

6th November, 2017

BSE Limited

1st Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai – 400001

National Stock Exchange of India Ltd.,

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai- 400 051

Dear Sir / Madam,

Ref: BSE Scrip code: 500302, 912459
NSE Symbol: PEL

Sub: Outcome of Board Meeting held today:

- 1. Unaudited Financial Results (Consolidated and Standalone) for the quarter and half year ended 30th September, 2017**
- 2. Shifting of Registered office**

Kindly refer to our letter dated 30th October, 2017 on the subject.

At its meeting held today, the following decisions were taken by the Board of Directors:

1. Unaudited Financial Results

The Unaudited (Consolidated & Standalone) Financial Results of the Company for the quarter and half year ended 30th September, 2017 were approved.

Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') we enclose the following:

1. Unaudited Financial Results (Consolidated and Standalone) for the quarter and half year ended 30th September, 2017
2. Limited Review Report by the Auditors
3. Press Release and presentation to the investors

Kindly note that as informed vide our letter dated 30th October, 2017, the Company shall be publishing only the consolidated financial results in the newspapers in accordance with Regulation 47 of the Listing Regulations.



Piramal Enterprises Limited

(Formerly Known as Piramal Healthcare Limited)

CIN : L24110MH1947PLC005719

Registered Office : Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013, India
Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai - 400070, India
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2. Shifting of Registered office

The Board has approved shifting of Registered Office of the Company within the local limits of the city from Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013 to Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla West, Mumbai 400070.

The meeting commenced at 11.15 a.m. and is expected to conclude at 4.00 p.m.

Request you to please take the above on record and oblige.

Thanking you,

Yours truly,

For **Piramal Enterprises Limited**


Chanda Makhija Thadani
Assistant Company Secretary
Encl: as above

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF PIRAMAL ENTERPRISES LIMITED

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **PIRAMAL ENTERPRISES LIMITED** ("the Company"), for the three and six months ended September 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Mumbai, November 6, 2017

PIRAMAL ENTERPRISES LIMITED
Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2017
(Rs. in Crores)

Particulars	Three months ended 30/09/2017	Three months ended 30/06/2017	Corresponding Three months ended 30/09/2016	Year to date figures for current period ended 30/09/2017	Year to date figures for previous period ended 30/09/2016	Previous Year ended 31/03/2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	802.25	620.63	1,212.60	1,422.88	2,253.86	3,809.31
Other Income	177.90	173.26	227.82	351.16	355.48	357.15
Total Income	980.15	793.89	1,440.42	1,774.04	2,609.34	4,166.46
Expenses						
Cost of materials consumed	197.12	194.21	214.24	391.33	414.22	791.27
Purchase of Stock-in-Trade	24.44	21.21	36.44	45.65	63.50	127.55
Changes in inventories of finished goods, work-in-progress and stock-in-trade	5.11	(47.81)	(40.50)	(42.70)	(56.28)	19.06
Excise Duty	-	8.32	11.22	8.32	20.81	43.10
Employee benefits expense	103.69	104.34	94.89	208.03	183.81	370.63
Finance costs	242.39	220.63	409.34	463.02	752.37	1,178.34
Depreciation and amortisation expense	25.77	24.92	22.32	50.69	45.37	94.49
Other Expenses, Net	157.71	203.42	174.79	361.13	365.36	622.09
Total Expenses	756.23	729.24	922.74	1,485.47	1,789.16	3,246.53
Profit Before Exceptional Items and Tax	223.92	64.65	517.68	288.57	820.18	919.93
Exceptional Items	-	-	-	-	-	-
Profit before Tax	223.92	64.65	517.68	288.57	820.18	919.93
Tax Expense						
(1) Current Tax (including tax expense of prior years)	49.75	16.67	70.77	66.42	143.55	195.42
(2) Deferred Tax	23.51	6.33	(0.67)	29.84	(28.60)	(52.27)
Profit for the period	150.66	41.65	447.58	192.31	705.23	776.78
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	(89.33)	(160.81)	218.85	(250.14)	882.93	846.35
(b) Remeasurement of Post Employment Benefit Plans	1.16	(4.50)	(0.48)	(3.34)	(3.58)	(1.94)
Less: Income Tax Impact on above	(0.41)	1.56	0.17	1.15	1.24	0.67
B. Items that will be subsequently reclassified to profit or loss						
(a) Hedging Reserve	(1.33)	(0.28)	-	(1.61)	-	0.20
Less: Income Tax Impact on above	0.46	0.10	-	0.56	-	(0.07)
Other Comprehensive Income / (Expense) (OCI) for the period, net of tax expense	(89.45)	(163.93)	218.54	(253.38)	880.59	845.21
Total Comprehensive Income / (Expense) for the period	61.21	(122.28)	666.12	(61.07)	1,585.82	1,621.99
Paid-up Equity Share Capital (Face Value Rs.2/- each)	34.51	34.51	34.51	34.51	34.51	34.51
Other Equity (excluding Revaluation Reserves)						14,388.09
Paid-up Debt Capital				5,195.00	5,170.00	3,795.00
Net Worth				13,926.33	14,425.39	14,422.60
Debt Redemption Reserve				655.79	524.00	655.79
Earnings Per Equity Share (EPS) (of Rs.2/- each) (not annualised)						
a) Basic and diluted EPS before extraordinary items for the period (Rs.)	8.73	2.41	25.94	11.14	40.87	45.01
b) Basic and diluted EPS after extraordinary items for the period (Rs.)	8.73	2.41	25.94	11.14	40.87	45.01
Debt Equity Ratio (Refer Footnote 1)				1.0	0.9	0.7
Debt Service Coverage Ratio (Refer Footnote 2)				0.5	2.5	0.7
Interest Service Coverage Ratio (Refer Footnote 3)				1.6	2.1	1.8

Footnotes:

- Debt equity Ratio:
Debt = Long term Borrowings + Short term Borrowings + Current maturities of Long term Borrowings
Equity = Paid up Share Capital plus Other Equity
- Debt Service Coverage Ratio = (Earnings before Interest, Tax and Exceptional items) / (Interest Expense + Principal Repayment of Debt excluding loans transferred)
Debt = Long Term Debt
Interest Expense = Interest on Long Term Debt
- Interest Service Coverage Ratio = (Earnings before Interest, Tax and Exceptional items) / Interest Expense


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Notes:

1. The standalone financial results for the three months and six months ended September 30, 2017, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 06, 2017. The statutory auditors, Deloitte Haskins & Sells LLP have issued an unqualified review conclusion. Standalone financial results for the three months ended June 30, 2017, three months and six months ended September 30, 2016 and year ended March 31, 2017 were reviewed/audited by previous auditors - Price Waterhouse.

2. Statement of Standalone Assets and Liabilities :
(Rs.in Crores)

Particulars	As at	
	30/09/2017	31/03/2017
	(Unaudited)	(Audited)
ASSETS		
1. Non-Current Assets		
(a) Property, Plant & Equipment	1,251.75	712.52
(b) Capital Work in Progress	192.24	575.21
(c) Intangible Assets	347.66	362.28
(d) Intangible Assets under development	36.51	26.65
(e) Financial Assets:		
(i) Investments	16,485.78	15,607.64
(ii) Loans	5,105.23	3,635.83
(iii) Other Financial Assets	40.56	47.33
(f) Deferred Tax Assets (Net)	321.82	349.95
(g) Other Non Current Assets	296.91	264.14
Total Non-Current Assets	24,078.46	21,581.55
2. Current Assets		
(a) Inventories	412.76	343.11
(b) Financial Assets:		
(i) Investments	2,214.32	1,666.57
(ii) Trade Receivables	445.60	491.43
(iii) Cash & Cash equivalents	140.25	95.10
(iv) Bank balances other than (iii) above	32.77	28.97
(v) Loans	1,231.91	1,045.24
(vi) Other Financial Assets	138.28	107.80
(c) Other Current Assets	161.94	114.95
Total Current Assets	4,777.83	3,893.17
Total Assets	28,856.29	25,474.72
EQUITY AND LIABILITIES		
1. Equity		
(a) Equity Share capital	34.51	34.51
(b) Other Equity	13,891.82	14,388.09
Total Equity	13,926.33	14,422.60
2. Liabilities		
Non-Current Liabilities		
(a) Financial Liabilities:		
(i) Borrowings	4,005.47	2,739.52
(ii) Other Financial Liabilities	4.68	5.65
(b) Provisions	32.16	30.86
Total Non-Current Liabilities	4,042.31	2,776.03
Current Liabilities		
(a) Financial Liabilities:		
(i) Borrowings	7,963.50	5,020.12
(ii) Trade Payables	514.93	533.36
(iii) Other Financial Liabilities	2,293.58	2,620.74
	10,772.01	8,174.22
(b) Other Current Liabilities	56.33	46.76
(c) Provisions	41.64	42.16
(d) Current Tax Liabilities (Net)	17.67	12.95
Total Current Liabilities	10,887.65	8,276.09
Total Equity & Liabilities	28,856.29	25,474.72



3. Segment Wise Revenue, Results and Capital Employed

(Rs. in Crores)

Particulars	Three months ended 30/09/2017	Three months ended 30/06/2017	Corresponding Three months ended 30/09/2016	Year to date figures for current period ended 30/09/2017	Year to date figures for previous period ended 30/09/2016	Previous Year ended 31/03/2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
Total Income from Operations, Net						
a. Pharmaceuticals	501.60	371.36	498.39	872.96	962.70	2,138.07
b. Financial services	300.65	249.27	714.21	549.92	1,291.16	1,671.24
Total	802.25	620.63	1,212.60	1,422.88	2,253.86	3,809.31
Less: Inter Segment revenue	-	-	-	-	-	-
Total Income from Operations, Net	802.25	620.63	1,212.60	1,422.88	2,253.86	3,809.31
2. Segment Results						
a. Pharmaceuticals	199.51	63.79	43.79	263.30	177.75	334.40
b. Financial services	89.11	76.81	517.84	165.92	752.12	872.89
Total	288.62	140.60	561.63	429.22	929.87	1,207.29
Less: Depreciation and Amortisation expense	25.77	24.92	22.32	50.69	45.37	94.49
Less: Finance Cost (unallocated)	93.48	93.05	44.20	186.53	112.46	260.22
Add : Unallocated Income / (Net of unallocated cost)	54.55	42.02	22.57	96.57	48.14	67.35
Total Profit / (Loss) Before Tax	223.92	64.65	517.68	288.57	820.18	919.93
3. Capital Employed (Segment Assets - Segment Liabilities)						
a. Pharmaceuticals						
Segment Assets	5,732.38	5,448.25	5,719.88	5,732.38	5,719.88	5,166.96
Segment Liabilities	(697.47)	(701.39)	(636.30)	(697.47)	(636.30)	(696.13)
b. Financial services						
Segment Assets	18,031.40	16,610.22	19,557.76	18,031.40	19,557.76	15,537.88
Segment Liabilities	(9,088.15)	(7,042.15)	(9,956.26)	(9,088.15)	(9,956.26)	(5,826.58)
c. Unallocated						
Segment Assets	5,092.53	5,005.47	3,500.65	5,092.53	3,500.65	4,769.88
Segment Liabilities	(5,144.36)	(5,020.08)	(3,760.34)	(5,144.36)	(3,760.34)	(4,529.41)
Total Capital Employed	13,926.33	14,300.32	14,425.39	13,926.33	14,425.39	14,422.60

Note:

Segment results of Pharmaceuticals segment represent Earnings before Interest, Tax, Depreciation and Amortisation and Segment results of Financial services represent Earnings before Tax, Depreciation and Amortisation.



4. The secured listed non-convertible debentures of the Company aggregating to Rs.3,990 Crores as on September 30, 2017 are secured by way of the hypothecation over the specified identified receivables and a first ranking pari passu mortgage over Specifically Mortgaged Property.
The Asset cover on the secured and unsecured listed non-convertible debentures of the Company exceeds hundred percent of the principal amount of the said debentures.
5. Board of Directors, at their meeting held on October 12, 2017, approved the following:
- Qualified Institutional Placement ("QIP") of Compulsorily Convertible Debentures ("CCD") for an aggregate amount of Rs. 5,000 Crores. Subsequently, Rs. 4,996.19 Crores of CCDs have been allotted to the CCD holders upon receipt of the necessary funds on October 25, 2017.
 - Rights issue of equity shares for an amount upto Rs.2,000 Crores.
 - Scheme of amalgamation of Company's subsidiaries – Piramal Finance Limited and Piramal Capital Limited with Piramal Housing Finance Limited, subject to the requisite statutory / regulatory approvals, including directions and approval of the Hon'ble National Company Law Tribunal and such other authority, as may be applicable.
6. During the three months and six months ended September 30, 2016, the Company transferred a portion of its lending portfolio comprising of Loan book assets of Rs.12,738.01 Crores and Borrowings of Rs.11,314.90 Crores, forming part of its financial services business to its wholly owned subsidiary Piramal Finance Limited, for a net consideration of Rs. 1,423.11 Crores. Hence the results for the three months and six months ended September 30, 2017 are not comparable with the results for three months and six months ended September 30, 2016.
7. During the quarter, Piramal Housing Finance Limited, a wholly owned step-down subsidiary of the Company, received the Certificate of Registration as a Housing Finance Company from the National Housing Bank.

For **PIRAMAL ENTERPRISES LIMITED**



Ajay G. Piramal
Chairman

November 6, 2017, Mumbai



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF CONSOLIDATED INTERIM FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
PIRAMAL ENTERPRISES LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **PIRAMAL ENTERPRISES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the profit/(loss) of its joint ventures and associates for the three months and six months ended September 30, 2017 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Parent's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the entities included in Annexure 'I' to this report.
4. Based on our review conducted as stated above and based on the consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the interim financial information of 25 subsidiaries included in the unaudited consolidated financial results, whose interim financial information reflect total assets of Rs.38,038.99 crores as at September 30, 2017, total revenues of Rs.1,686.09 crores and Rs.3,232.91 crores for the three months and six months ended September 30, 2017, respectively, and total profit after tax of Rs.128.53 crores and Rs.473.59 crores and total comprehensive income of Rs.251.21 crores and Rs.499.98 crores for the three months

Deloitte Haskins & Sells LLP

and six months ended September 30, 2017, respectively, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of profit after tax of Rs.72.03 crores and Rs.117.73 crores for the three months and six months ended September 30, 2017, respectively, as considered in the unaudited consolidated financial results, in respect of one joint venture and associate, whose interim financial information has not been reviewed by us. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.

Our report on the Statement is not modified in respect of these matters.

6. The unaudited consolidated financial results includes the interim financial information of 26 subsidiaries which have not been reviewed or audited by their auditors, whose interim financial information reflect total assets of Rs.2,586.29 crores as at September 30, 2017, total revenues of Rs.108.60 crores and Rs.244.48 crores for the three months and six months ended September 30, 2017, respectively, and total loss after tax of Rs.2.07 crores and Rs.16.15 crores and total comprehensive loss of Rs.48.24 crores and Rs.113.04 crores for the three months and six months ended September 30, 2017, respectively, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of profit after tax of Rs.10.08 crores and Rs.19.15 crores for the three months and six months ended September 30, 2017, respectively, as considered in the unaudited consolidated financial results, in respect of three associates and two joint ventures, based on their interim financial information which have not been reviewed or audited by their auditors. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our report on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)



Rupen K. Bhatt
Partner
(Membership No. 46930)

MUMBAI, November 6, 2017

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

(Referred to in paragraph 3 under Independent Auditor's Report of even date)

Sr. No. List of Subsidiaries

- 1 PHL Fininvest Private Limited
- 2 Searchlight Health Private Limited
- 3 Piramal International
- 4 Piramal Holdings (Suisse) SA
- 5 Piramal Imaging SA
- 6 Piramal Imaging GmbH
- 7 Piramal Imaging Limited
- 8 Piramal Critical Care Italia, SPA
- 9 Piramal Critical Care Deutschland GmbH
- 10 Piramal Critical Care Limited
- 11 Piramal Healthcare (Canada) Limited
- 12 Piramal Healthcare UK Limited
- 13 Piramal Healthcare Pension Trustees Limited
- 14 Piramal Critical Care South Africa (PTY) Ltd, South Africa
- 15 Piramal Dutch Holdings N.V.
- 16 Piramal Healthcare Inc.
- 17 Piramal Critical Care Inc.
- 18 Piramal Pharma Inc.
- 19 Piramal Pharma Solutions Inc., USA
- 20 PEL Pharma Inc
- 21 Ash Stevens LLC, USA
- 22 DRG Holdco Inc
- 23 Piramal IPP Holdings LLC
- 24 Decision Resources Inc.
- 25 Decision Resources International Inc.
- 26 DR/ Decision Resources LLC
- 27 Millennium Research Group Inc.
- 28 Decision Resources Group Asia Limited
- 29 DRG UK Holdco Limited
- 30 Decision Resources Group UK Limited
- 31 Sigmatic Limited
- 32 Activate Networks Inc.
- 33 DRG Analytics & Insights Private Limited
- 34 DRG Singapore Pte. Ltd
- 35 Piramal Dutch IM Holdco B.V.
- 36 PEL-DRG Dutch Holdco B.V.
- 37 Piramal Fund Management Private Limited
- 38 Piramal Finance Limited

Deloitte Haskins & Sells LLP

- 39 Piramal Housing Finance Private Limited
- 40 Piramal Investment Advisory Services Private Limited
- 41 Piramal Investment Opportunities Fund
- 42 Indiareit Investment Management Company
- 43 Piramal Asset Management Private Limited
- 44 Piramal Systems & Technologies Private Limited
- 45 Piramal Technologies SA
- 46 PEL Finhold Private Limited
- 47 PEL Asset Resurgence Advisory Private Limited
- 48 Piramal Consumer Products Private Limited
- 49 Piramal Capital Ltd
- 50 Context Matters Inc.
- 51 Sharp Insights Ltd. t/a Walnut Medical

Sr. No. List of Associates

- 1 Bluebird Aero Systems Limited
- 2 Piramal Phytocare Limited
- 3 Allergan India Private Limited
- 4 Shriram Capital Limited

Sr. No. List of Joint Ventures

- 1 Shrilekha Business Consultancy Private Limited
- 2 Convergence Chemicals Private Limited
- 3 India Resurgence ARC Private Limited

PIRAMAL ENTERPRISES LIMITED
Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2017

(Rs. in Crores)

Particulars	Three Months ended 30/09/2017	Three months ended 30/06/2017	Corresponding Three months ended 30/09/2016	Year to date figures for current period ended 30/09/2017	Year to date figures for previous period ended 30/09/2016	Previous year ended 31/03/2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	2,535.86	2,254.07	1,966.15	4,789.93	3,742.37	8,546.75
Other Income	75.39	83.84	42.34	159.23	95.35	233.75
Total Income	2,611.25	2,337.91	2,008.49	4,949.16	3,837.72	8,780.50
Expenses						
Cost of Materials Consumed	285.83	249.41	318.25	535.24	616.21	1,122.02
Purchase of Stock-in-Trade	106.86	74.01	42.45	180.87	74.16	268.64
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(13.87)	(30.28)	(56.87)	(44.15)	(87.79)	10.44
Excise Duty	8.32	8.32	11.22	8.32	20.81	43.10
Employee benefits expense	458.14	429.07	419.57	887.21	852.49	1,793.87
Finance Costs	724.71	673.23	455.23	1,397.94	850.63	2,030.98
Depreciation and amortisation expense	129.33	122.91	73.28	252.24	150.05	381.70
Other Expenses, Net	429.01	461.73	487.88	890.74	884.69	1,809.54
Total Expenses	2,120.01	1,988.40	1,751.01	4,108.41	3,361.25	7,460.29
Profit Before Exceptional Items and Tax	491.24	349.51	257.48	840.75	476.47	1,320.21
Exceptional Items	-	-	-	-	-	(9.95)
Profit before Tax	491.24	349.51	257.48	840.75	476.47	1,310.26
Tax Expense						
(1) Current Tax (including tax expense of prior years)	199.03	175.36	4.04	374.39	49.98	485.46
(2) Deferred Tax, net	(9.28)	(73.31)	(0.92)	(82.59)	(0.80)	(257.34)
Net Profit after tax	301.49	247.46	254.36	548.95	427.29	1,082.14
Share of profit / (loss) of associates and joint ventures	82.11	54.77	52.00	136.88	110.00	169.90
Net Profit after tax and share of profit / (loss) of associates and joint ventures	383.60	302.23	306.36	685.83	537.29	1,252.04
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	(89.33)	(160.81)	218.86	(250.14)	902.61	846.35
(b) Remeasurement of Post Employment Benefit Plans	1.19	(5.00)	(0.59)	(3.81)	(3.82)	(3.03)
Less: Income Tax Impact on above	(0.42)	1.73	0.57	1.31	1.69	1.41
B. Items that will be subsequently reclassified to profit or loss						
(a) Hedging Reserve	5.68	0.86	-	6.54	-	4.70
(b) Exchange differences on translation of foreign operations	81.44	18.21	(42.33)	99.65	(42.33)	(217.48)
Less: Income Tax Impact on above	(28.71)	(28.55)	-	(57.26)	-	49.94
Other Comprehensive Income / (Expense) (OCI) for the period, net of tax expense	(30.15)	(173.56)	176.51	(203.71)	858.15	681.89
Total Comprehensive Income / (Expense) for the period	353.45	128.67	482.87	482.12	1,395.44	1,933.93
Net Profit attributable to:						
Owners of Piramal Enterprises Limited	384.00	302.62	306.36	686.62	537.29	1,252.33
Non-Controlling interests	(0.40)	(0.39)	-	(0.79)	-	(0.29)
Other comprehensive income is attributable to:						
Owners of Piramal Enterprises Limited	(30.15)	(173.56)	176.51	(203.71)	858.15	681.89
Non-Controlling interests	-	-	-	-	-	-
Total comprehensive income is attributable to:						
Owners of Piramal Enterprises Limited	353.85	129.06	482.87	482.91	1,395.44	1,934.22
Non-Controlling interests	(0.40)	(0.39)	-	(0.79)	-	(0.29)
Paid-up Equity Share Capital (Face Value Rs.2/- each)	34.51	34.51	34.51	34.51	34.51	34.51
Paid up Debt Capital				11,125.00	8,070.00	6,272.69
Net Worth				14,930.41	14,383.23	14,882.57
Debt Redemption Reserve				655.79	524.00	655.79
Other Equity (excluding Revaluation Reserve)						14,848.06
Earnings Per Equity Share (EPS) (of Rs.2/- each) (not annualised)						
a) Basic and diluted EPS before extraordinary items for the period (Rs.)	22.25	17.54	17.75	39.79	31.14	72.57
b) Basic and diluted EPS after extraordinary items for the period (Rs.)	22.25	17.54	17.75	39.79	31.14	72.57
Debt Equity Ratio (Refer Footnote 1)				2.60	2.09	2.05
Debt Service Coverage Ratio (Refer Footnote 2)				0.33	0.62	0.20
Interest Service Coverage Ratio (Refer Footnote 3)				1.60	1.56	1.70

Footnotes:

- Debt equity Ratio:
Debt = Long term Borrowings + Short term Borrowings + Current maturities of Long term Borrowings
Equity = Paid up Share Capital plus Other Equity
- Debt Service Coverage Ratio = (Earnings before Interest, Tax and Exceptional items) / (Interest Expense + Principal Repayment of Debt)
Debt = Long Term Debt
Interest Expense = Interest on Long Term Debt
- Interest Service Coverage Ratio = (Earnings before Interest, Tax and Exceptional items) / Interest Expense



Piramal Enterprises Limited
(Formerly Known as Piramal Healthcare Limited)
CIN : L24110MH1947PLC005719

Registered Office : Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013, India
Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai - 400070, India
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piramal.com



Segment Wise Revenue, Results, Assets, Liabilities and Capital Employed
(Rs. in Crores)

Particulars	Three Months ended 30/09/2017	Three months ended 30/06/2017	Corresponding Three months ended 30/09/2016	Year to date figures for current period ended 30/09/2017	Year to date figures for previous period ended 30/09/2016	Previous year ended 31/03/2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
Total Income from Operations, Net						
a. Pharmaceuticals	1,094.22	917.85	888.54	2,012.07	1,760.72	3,972.87
b. Financial services	1,185.93	1,084.24	815.25	2,270.17	1,450.01	3,351.50
c. Healthcare Insights & Analytics	255.71	251.98	262.36	507.69	531.64	1,222.38
Total	2,535.86	2,254.07	1,966.15	4,789.93	3,742.37	8,546.75
Less: Inter Segment revenue	-	-	-	-	-	-
Total Income from Operations	2,535.86	2,254.07	1,966.15	4,789.93	3,742.37	8,546.75
2. Segment Results						
a. Pharmaceuticals	259.57	137.99	100.99	397.56	219.00	592.82
b. Financial services	472.76	445.75	291.72	918.51	544.41	1,283.67
c. Healthcare Insights & Analytics	20.11	24.77	5.34	44.88	34.02	214.26
Total	752.44	608.51	398.05	1,360.95	797.43	2,090.75
Less: Depreciation	129.33	122.91	73.28	252.24	150.05	381.70
Less: Finance Cost (unallocated)	144.15	148.20	74.94	292.35	191.74	436.50
Add : Unallocated Income / (Net of unallocated cost)	12.28	12.11	7.65	24.39	20.83	37.71
Total Profit / (Loss) Before Tax	491.24	349.51	257.48	840.75	476.47	1,310.26
3. Capital Employed						
(Segment Assets - Segment Liabilities)						
a. Pharmaceuticals						
Segment Assets	7,978.80	7,682.39	5,333.90	7,978.80	5,333.90	7,086.32
Segment Liabilities	(2,170.53)	(2,127.43)	(674.84)	(2,170.53)	(674.84)	(1,565.22)
b. Financial services						
Segment Assets	40,827.72	37,328.80	33,511.95	40,827.72	33,511.95	33,003.70
Segment Liabilities	(30,421.70)	(26,633.59)	(23,879.04)	(30,421.70)	(23,879.04)	(22,478.04)
c. Healthcare Insights & Analytics						
Segment Assets	5,331.30	5,317.19	5,312.58	5,331.30	5,312.58	5,846.02
Segment Liabilities	(418.54)	(457.14)	(495.42)	(418.54)	(495.42)	(1,086.20)
d. Unallocated						
Segment Assets	2,484.70	2,434.71	1,823.19	2,484.70	1,823.19	2,303.31
Segment Liabilities	(8,681.34)	(8,533.30)	(6,549.09)	(8,681.34)	(6,549.09)	(8,227.32)
Total Capital Employed	14,930.41	15,011.63	14,383.23	14,930.41	14,383.23	14,882.57

Note:

Segment results of Pharmaceuticals and Healthcare Insights & Analytics segment represent Earnings before Interest, Tax, Depreciation and Amortisation and segment results of Financial services represent Earnings before Tax, Depreciation and Amortisation.



Notes:

1. The consolidated financial results for the three months and six months ended September 30, 2017, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 06, 2017. The statutory auditors, Deloitte Haskins & Sells LLP have issued an unqualified review conclusion. Consolidated financial results for the three months ended June 30, 2017, three months and six months ended September 30, 2016 and year ended March 31, 2017 were reviewed/audited by previous auditors - Price Waterhouse.

2. Statement of Consolidated Assets and Liabilities:

Particulars	(Rs. in Crores)	
	As at	
	30/09/2017 (Unaudited)	31/03/2017 (Audited)
ASSETS		
1. Non-Current Assets		
(a) Property, Plant & Equipment	2,006.26	1,465.05
(b) Capital Work in Progress	410.96	732.37
(c) Intangible Assets	2,990.11	3,080.46
(d) Intangible Assets under development	187.48	147.26
(e) Goodwill	5,534.79	5,427.19
(f) Financial Assets:		
(i) Investments		
- Investments in Equity accounted associates	2,866.24	2,752.54
- Other Investments	18,032.22	18,964.12
(ii) Loans	12,873.66	5,835.15
(iii) Others	47.19	51.90
(g) Deferred Tax Assets (Net)	662.52	625.21
(h) Other Non Current Assets	421.33	399.14
Total Non-Current Assets	46,032.76	39,480.39
2. Current Assets		
(a) Inventories	812.04	723.07
(b) Financial Assets:		
(i) Investments	4,816.27	3,463.95
(ii) Trade Receivables	1,133.99	1,107.74
(iii) Cash & Cash equivalents	1,346.77	1,490.44
(iv) Bank balances other than (iii) above	47.78	50.46
(v) Loans	1,969.70	1,500.58
(vi) Other Financial Assets	136.74	183.62
(c) Other Current Assets	310.58	223.20
(d) Asset held for sale	15.91	15.91
Total Current Assets	10,589.78	8,758.97
Total Assets	56,622.54	48,239.36
EQUITY AND LIABILITIES		
1. Equity		
(a) Equity Share capital	34.51	34.51
(b) Other Equity	14,895.90	14,848.06
(c) Non-controlling interests	12.43	13.21
Total Equity	14,942.84	14,895.78
2. Liabilities		
Non-Current Liabilities		
(a) Financial Liabilities:		
(i) Borrowings	21,886.36	14,495.69
(ii) Other Non-Current Financial Liabilities	134.07	150.48
(b) Deferred tax liabilities (Net)	36.68	30.75
(c) Other Non-Current Liabilities	38.94	35.23
(d) Provisions	78.82	73.59
Non-Current Liabilities	22,174.87	14,785.74
Current Liabilities		
(a) Financial Liabilities:		
(i) Borrowings	11,680.69	12,079.48
(ii) Trade Payables	795.34	764.29
(iii) Other Current Financial Liabilities	6,456.00	5,112.61
	18,932.03	17,956.38
(b) Other Current Liabilities	398.97	450.51
(c) Provisions	53.95	113.47
(d) Current Tax Liabilities (Net)	119.88	37.48
Current Liabilities	19,504.83	18,557.84
Total Equity & Liabilities	56,622.54	48,239.36



3. Standalone Information

(Rs. in Crores)

Particulars	Three Months ended 30/09/2017	Three Months ended 30/06/2017	Corresponding Three months ended 30/09/2016	Year to date figures for current period ended 30/09/2017	Year to date figures for previous period ended 30/09/2016	Previous year ended 31/03/2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Total Income	980.15	793.89	1,440.42	1774.04	2,609.34	4,166.46
2. Profit before tax	223.92	64.65	517.68	288.57	820.18	919.93
3. Profit after tax	150.66	41.65	447.58	192.31	705.23	776.78

4. The secured listed non-convertible debentures of the Group aggregating to Rs.9,120 Crores as on September 30, 2017 are secured by way of the hypothecation over the specified identified receivables and a first ranking pari passu mortgage over Specifically Mortgaged Property. The Asset cover on the secured and unsecured listed non-convertible debentures of the Group exceeds hundred percent of the principal amount of the said debentures.
5. Board of Directors, at their meeting held on October 12, 2017, approved the following:
- Qualified Institutional Placement ("QIP") of Compulsorily Convertible Debentures ("CCD") for an aggregate amount of Rs. 5,000 Crores. Subsequently, Rs. 4,996.19 Crores of CCDs have been allotted to the CCD holders upon receipt of the necessary funds on October 25, 2017.
 - Rights issue of equity shares for an amount upto Rs.2,000 Crores.
 - Scheme of amalgamation of Group's subsidiaries – Piramal Finance Limited and Piramal Capital Limited with Piramal Housing Finance Limited, subject to the requisite statutory / regulatory approvals, including directions and approval of the Hon'ble National Company Law Tribunal and such other authority, as may be applicable.
6. During the quarter, Piramal Housing Finance Limited, a wholly owned step-down subsidiary of the Group, received the Certificate of Registration as a Housing Finance Company from the National Housing Bank.
7. Results of certain associates included in these Consolidated financial results have not been adjusted to apply uniform accounting policies as it is impracticable.

For **PIRAMAL ENTERPRISES LIMITED**


Ajay G. Piramal
Chairman

November 06, 2017, Mumbai





Piramal Enterprises Limited announces Consolidated Results for the Second Quarter & Half Year ended 30 Sep 2017

Consistently delivering excellent set of results quarter after quarter

Mumbai, India, November 6, 2017: Piramal Enterprises Limited ('PEL', NSE: PEL, BSE: 500302) today announces its consolidated results for the Second Quarter (Q2) and Half Year (H1) ended 30 September 2017.

Financial Highlights

- **Revenue**
Up 29% at Rs.2,536 Crores during Q2 FY2018 vs Rs.1,966 Crores in Q2 FY2017
Up 28% at Rs.4,790 Crores during H1 FY2018 vs Rs.3,742 Crores in H1 FY2017
- **Net Profit**
25% higher at Rs.384 Crores during Q2 FY2018 vs Rs.306 Crores in Q2 FY2017
28% higher at Rs.686 Crores during H1 FY2018 vs Rs.537 Crores in H1 FY2017

Operational Highlights

- Successfully raised ~Rs.5,000 Crores through Qualified Institutional Placement (QIP) of Compulsorily Convertible Debentures (CCD)
- Total Loan Book grew 69% to Rs.33,261 Crores; CFG loan book grew 100% to Rs.5,863 Crores
- Received Housing Finance Licence from NHB; disbursed Rs.202 crores in first month of operation
- Proposed Merger of Piramal Finance and Piramal Capital with Piramal Housing Finance
- Global Pharma services business announced USD 55 mn expansion of API manufacturing capabilities & capacities in North America and Asia
- Global Pharma business cleared 3 regulatory audits (including 1 USFDA audit) and 36 customer audits
- Despite subdued performance in the industry due to GST, India Consumer Product business grew by 20% during the quarter
- DRG acquired Context Matters, a US-based data and analytics company to expand Global Market Access Intelligence offerings

Mr. Ajay Piramal, Chairman, Piramal Enterprises Ltd., *"We continue to consistently deliver excellent set of results quarter after quarter. The Company announced 29% growth in revenues to Rs.2,536 Crores and 25% increase in net profit to Rs.384 Crores for the second quarter of FY2018. Our loan book continued to grow at an impressive pace at 69% to Rs.33,261 Crores, simultaneously maintaining a healthy asset quality.*

The company also successfully raised around Rs.5,000 Crores through Qualified Institutional Placement of Compulsorily Convertible Debentures. In addition, it plans to raise upto Rs.2,000 Crores through Rights Issue. This capital raise through CCDs along with Rights Issue will provide a strong impetus to achieve the Company's ambitious growth plans in coming years.

We continue to maintain strong focus on quality, compliance and risk mitigation across our businesses. We remain committed to deliver improved business performance and create sustainable long term value for all our stakeholders in future.”

Consolidated Financial Performance

(Rs. Crores or as stated)

Particulars	Quarter II ended			Half year ended		
	30-Sep-17	30-Sep-16	% Change	30-Sep-17	30-Sep-16	% Change
Net Sales	2,536	1,966	29%	4,790	3,742	28%
Non-operating other income	75	42	78%	159	95	67%
Total income	2,611	2,008	30%	4,949	3,838	29%
Other Operating Expenses	1,266	1,223	4%	2,458	2,361	4%
OPBIDTA	1,345	786	71%	2,491	1,477	69%
Interest Expenses	725	455	59%	1,398	851	64%
Depreciation	129	73	76%	252	150	68%
Profit before tax & exceptional items	491	257	91%	841	476	76%
Exceptional items (Expenses)/Income	-	-	-	-	-	-
Income tax	190	3	-	292	49	-
Profit after tax (before MI & Prior Period items)	301	254	19%	549	427	28%
Minority interest	-	-	-	-	-	-
Share of Associates	82	52	58%	137	110	24%
Net Profit after Tax	384	306	25%	686	537	28%
Net Profit Margin %	15%	16%	-	14%	14%	-
EPS (Rs./share)	22.3	17.8	25%	39.8	31.1	28%

Consolidated Revenues

Consolidated revenues were 29% higher at Rs.2,536 Crores for Q2 FY2018 and 28% higher at Rs.4,790 Crores for H1 FY2018. The Company has delivered a strong revenue growth in Financial Services and Pharma business. 46% of our Q2 & H1 FY 2018 revenues were earned in foreign currency.

Net Profit

Net Profit for Q2 FY2018 was up by 25% at Rs.384 Crores as compared to Rs.306 Crores in Q2 FY2017. Strong growth in profitability was mainly on account of improved operational performance, partly offset by increase in depreciation and tax expenses. Net Profit for H1 FY2018 was Rs.686 Crores, a growth of 28% over the previous period.

Interest Expenses

Interest expense for Q2 and H1 FY2018 were higher primarily on account of increase in debt for making investments under Financial Services segment.

Share of Associates

Income under share of associates for Q2 and H1 FY2018 primarily includes our share in the profits of Shriram Capital and JV with Allergan.

Business-wise Revenue Performance

(Rs. Crores or as stated)

Net Sales break-up	Quarter II ended			% Sales	Half year ended		
	30-Sep-17	30-Sep-16	% Change		30-Sep-17	30-Sep-16	% Change
Financial Services	1,186	815	45.4%	47.4%	2,270	1,450	56.6%
Pharma	1,083	874	23.9%	41.1%	1,970	1,725	14.2%
- Global Pharma	963	774	24.4%	-	1,809	1,545	17.1%
- India Consumer Products	119	99	20.1%	-	161	180	(10.5%)
Healthcare Insight & Analytics	256	262	(2.4%)	10.6%	508	532	(4.5%)
Others	12	15	-	0.9%	43	36	-
Total	2,536	1,966	29.0%	100%	4,790	3,742	28.0%

Financial Services

Income from Financial Services was 45% higher at Rs.1,186 Crores for Q2 FY2018 and 57% higher at Rs.2,270 Crores for H1 FY2018. The growth in income was primarily driven by increase in size of Loan Book, which grew by 69% over last year to Rs.33,261 Crores. Construction finance now accounts for 59% of our real estate loan book. Gross NPAs ratio (based on 90 dpd) remained stable at 0.2% in Q2 FY2018. The Corporate Finance Group (CFG) Loan book grew by 100% to Rs.5,863 Crores as on 30 Sept 2017. CFG introduced new products such as Flexi Line of Credit and Project Finance during the quarter. Emerging Corporate lending loan book grew to Rs.322 Crores as on 30 Sept 2017; an increase of Rs.182 Crores in last one quarter.

The Company received housing finance licence in Aug 2017 and disbursed Rs.202 Crores in Sept 2017. We opened a hub along with two branches in Mumbai region and hired 150+ employees. Strong underwriting and asset monitoring processes for the housing finance business are also in place.

Gross assets under management were at Rs. 6,792 Crores during the quarter.

Pharma

In Q2 FY2018, Pharma segment delivered 24% growth in revenues to Rs.1,083 Crores, as compared with Rs.874 Crores in Q2 FY2017. Revenues for H1 FY2018 were at Rs 1,970 Crores.

Revenue from **Global Pharma** business was 24% higher at Rs.963 Crores in Q2 FY2018 and 17% higher at Rs 1,809 Crores for H1 FY2018 on account of organic initiatives and successful integration of products acquired

from Janssen and Mallinckrodt and also successful integration of the Ash Stevens facility. Global Pharma services business announced USD 55 mn expansion of API manufacturing capabilities & capacities in North America and Asia. New capex of USD 4mn was sanctioned for Ahmedabad's formulation development facility to facilitate expansion for a Big Pharma customer. Phase I of the USD 25 mn expansion at Lexington is progressing well and new high speed filling line for liquid injectables is due to go live in November 2017. During the quarter, the Company underwent 3 regulatory audits (including 1 USFDA audit) and 36 customer audits.

Revenue from **India Consumer Products** for the quarter grew by 20% to Rs.119 Crores as the business recovered strongly from the impact of channel destocking led by the newly introduced GST tax regime in Q1 FY2018. Revenue for H1 FY2018 was at Rs.161 Crores. Despite subdued performance in the industry (~1% growth for the quarter) due to GST, our business registered a strong growth. New launches / re-launches during the quarter included Sloan's pain relieving spray, Waterbury's compound, Jungle Magic Garden Sciencz and Littles breast pump.

Healthcare Insight & Analytics (HIA)

Revenue for the quarter was at Rs. 256 Crores and for H1 FY2018 was at Rs.508 Crores. Demand is shifting from research products toward dynamic, user-centric applications, getting partly offset by gains in Data & Analytics products and services. HIA continued its focus on innovation and new products by introducing innovative new, technology-enabled products. The business acquired Context Matters, a US-based data and analytics company to expand Global Market Access Intelligence offerings.

Note: Figures in previous periods might have been regrouped or restated, wherever necessary to make them comparable to current period.

Our company shall also be uploading a results presentation on our website. For downloading a copy of the presentation and further information on our financials, please visit our website: www.piramal.com

About the Piramal Group

The Piramal Group, led by Ajay Piramal, is one of India's foremost business conglomerates with a global footprint. With operations in 30 countries and brand presence in over 100 countries, the Group's turnover is around \$1.3 billion in FY2016. The Group's diversified portfolio includes presence in industries like healthcare, financial services, healthcare information management, glass packaging and real estate.

Driven by the core values of knowledge, action and care, the Group steadfastly pursues inclusive growth, while adhering to ethical and value driven practices. Piramal Foundation, the philanthropic arm, has initiatives running across healthcare, water, education and women empowerment in 21 states of India.

About Piramal Enterprises Limited

Piramal Enterprises Limited (PEL) is one of India's large diversified companies, with a presence in Financial Services, Pharmaceuticals and Healthcare Insights & Analytics. PEL's consolidated revenues were over US\$1.3 billion in FY2017, with 51% of revenues generated from outside India.

In Financial Services, PEL provides comprehensive financing solutions to real estate companies. The division's Corporate Finance Group (CFG) also provides senior and mezzanine growth capital to various businesses across varied sectors that are integral part of India's growth story. The Division has also launched Distressed Asset Investing platform that will invest in equity and/or debt in assets across sectors (other than real estate) to drive restructuring with active participation in turnaround. The total funds under management under all these businesses are over US\$5.5 billion. The Company has recently launched a retail housing finance vertical. The Company also has strategic alliances with top global funds such as APG Asset Management, Bain Capital Credit, CPPIB Credit Investment Inc. and Ivanhoé Cambridge (CDPQ). PEL also has long term equity investments worth ~US\$1 billion in Shriram Group, a leading financial conglomerate in India.

In Pharma, through an end-to-end manufacturing capabilities across 13 global facilities and a large global distribution network to over 100 countries, PEL sells a portfolio of niche differentiated pharma products and provides an entire pool of pharma services (including in the areas of injectable, HPAPI etc.). The Company is also strengthening its presence in the Consumer Product segment in India.

PEL's Healthcare Insights & Analytics business, Decision Resources Group, is the premier provider of healthcare analytics, data & insight products and services to the world's leading pharma, biotech and medical technology companies and enables them to take informed business decisions.

PEL is listed on the BSE Limited and the National Stock Exchange of India Limited in India.

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Piramal Enterprises Limited

Q2 & H1 FY2018 Results Presentation

6 November 2017



Key Financial Highlights

29% growth in revenues
during
Q2 FY2018

Rs.2,536 Crores

25% growth in net profit
during
Q2 FY2018

Rs.384 Crores

28% growth in revenues
during
H1 FY2018

Rs.4,790 Crores

28% growth in net profit
during
H1 FY2018

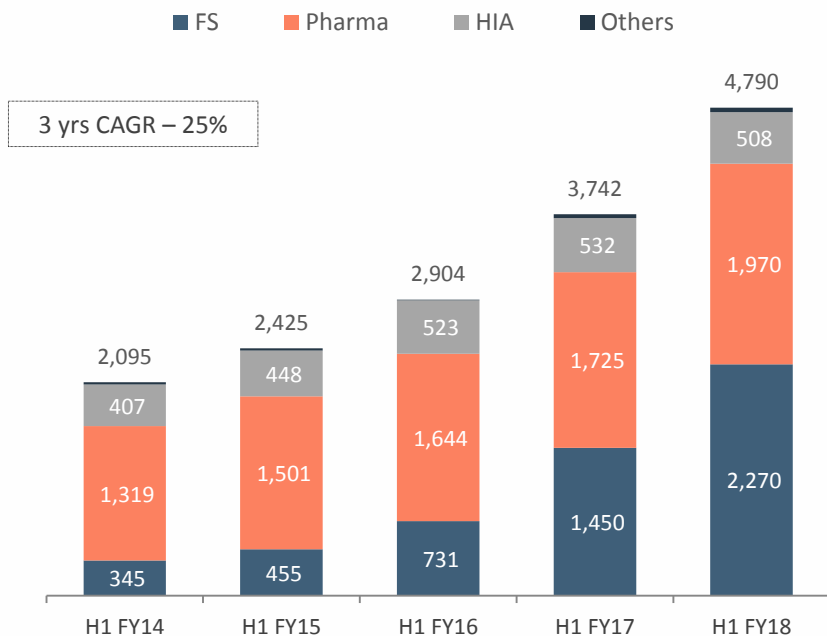
Rs.686 Crores

Operational highlights for the quarter

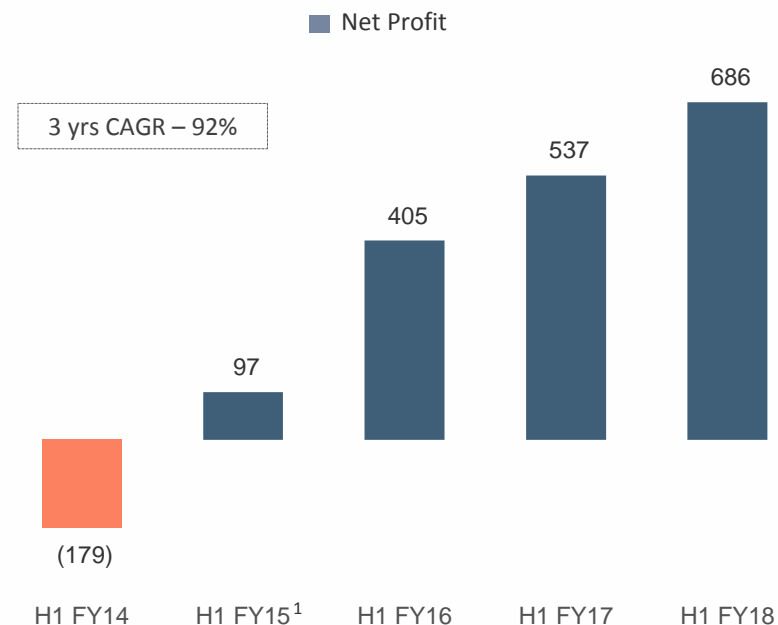
<p>Overall</p> <p>Successfully raised ~Rs.5,000 Crores through Qualified Institutional Placement (QIP) of Compulsorily Convertible Debentures (CCDs)</p>	<p>Financial Services</p> <p>Total Loan Book grew 69% to Rs.33,261 Crores; CFG loan book grew 100% to Rs.5,863 Crores</p>	<p>Financial Services</p> <p>Received Housing Finance Licence from National Housing Board; disbursed Rs.202 Crores in first month of operation</p>	<p>Global Pharma</p> <p>Announced USD 55 mn expansion of API manufacturing capabilities & capacities in North America and Asia</p>
<p>Global Pharma</p> <p>Successfully cleared 3 regulatory audits including 1 USFDA audit</p>	<p>Financial Services</p> <p>Proposed merger of Piramal Finance and Piramal Capital with Piramal Housing Finance</p>	<p>India Consumer Products</p> <p>Despite subdued performance of the industry due to GST launch, India Consumer Product business grew by 20% for the quarter</p>	<p>Healthcare Insight & Analytics</p> <p>Acquired Context Matters, a US-based data and analytics company to expand Global Market Access Intelligence offerings</p>

Delivering robust growth track record

Business-wise Revenue Trend



Net profit & Margin Trend



Note:

- H1 FY2015 net profit excludes exceptional gain on sale of 11% stake in Vodafone India partly offset by the amount written down on account of scaling back of our investments in NCE research.
- H1 FY2016, H1 FY2017 and H1 FY2018 results have been prepared based on IND AS
- HIA – Healthcare Insight and Analytics

Consistently delivering strong performance since last many quarters

Period	Revenues			Net Profits		
	Reported Period (Rs. Cr)	Previous Period (Rs. Cr)	% YoY Change	Reported Period (Rs. Cr)	Previous Period (Rs. Cr)	% YoY Change
Q1FY15	1,182	965	+22%	55	(147)	NM
Q2FY15	1,243	1,131	+10%	41	(32)	NM
Q3FY15	1,400	1,286	+9%	224	(11)	NM
Q4FY15	1,298	1,121	+16%	100	(311)	NM
Q1FY16	1,401	1,182	+19%	169	55	+206%
Q2FY16	1,504	1,243	+21%	235	41	+473%
Q3FY16	1,786	1,400	+28%	307	224	+37%
Q4FY16	1,691	1,298	+30%	193	100	+93%
Q1FY17	1,776	1,401	+27%	231	169	+36%
Q2FY17	1,966	1,504	+31%	306	235	+30%
Q3FY17	2,342	1,786	+31%	404	307	+32%
Q4FY17	2,463	1,691	+46%	311	193	+61%
Q1FY18	2,254	1,776	+27%	302	231	+31%
Q2FY18	2,536	1,966	+29%	384	306	+25%

Overall top line growth has been higher than 25%
in each of the last 8 quarters

Our normalised net profit has grown over 25%
in each of the last 10 quarters

Note:

- All periods of FY2017, Q1 FY2018 and Q2 FY2018 results have been reported in line with Ind AS Accounting and the results of the corresponding periods of the previous year have been reinstated to make them comparable with the reported period. Prior period numbers are as reported in their respective period.
- FY2015 quarterly net profit numbers exclude exceptional gain from Vodafone transaction and exceptional loss from NCE shutdown
- NM – Not measurable

Revenue growth across key business segments

% change - Q2 FY2018 vs. Q2 FY2017 Revenues

Financial Services



Global Pharma



India Consumer Products



Healthcare Insight and Analytics

-2%

A horizontal bar chart showing the percentage change in revenue for Healthcare Insight and Analytics. The bar is red and extends to the left, with the value '-2%' labeled at its end.

Segment	% change
Healthcare Insight and Analytics	-2%

Total Revenue



PEL among best performing companies in terms of revenue and profitability growth

- PEL among top 5 companies (within BSE 100 Index) in terms of 5 years revenue CAGR
- PEL among top 5 companies (within BSE 100 Index) in terms of 5 years Net Profit CAGR
- Very few companies are currently delivering similar / better track record of consistent growth in revenue and net profit over last so many quarters

PEL's relative positioning in terms of 5 year revenue and net profit CAGR among BSE 100 companies

BSE-100	5Yr Revenue CAGR	5Yr Net Profit CAGR
Quartile 1 Top 25 companies	●	●
Quartile 2 26-50 companies		
Quartile 3 51-75 companies		
Quartile 4 76-100 companies		

Source : Factset



Fund Raising

Deal Highlights

- ✓ **First major fund raise in the history of PEL**
- ✓ **Raising up to Rs.7,000 Crores (around US\$ 1 billion) :**
 - Around Rs.5,000 Crores through Qualified Institutional Placement (QIP) of Compulsorily Convertible Debentures (CCDs)
 - Up to Rs.2,000 Crores through Rights Issue
- ✓ **Largest QIP deal by any company (excluding banks) in India**
- ✓ **First QIP of INR denominated CCDs in India** - A milestone deal in the history of Corporate India
 - Structure of the deal to set a **benchmark for future fund raising** deals in India
- ✓ **Widespread participation** from FII long only investors, global university endowment fund, domestic institutions and alternative asset managers comprising over 30 institutional investors

Raising over a billion dollar capital via CCDs and rights issue

CCDs QIP

Successfully raised **~Rs.5,000 Crores**
through CCDs

- ✓ Issued 464,330 CCDs of the face value of Rs.107,600 each with a coupon of 7.80% p.a.
- ✓ It can be converted into pure equity at any time till the maturity date
- ✓ Each CCD will be compulsorily converted into 40 equity shares on maturity (at the end of the 18 months from the date of allotment)
- ✓ Conversion price fixed at Rs.2,690 per equity share

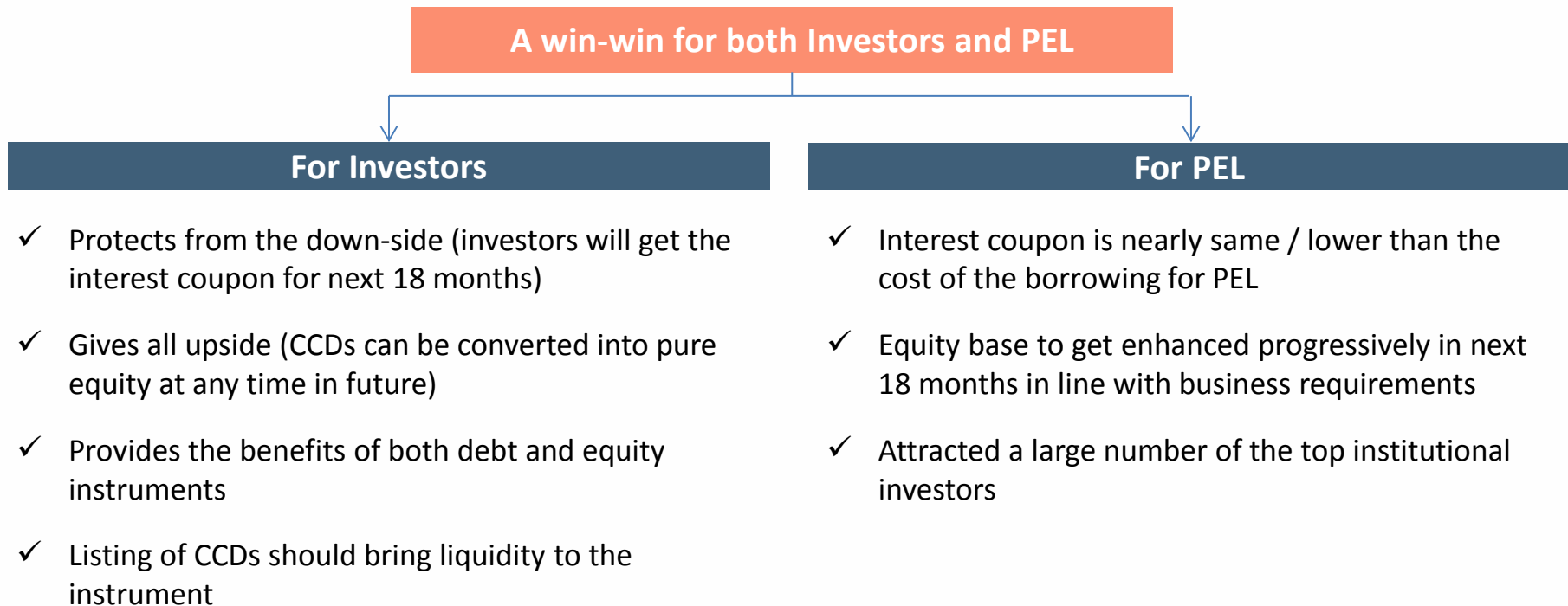


Rights issue

Plans to raise up to **Rs.2,000 Crores**
through Rights Issue

- ✓ Board and promoters are keen to give the existing shareholders of PEL an equal opportunity to participate in the fund raising
- ✓ Board approved a Rights Issue of equity shares at a price of Rs.2,380 for up to Rs.2,000 Crores
- ✓ Promoter Group to underwrite the Rights Issuance to an extent of 90% of the size

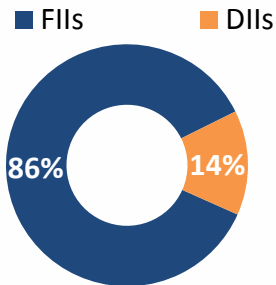
The structure of the deal to set a benchmark for the future fund raising deals in India



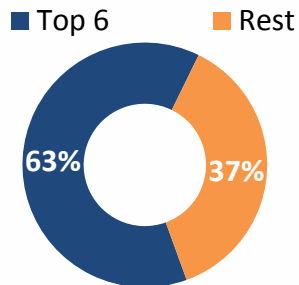
Participation from global pension funds, FII long only investors, domestic institutions and alternative asset managers

No.	Top 10 QIP participants
1	CDPQ
2	CAPITAL INTERNATIONAL
3	EASTBRIDGE CAPITAL
4	UNIVERSITY OF CALIFORNIA
5	JUPITER ASSET MANAGEMENT
6	KARST PEAK CAPITAL
7	STEADVIEW CAPITAL
8	DISCOVERY CAPITAL
9	MYRIAD ASSET MANGEMENT
10	RELIANCE INDUSTRIES

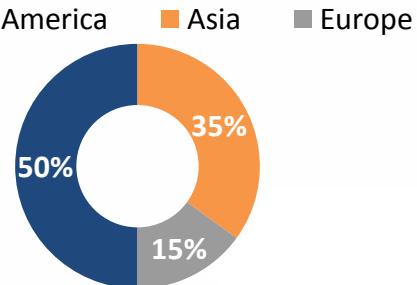
86% of CCDs were allotted to FIIs



Top 6 investors contributed 63% of the allotted CCDs



Investors were spread across geographies





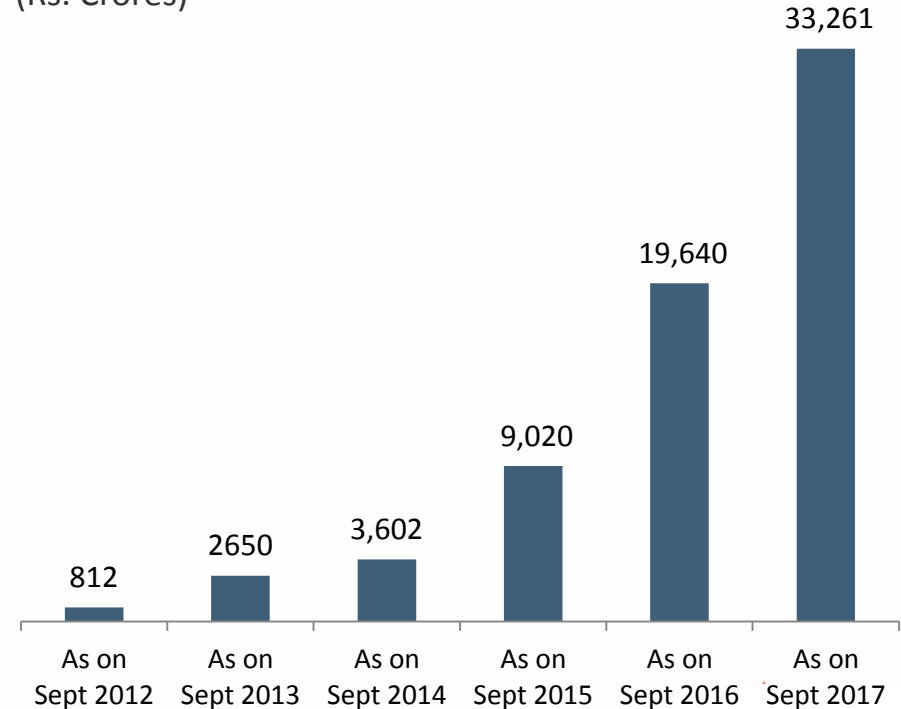
Financial Services

Built a robust and scalable financial services platform

Consistently delivering exceptional performance

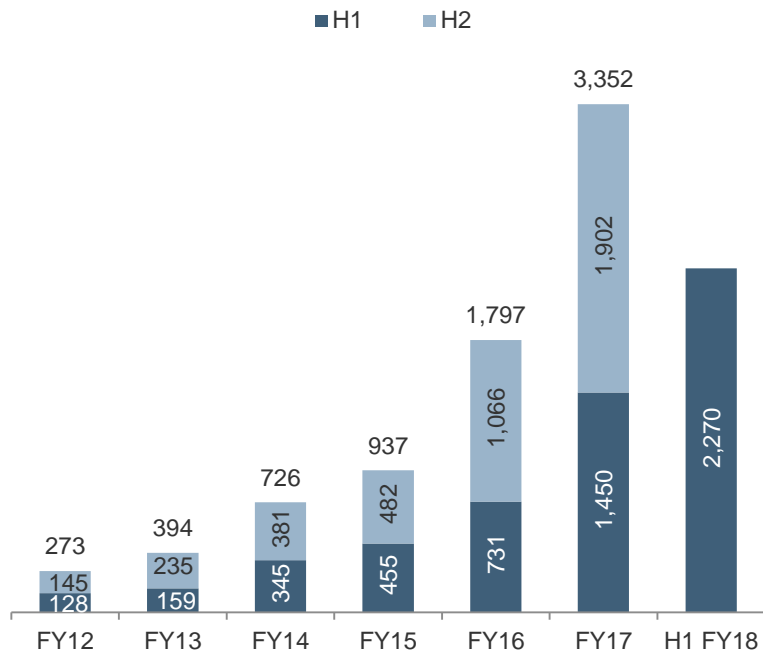
- Total Loan Book grew by 69% to Rs.33,261 Crores as on 30 Sept 2017 Crores vs. Rs.19,640 Crores as on 30 Sept 2016
- Received Housing Finance Licence and started operations in Sept 2017
- Proposed merger of Piramal Capital and Piramal Finance into Piramal Housing Finance
- Continue to deliver 25%+ RoE for over last 10 quarters
- Robust asset quality
 - Gross NPAs ratio (based on 90 dpd) remained stable at 0.2% in Q2 FY2018
 - Provisioning maintained at 2%

Continued scaling up of loan book (Rs. Crores)

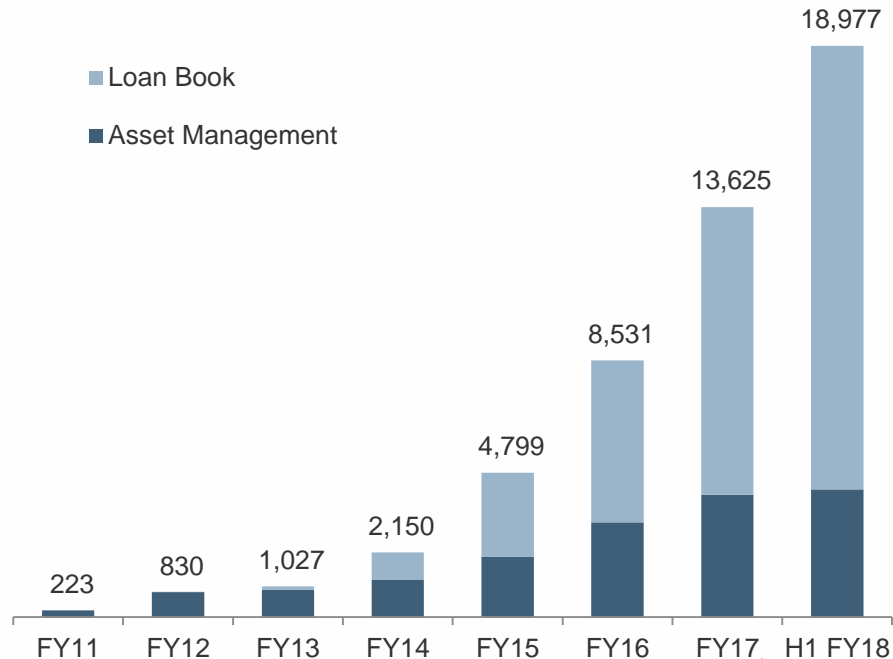


Strong trend in growth of income and exits/repayments

Rapidly growing income from Financial Services business
(in Rs. Crores)



Strong trend of cumulative exits / repayments^{1,2}
(in Rs. Crores)



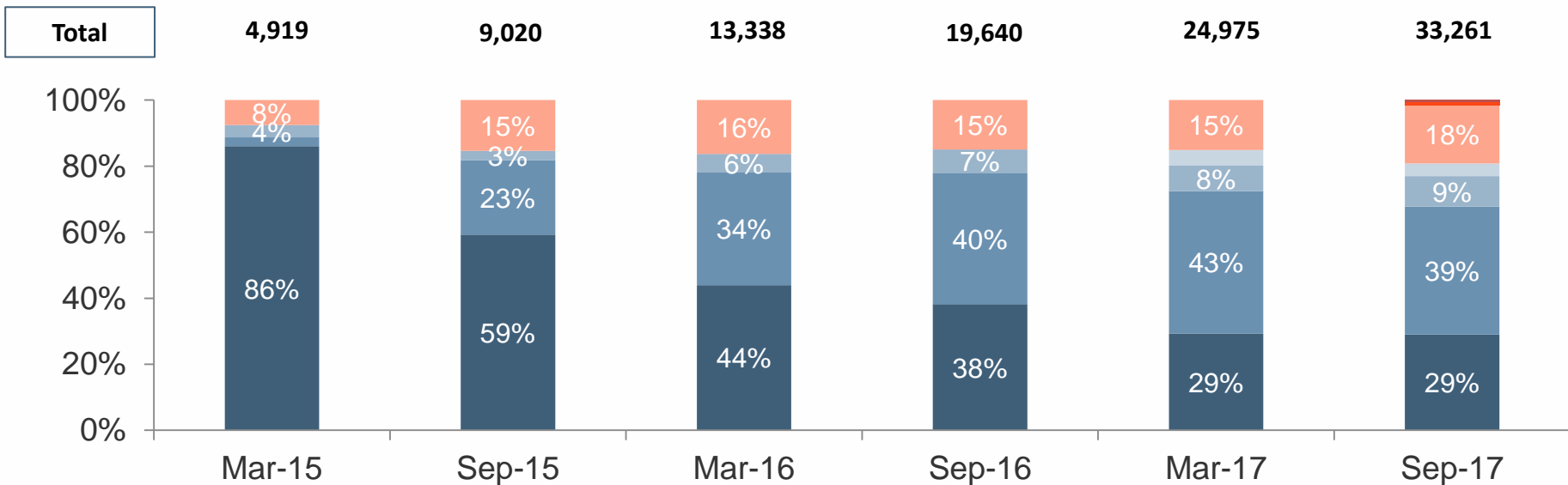
Notes:

1. Excludes our investment in Vodafone India, which was exited during FY2015
2. Exits from Asset Management business have been included on calendar year basis

Significantly diversifying the lending portfolio; lowering overall risk profile

Trend of changing portfolio mix (%)

- Mezzanine RE
- RE Lease Rent Discounting
- Housing Finance ^{New}
- RE Construction Finance - Residential
- Corporate Finance Group
- RE Construction Finance - Commercial
- Emerging Corporate Lending ^{New}



Note : RE – Real Estate

Strong growth in Real Estate loan book and commencement of Housing finance business

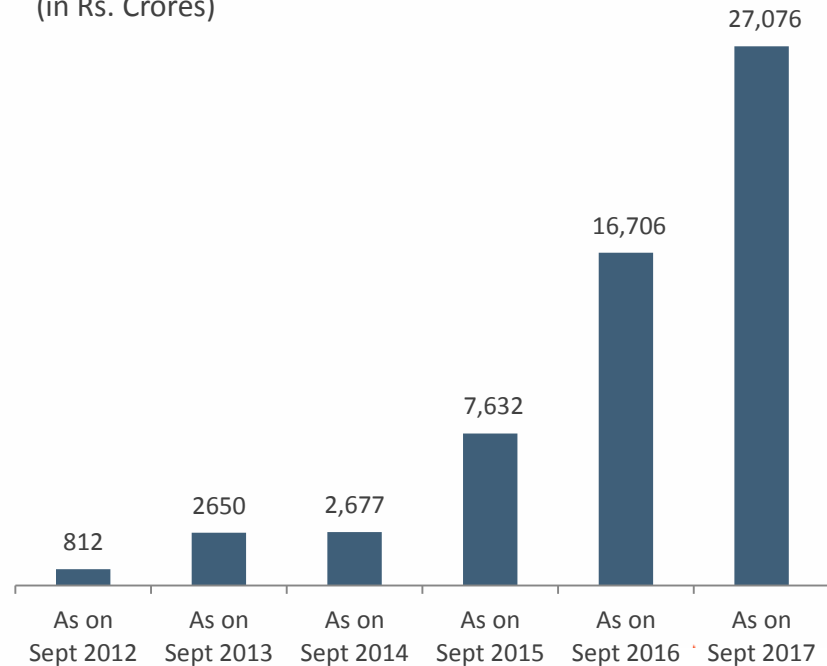
Real Estate Lending :

- Loan book grew by 61% to Rs.26,874 Crores as on 30 Sept 2017
 - Construction Finance is now 59% of our Real Estate loan book
 - Rs.2,290 Crores repaid / prepaid during the quarter
- Covering 110+ developers, 200+ transactions and over 360 projects across India
- Technology platform for wholesale as well retail segment have gone live during the quarter

Housing Finance :

- Received housing finance licence in Aug 2017
- Disbursed Rs.202 Crores in Sept 2017
- Opened a hub and two branches in Mumbai region and hired 150+ employees
- Strong underwriting and asset monitoring processes are in place

Rapidly growing Real Estate (incl. Housing Finance) loan book (in Rs. Crores)



Note : For more details on housing finance click here : [Call transcript Presentation](#)

Robust growth in Corporate Finance and Emerging Corporate loan book

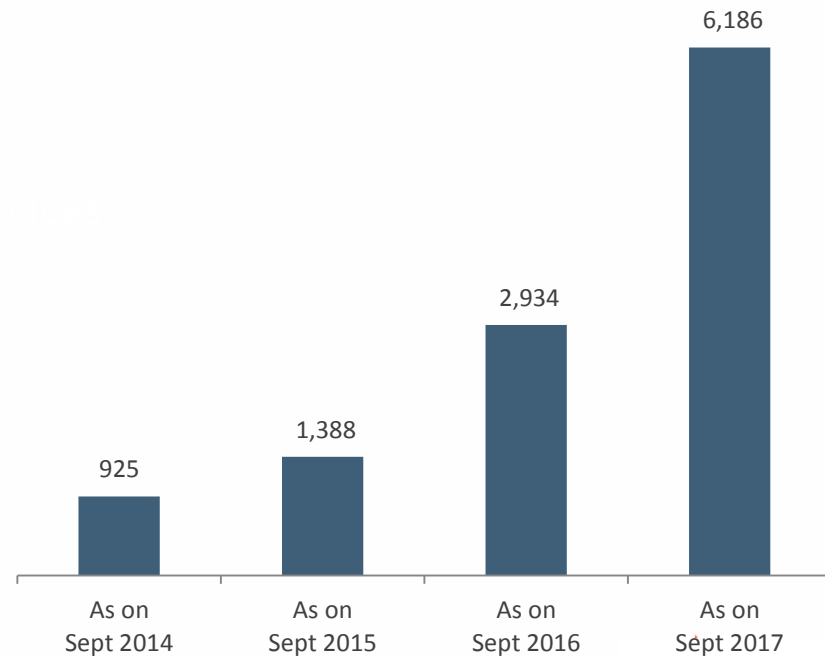
Corporate Finance Group (CFG) :

- Loan book grew by 100% to Rs.5,863 Crores as 30 Sept 2017
 - Disbursed Rs.2,857 Crores during the quarter
 - Introduced new products like Flexi Line of Credit and Project Finance
 - Investments worth Rs.1,800 Crores along with APG and Goldman Sachs
 - Successfully exited two deals worth Rs.240 Crores

Emerging Corporate Lending (ECL):

- Sector-agnostic platform with funding provided to diverse sectors such as automotive dealerships, auto ancillaries, manufacturing, pharmaceuticals and hospitality
- Offering solutions with ticket size ranging from Rs.10 Crores to Rs.100 Crores
- Loan Book grew to Rs.322 Crores as on 30 Sept 2017; an increase of Rs.182 Crores in last one quarter

Strong growth in Corporate Finance and ECL portfolio (in Rs. Crores)



Proposed merger of Piramal Finance and Piramal Capital with Piramal Housing Finance

Benefits of merger

Optimum capital adequacy requirement to improve returns

Diversified portfolio comprising both retail and wholesale should improve credit rating, in turn reducing borrowing cost

Open up avenues for combined entity to raise funds from diversified lenders

Mutual Fund can lend higher amount to HFCs as against NBFCs

One entity to provide end-to-end financing solutions

Capitalising on the in-house Brickex arm for sourcing and facilitating home loans

Leveraging robust asset monitoring capabilities of the wholesale platform for retail construction finance loans

Restructuring will enhance management and operational efficiency due to integration of common functions like IT, HR, Finance, Legal, etc.

Note : The combined entity's name to be changed to Piramal Capital Limited

Alternative Asset Management

Total gross assets under management at Rs. 6,792 Crores

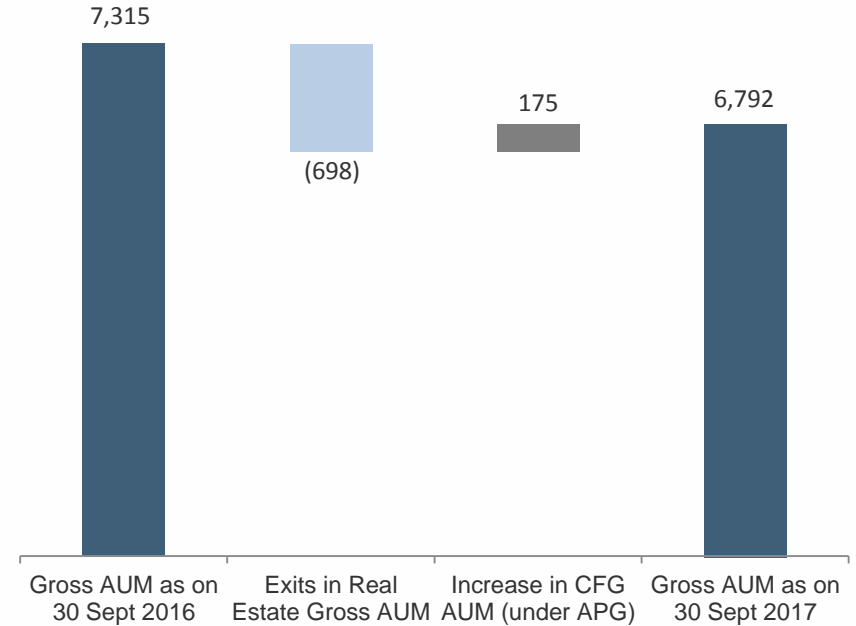
Real Estate :

- Real Estate gross funds under management was Rs.5,792 Crores
- Continued exits from vintage funds
- **JV with Ivanhoé Cambridge:** Timing opportune for securing deals on attractive valuations
 - First deal with Ivanhoé Cambridge under negotiation

Corporate Finance :

- Investments made by APG under our alliance with them include total disbursements of Rs.1,000 Crores as on 30 Sept 2017
- Of the Rs.1,800 Crores invested by the CFG, Rs.1,025 Crores taken over by APG and Goldman Sachs in Q3 FY2018

Alternative Asset Management business
(Rs. Crores)

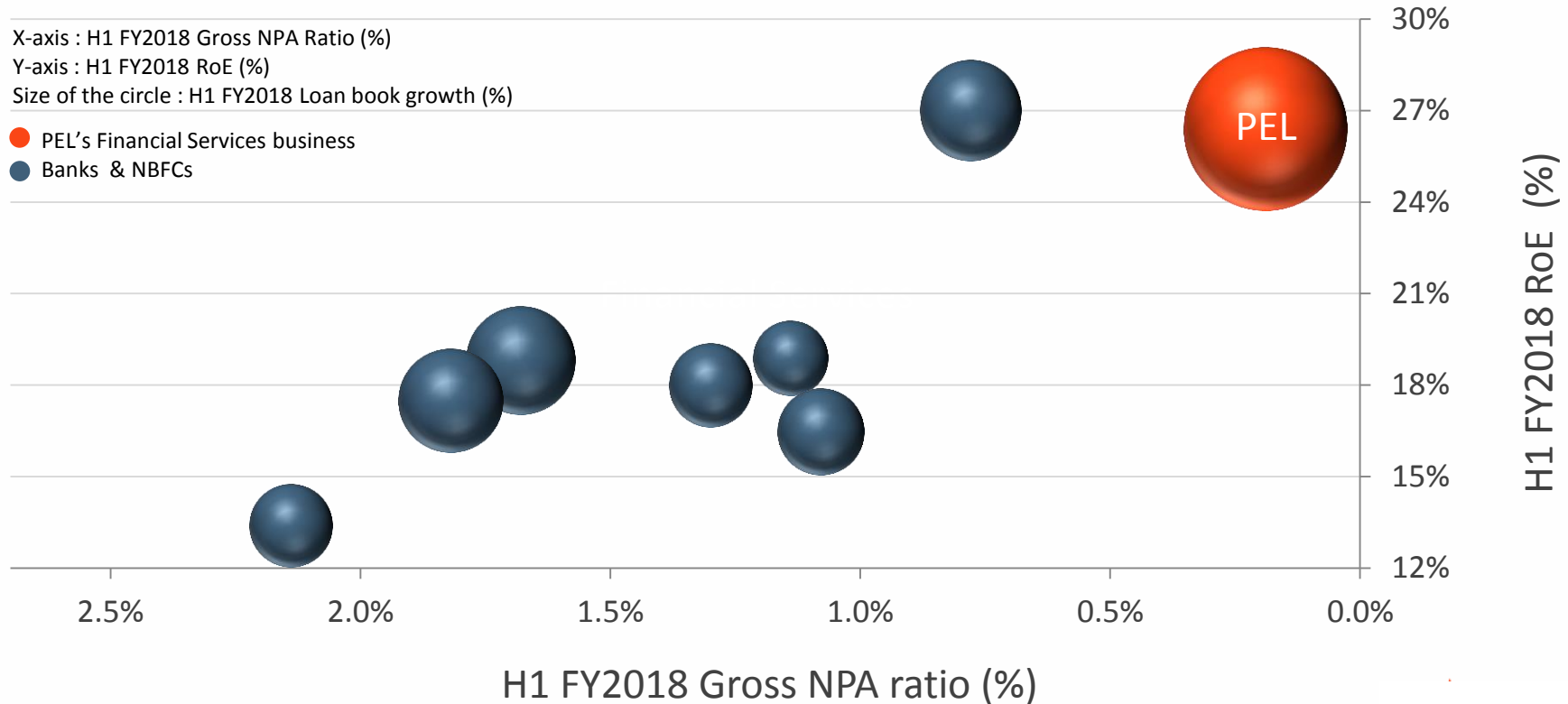


Performance metrics

Loan book performance against various parameters

Particulars	H1 FY2018
Total Loan Book size	Rs.33,261 Crores
Average Yield on Loans	15%
Average Cost of Borrowings	8.5%
Cost to Income Ratio	14.6%
Gross NPA ratio (based on 90 dpd)	0.2%
Total Provisioning	2.0%
ROA	4.2%
ROE	25%+

Performing better than the best performing banks and NBFCs of India



Note: Banks and NBFCs includes Bajaj Finance, HDFC Ltd, Indiabulls Housing Finance, HDFC Bank, Kotak Bank, IndusInd Bank and Yes Bank



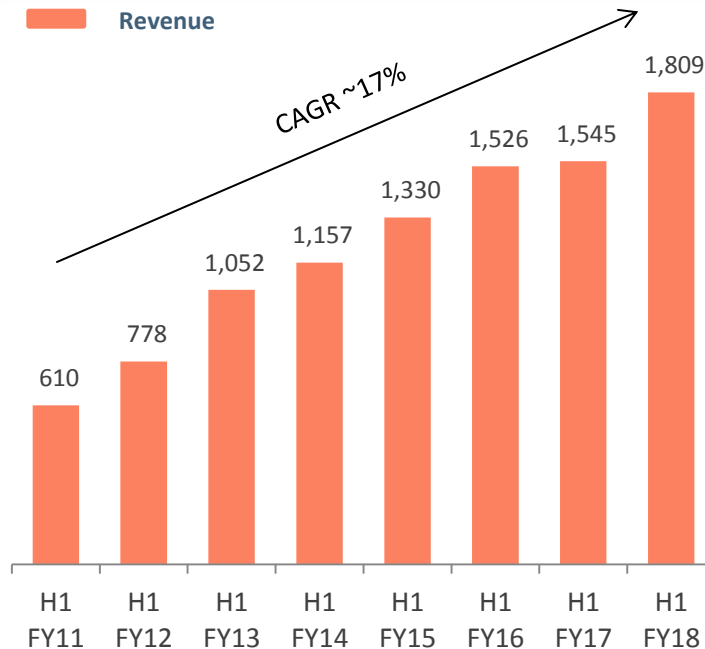
Pharma

Global Pharma : Successfully integrating acquisitions; maintaining high focus on quality

- **Revenue Performance** : Q2 FY2018 revenue grew 24% to Rs.963 Crores on account of organic initiatives and successful integration of acquisitions happened during last year:
 - Products acquired from Janssen and Mallinckrodt
 - Ash Stevens facility
- **Transition and integration of acquired products from Mallinckrodt & Janssen:**
 - Significant completion of transition and integration of Gablofen® acquired from Mallinckrodt in the US market
 - Transition and integration of products acquired from Janssen is in progress and will continue as per plan
- In collaboration with our local marketing partner, we launched Sevoflurane variant in Turkey

Revenue Performance

(Rs in Crores)



Global Pharma : Successfully integrating acquisitions; maintaining high focus on quality

- Capacity Expansion :

- Global Pharma services business announced USD 55 mn expansion of API manufacturing capabilities & capacities in North America and Asia to support commercialisation of pipeline of >80 programs that are at Phase II or beyond currently
- New capex of USD 4mn sanctioned at Ahmedabad’s formulation development facility to facilitate expansion for a Big Pharma customer
- Phase I of the USD 25 mn expansion at Lexington is progressing well and new high speed filling line for liquid injectables is expected to start in November 2017

- Focus on Quality:

- During Q2 FY2018, the Company underwent **3 regulatory audits** (including **1 USFDA audit**) and 36 customer audits
- PEL won the ‘Regulatory Procedures and Compliance’ award at the prestigious **CPhI Pharma Awards (2017)** in Germany
- PEL won the ‘**Industry Partner of the Year**’ award at Global Generics and Biosimilars Awards 2017 in Germany

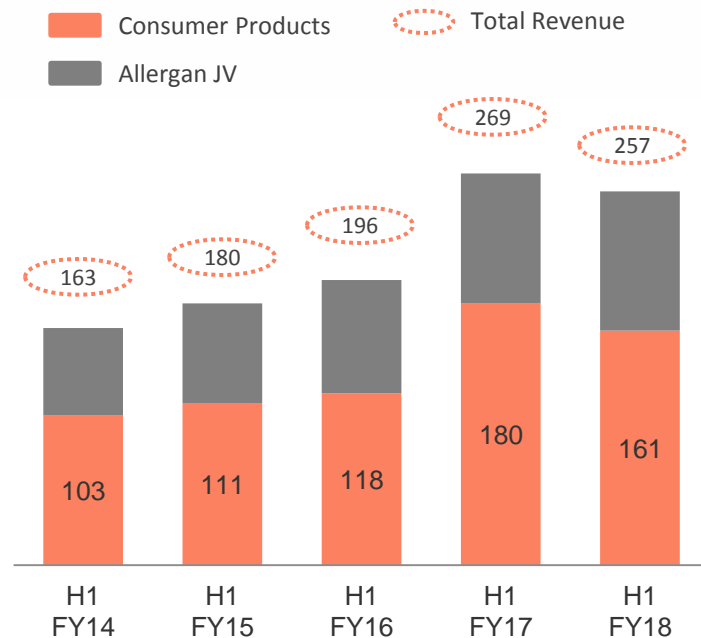


India Consumer Products : Well-positioned to recover shortfall post GST launch

- Revenue performance:** Revenue for the quarter grew by 20% to Rs.119 Crores as the business recovered strongly from the impact of channel destocking led by the newly introduced GST tax regime in Q1 FY2018
 - Despite subdued performance in the industry (~1% growth for the quarter) due to GST, our business registered a strong growth
- GST Transition:** While there was significant destocking and wholesale continued to remain muted, our consumer offtakes were robust
 - Despite the challenges of demonetization and GST, consumer offtakes remained robust across categories over past 6 quarters
 - Destocking by trade has seen recovery since July. However, it is yet to fully recover
 - Wholesale channel has been impacted by GST. However, it is yet to recover completely
- New Launches / Relaunches** - Sloan's pain relieving spray, Waterbury's compound, Jungle Magic Garden Sciencz and Little's breast pump were launched / re-launched during the quarter

Revenue Performance

(In Rs. Crores)



GST - Opportunity for us to improve business fundamentals

Gross Contribution Improvement

- Brands across portfolio have seen increase in gross margins on account of vendor negotiations and operational excellence bringing cost efficiencies.

Promo Optimization

- In Q2 FY2018, promo spends were brought to pre demonetization levels, distribution network was realigned, trade schemes and promo mix were optimized.

Closing Stock Reduction

- Our average inventory days significantly reduced from those in pre GST levels.

Reducing Supply Chain Costs

- Business took conscious efforts to reduce its supply chain costs by reducing CFA count, providing optimal level of service at lower cost. Distribution expenses are expected to come down further.

Shift in consumer influence model

- Business has transitioned towards digital platform as its key communication medium for influencing consumers, maximising reach to target group and conducting focused pilot / campaigns to target consumers.

Business is undergoing transformation on cost structure to deliver significant improvement in profitability margins

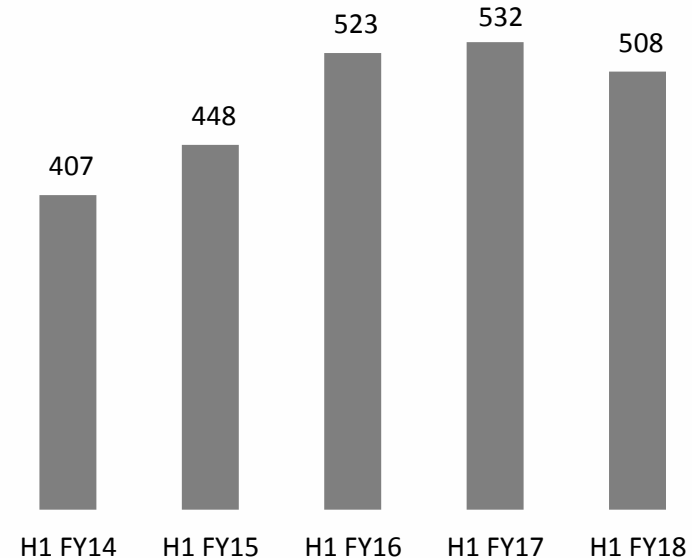


Healthcare Insight and Analytics

Healthcare Insight and Analytics

- **Revenue performance:** Revenue marginally declined by 2% during the quarter due to :
 - Demand is shifting from research products toward dynamic, user-centric applications
 - Partially getting offset by gains in Data & Analytics products and services
- **Continued focus on innovation and new products** by introducing innovative new, technology-enabled products
- **Strategic acquisitions:** Acquired Context Matters, a US-based data and analytics company to expand Global Market Access Intelligence offerings

Revenue performance (In Rs. Crores)





Financials

Diversified Revenue Mix

(In Rs. Crores or as stated)

Net Sales break-up	Quarter II ended			% Sales	Half year ended		
	30-Sept-17	30-Sept-16	% Change		30-Sept-17	30-Sept-16	% Change
Financial Services	1,186	815	45.4%	47.4%	2,270	1,450	56.6%
Pharma	1,083	874	23.9%	41.1%	1,970	1,725	14.2%
Global Pharma	963	774	24.4%	-	1,809	1,545	17.1%
India Consumer Products	119	99	20.1%	-	161	180	(10.5%)
Healthcare Insight and Analytics	256	262	(2.4%)	10.6%	508	532	(4.5%)
Others	12	15	-	0.9%	43	36	-
Total	2,536	1,966	29.0%	100%	4,790	3,742	28.0%

Note:

- Foreign Currency denominated revenue in Q2 FY2018 was Rs.1,178 Crores (46% of total revenue) and in H1 FY2018 was Rs. 2,223 Crores (46% of the total revenue)

Consolidated P&L

(In Rs. Crores or as stated)

Particulars	Quarter II Ended			Half year ended		
	30-Sept-17	30-Sept-16	% Change	30-Sept-17	30-Sept-16	% Change
Net Sales	2,536	1,966	29%	4,790	3,742	28%
Non-operating other income	75	42	78%	159	95	67%
Total income	2,611	2,008	30%	4,949	3,838	29%
Other Operating Expenses	1,266	1,223	4%	2,458	2,361	4%
OPBIDTA	1,345	786	71%	2,491	1,477	69%
Interest Expenses	725	455	59%	1,398	851	64%
Depreciation	129	73	76%	252	150	68%
Profit before tax & exceptional items	491	257	91%	841	476	76%
Exceptional items (Expenses)/Income	-	-	-	-	-	-
Income tax	190	3	-	292	49	-
Profit after tax (before MI & Prior Period items)	301	254	19%	549	427	28%
Minority interest	-	-	-	-	-	-
Share of Associates	82	52	58%	137	110	24%
Net Profit after Tax	384	306	25%	686	537	28%
Net Profit Margin %	15%	16%	-	14%	14%	-
EPS (Rs./share)	22.3	17.8	25%	39.8	31.1	28%

Notes:

- Income under share of associates primarily includes our share of profits at Shriram Capital and profit under JV with Allergan, as per the new accounting standards.

Consolidated Balance Sheet

(In Rs. Crores)

Particulars	30 Sept 2017	31 March 2017
Equity Share Capital	35	35
Other Equity	14,896	14,848
Non Controlling Interests	12	13
Borrowings (Current & Non Current)	38,833	30,451
Deferred Tax Liabilities (Net)	35	31
Other Liabilities	2,677	2,675
Provisions	133	187
Total	56,620	48,239
PPE, Intangibles (Under Development), CWIP	5,595	5,425
Goodwill on Consolidation	5,535	5,427
Financial Assets		
Investment	20,898	21,717
Others	12,921	5,887
Other Non Current Assets	421	399
Deferred Tax Asset (Net)	660	625
Current Assets		
Inventories	812	723
Trade receivable	1,134	1,108
Cash & Cash Equivalents & Other Bank balances	1,395	1,541
Other Financial & Non Financial Assets	7,249	5,387
Total	56,620	48,239

Note : The above numbers have been regrouped from IND AS Financial Statements for Presentation purposes only

Awards and recognitions



Piramal Pharma Solutions won the 'Regulatory Procedures and Compliance' award at the prestigious **CPhI Pharma Awards (2017)** in Germany



Won the 'Industry Partner of the Year' award at **Global Generics and Biosimilars Awards 2017** in Germany



Piramal Finance received '**Best Overall Investment Manager for Real Estate in India**' award by Euromoney Real Estate Awards 2017



Piramal Finance Limited was ranked 4th amongst **Top 10 India's Great Mid-size Workplaces** by Great Place to Work Institute

Awards and recognitions



Piramal Enterprises won the **Gold Award at the 2016 Vision Awards Annual Report Competition**, held by the League of American Communications Professionals (LACP)



Mr. Ajay Piramal, Chairman of Piramal Group has been honored with the **CNBC Asia Business Leader Award 2017**



Mr Khushru Jijina, MD & CEO of Piramal Housing Finance has been conferred with the **'AsiaOne Global Indian of the Year 2016-17'** under the 'Business Leadership (Finance)' Category



Piramal Enterprises has been rated among **best companies in India Disclosure Index** by FTI Consulting

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