subsidiary (Refer Note 8(a)) in the six months ended September 30, 2018 and year ended March 31, 2019, the effect of severance costs (Refer Note 8(b)) in the three months ended September 30, 2019 and June 30, 2019, six months ended September 30, 2019 and year ended March 31, 2019.

Particulars	(Rs. in Crores)				
	Three months ended 30/09/2019	Three months ended 30/06/2019	Year to date figures for current period ended 30/09/2019	Year to date figures for previous period ended 30/09/2018	Previous year ended 31/03/2019
Profit after tax and share of profit of associates and joint ventures					
As reported in the consolidated financial results	554.08	450.03	1,004.11	410.61	1,470.12
Add: Loss on sale of imaging business (Refer Note 8(a))	-	-	-	452.25	452.25
Add: Employee Severance Costs (Refer Note 8(b))	14.05	11.32	25.37	-	13.39
Adjusted Profit after tax and share of profit of associates and joint ventures	568.13	461.35	1,029.48	862.86	1,935.76
Basic EPS for the period (Rs.) (Refer Note 12(a))					
As reported in the consolidated financial results	27.90	22.69	50.59	20.76	74.16
Add: Loss on sale of imaging business and employee severance costs (Refer Note 8 (a) and 8 (b))	0.71	0.57	1.28	22.76	23.45
Adjusted Basic EPS	28.61	23.26	51.87	43.52	97.61
Diluted EPS for the period (Rs.) (Refer Note 12(a))					
As reported in the consolidated financial results	27.81	22.61	50.42	20.67	73.86
Add: Loss on sale of imaging business and employee severance costs (Refer Note 8(a) and 8(b))	0.70	0.56	1.26	22.67	23.35
Adjusted Diluted EPS	28.51	23.17	51.68	43.34	97.21



Notes:

1. The unaudited consolidated financial results for the three and six months ended September 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on October 21, 2019. The Statutory Auditors of the Group have carried out a limited review of these results.

2. Statement of Consolidated Assets and Liabilities:

Particulars	(Rs. in Crores)	
	As at	
	30/09/2019 (Unaudited)	31/03/2019 (Audited)
ASSETS		
1. Non-Current Assets		
(a) Property, Plant & Equipment	2,464.99	2,417.39
(b) Right-of-use assets	357.28	-
(c) Capital work in progress	193.36	239.12
(d) Goodwill	6,069.84	5,939.45
(e) Other Intangible Assets	2,843.72	2,839.86
(f) Intangible Assets under development	262.10	254.60
(g) Financial Assets:		
(i) Investments		
- Investments accounted for using the equity method	4,139.84	3,693.72
- Other Investments	14,485.22	19,605.75
(ii) Loans	31,533.42	33,613.57
(iii) Other Financial Assets	521.09	47.52
(h) Deferred Tax Assets (Net)	3,989.98	4,068.45
(i) Other Non-Current Assets	681.75	632.42
Total Non-Current Assets	67,542.59	73,351.85
2. Current Assets		
(a) Inventories	995.61	835.11
(b) Financial Assets:		
(i) Investments	2,595.00	2,447.65
(ii) Trade Receivables	1,141.34	1,406.25
(iii) Cash & Cash Equivalents	2,540.07	810.67
(iv) Bank Balances other than (iii) above	1,010.79	106.84
(v) Loans	4,836.69	5,171.76
(vi) Other Financial Assets	481.25	987.64
(c) Other Current Assets	711.78	508.31
Total Current Assets	14,312.53	12,274.23
Total Assets	81,855.12	85,626.08
EQUITY AND LIABILITIES		
1. Equity		
(a) Equity Share Capital	39.77	36.89
(b) Other Equity	26,614.72	27,216.14
(c) Non-controlling interests	7.56	9.03
Total Equity	26,662.05	27,262.06
2. Liabilities		
Non-Current Liabilities		
(a) Financial Liabilities:		
(i) Borrowings	27,201.22	27,019.62
(ii) Lease Liabilities	291.25	-
(iii) Other Financial Liabilities	76.72	77.98
(b) Provisions	60.29	50.96
(c) Deferred Tax Liabilities (Net)	26.06	19.47
(d) Other Non-Current Liabilities	104.99	115.01
Total Non-Current Liabilities	27,760.53	27,283.04
Current Liabilities		
(a) Financial Liabilities:		
(i) Borrowings	8,265.09	15,578.42
(ii) Trade Payables	1,047.80	957.25
(iii) Lease Liabilities	66.22	-
(iv) Other Financial Liabilities	17,364.17	13,734.64
(b) Other Current Liabilities	426.68	514.28
(c) Provisions	115.24	159.58
(d) Current Tax Liabilities (Net)	147.34	136.81
Total Current Liabilities	27,432.54	31,080.98
Total Equity & Liabilities	81,855.12	85,626.08



3 Segment Wise Revenue, Results and Capital Employed

(Rs. in Crores)

Particulars	Three months ended 30/09/2019	Three months ended 30/06/2019	Corresponding Three months ended 30/09/2018	Year to date figures for current period ended 30/09/2019	Year to date figures for previous period ended 30/09/2018	Previous year ended 31/03/2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
Total Income from Operations, Net						
a. Pharmaceuticals	1,316.39	1,172.61	1,120.37	2,489.00	2,186.15	4,819.70
b. Financial services	1,953.96	2,014.42	1,731.58	3,968.38	3,290.20	7,063.44
c. Healthcare Insights & Analytics	333.21	319.22	292.15	652.43	570.24	1,332.20
Total Income from Operations	3,603.56	3,506.25	3,144.10	7,109.81	6,046.59	13,215.34
2. Segment Results						
a(i) Pharmaceuticals (before Exceptional item)	305.99	244.15	219.00	550.14	376.74	980.86
a(ii) Less: Exceptional item (Refer Note 8(a))	-	-	-	-	452.25	452.25
a(iii) Pharmaceuticals (after Exceptional item)	305.99	244.15	219.00	550.14	(75.51)	528.61
b. Financial services	735.46	734.36	645.99	1,469.82	1,259.78	2,450.74
c(i) Healthcare Insights & Analytics (before Exceptional item)	78.47	50.38	18.21	128.85	29.73	226.57
c(ii) Less: Exceptional item (Refer Note 8(b))	14.05	11.32	-	25.37	-	13.39
c(iii) Healthcare Insights & Analytics (after Exceptional item)	64.42	39.06	18.21	103.48	29.73	213.18
Total (a(iii) + b + c(iii))	1,105.87	1,017.57	883.20	2,123.44	1,214.00	3,192.53
Less: Depreciation and amortisation expense	166.39	158.21	123.36	324.60	252.15	520.15
Less: Finance costs (unallocated)	218.71	205.63	160.47	424.34	301.89	668.77
Add/ (Less) : Net unallocated income / (Net unallocated expense)	(2.87)	(59.03)	(29.56)	(61.90)	(39.17)	8.26
Total Profit Before Tax and share of net profit of associates and joint ventures, after exceptional items	717.90	594.70	569.81	1,312.60	620.79	2,011.87
3. Capital Employed (Segment Assets - Segment Liabilities)						
a. Pharmaceuticals						
Segment Assets	9,031.51	8,590.27	8,505.87	9,031.51	8,505.87	8,603.59
Segment Liabilities	(1,590.85)	(1,450.59)	(1,477.51)	(1,590.85)	(1,477.51)	(1,407.47)
b. Financial services						
Segment Assets	61,608.84	64,067.88	60,839.75	61,608.84	60,839.75	66,039.41
Segment Liabilities	(42,811.57)	(45,396.90)	(43,351.45)	(42,811.57)	(43,351.45)	(47,182.32)
c. Healthcare Insights & Analytics						
Segment Assets	5,951.11	5,813.57	5,921.79	5,951.11	5,921.79	5,727.20
Segment Liabilities	(620.69)	(622.29)	(441.88)	(620.69)	(441.88)	(439.82)
d. Unallocated						
Segment Assets	5,263.66	5,400.48	5,402.34	5,263.66	5,402.34	5,255.88
Segment Liabilities	(10,177.52)	(9,546.32)	(9,478.97)	(10,177.52)	(9,478.97)	(9,343.44)
Total Capital Employed	26,654.49	26,856.10	25,919.94	26,654.49	25,919.94	27,253.03

Note:

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



4 Unaudited Consolidated cashflow information:

Particulars	(Rs. in Crores)	
	Year to date figures for current period ended 30/09/2019	Year to date figures for previous period ended 30/09/2018
Cash flow from operating activities		
Profit before share of net profit of associates and joint ventures, exceptional items and tax (Refer note 11)	1,337.97	1,073.04
Operating Profit before working capital changes	1,835.29	1,894.83
A. Net Cash generated from / (used in) Operating Activities	6,548.40	(7,522.44)
B. Net cash generated from/(used in) investing activities	616.36	(1,155.24)
C. Net cash (used in)/ generated from financing activities	(5,413.79)	6,957.56
D. Effect of exchange differences on translation of foreign currency cash and cash equivalents	0.49	24.04
Net increase/ (decrease) in Cash and Cash equivalents (A+B+C+D)	1,751.46	(1,696.08)
Cash and cash equivalents (Net of Bank Overdraft) at the beginning of the period	635.62	2,300.64
Cash balance transferred on sale of investment in subsidiary (Refer note 8(a))	-	(5.71)
Cash and cash equivalents (Net of Bank Overdraft) at the end of the period	2,387.08	598.85

5 Standalone Information:

Particulars	(Rs. in Crores)					
	Three months ended 30/09/2019	Three months ended 30/06/2019	Corresponding Three months ended 30/09/2018	Year to date figures for current period ended 30/09/2019	Year to date figures for previous period ended 30/09/2018	Previous year ended 31/03/2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Total Income	1,630.09	941.68	1,198.53	2,571.77	2,248.87	4,117.72
2. Profit / (Loss) before tax	648.13	(98.12)	444.63	550.01	(612.15)	(791.58)
3. Profit / (Loss) after tax	635.68	(38.84)	358.26	596.84	(732.31)	(861.98)

6 Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method of transition. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The effect of this adoption is insignificant on the profit for the period, earnings per share, total assets, total liabilities and adjustment to retained earnings.

7 During the six months ended September 30, 2019, the Group has sold its entire direct investment of 9.96% in Shriram Transport Finance Company Limited. Upon sale, the Group has reclassified the cumulative Fair value changes of Rs. 615.70 crores from Other Comprehensive Income to Retained Earnings.

8 Exceptional Items include:

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

b) Severance payments of Rs. 14.05 crores and Rs. 25.37 Crores during the quarter and six months ended September 30, 2019 (Rs 11.32 Crores and Rs. 13.39 crores for the quarter ended June 30, 2019 and year ended March 31, 2019 respectively).

9 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 was convertible into 40 equity shares of Rs. 2 each. 225,000 equity shares were allotted by the Company pursuant to optional conversion of 5,625 CCDs by the CCD holders and 4,162,000 equity shares were allotted by the Company pursuant to optional conversion of 104,050 CCDs by the CCD holders during year ended March 31, 2018 and year ended March 31, 2019, respectively.

During the three months ended June 30, 2019, 548,120 Equity shares were allotted by the Company pursuant to optional conversion of 13,703 CCDs and 13,638,080 Equity shares were allotted pursuant to compulsory conversion of outstanding 340,952 CCDs on maturity, respectively. There were no outstanding CCDs as on June 30, 2019.

10 The secured listed non-convertible debentures of the Group aggregating Rs.11,829.05 Crores as on September 30, 2019 are secured against specified receivables and a first ranking pari passu mortgage over Specifically Mortgaged Property.

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

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

Particulars	(Rs. in Crores)					
	Three months ended 30/09/2019	Three months ended 30/06/2019	Corresponding Three months ended 30/09/2018	Year to date figures for current period ended 30/09/2019	Year to date figures for previous period ended 30/09/2018	Previous year ended 31/03/2019
Exchange Gain/(Loss), Net	(1.54)	8.32	(65.57)	6.78	(119.60)	(78.12)



12 (a) On March 8, 2018, the Company had 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, 11,298 and 7,485,574 equity shares were allotted by the Company during the year ended March 31, 2019 and year ended March 31, 2018, respectively.

During the three months ended June 30, 2019 and September 30, 2019, 213,392 and Nil equity shares, respectively, were allotted by the Company under Rights Issue at a price of Rs. 2,380 per share (including premium of Rs.2,378 per share) to the CCD holders out of the Right Equity shares reserved for them (as per regulation 53 of erstwhile Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009).

As on September 30, 2019, 24,573 Rights Equity Shares have been kept in abeyance. 575,372 Rights Equity shares reserved for the CCD Holders (as per regulation 53 of erstwhile Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009) have not been subscribed by them and these unsubscribed rights shall be dealt with by the Board of Directors of the Company, in accordance with the law and hence are considered to be dilutive in nature.

b) Proceeds from the rights issue have been utilised upto September 30, 2019 in the following manner :

Particulars	(Rs. In Crores)			
	Planned	Actual till 31/03/2019	Actuals until 30/06/2019	Actuals until 30/09/2019
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	750.00
b) Repayment or pre-payment, in full or part, of certain borrowings availed by the Company	1,000.00	1,000.00	1,000.00	1,000.00
c) General Corporate Purposes	216.22	27.98	27.98	79.31
Add: Issue related expenses	11.63	8.65	8.65	8.65
Total	1,977.85	1,786.63	1,786.63	1,837.96
Less : Rights Shares held in Abeyance	(5.85)	-	-	-
Less : Rights Shares reserved in favour of Compulsorily Convertible Debenture Holders (Refer note 12(a))	(136.95)	-	-	-
Less : Interest Income received from Fixed Deposits placed with Banks from Rights Issue Proceeds	-	(2.92)	(2.92)	(2.92)
Total	1,835.05	1,783.71	1,783.71	1,835.04
Unutilised proceeds kept in Escrow Account		0.55	51.33	0.01

13 The Board of Directors on May 28, 2018 had approved a "Scheme of Amalgamation" ("Scheme") of Piramal Phytocare Limited, an associate of the Company, with the Company and its respective shareholders. The Scheme has been approved by the equity shareholders of the Company in their meeting convened as per the directions of the National Company Law Tribunal on April 2, 2019. The petition for approving the Scheme was heard by the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') on 20th September, 2019 and NCLT has reserved the matter for final Orders.

14 The Board of Directors recommended dividend of Rs. 28 per equity share for the year ended March 31, 2019 in its meeting dated April 26, 2019 which has been approved by the shareholders in the Annual General Meeting dated July 30, 2019. Consequently, dividend of Rs. 556.77 Crores (excluding Dividend Distribution tax) has been paid to holders of fully paid equity shares during the current quarter ended September 30, 2019.

For **PIRAMAL ENTERPRISES LIMITED**

Ajay G. Piramal
Chairman

October 21, 2019, Mumbai