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12th May, 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
NSE Symbol: PEL

Sub: Outcome of Board Meeting held today:

1. **Audited Financial Results (Consolidated and Standalone) for the quarter / Year ended 31st March, 2017**
2. **Declaration of Dividend**
3. **Appointment of Non- Executive Director**
4. **Issuance of equity shares and/or convertible securities**
5. **Approval of Postal Ballot Notice**
6. **Book Closure**
7. **Annual General Meeting**

Kindly refer to our letters dated 5th May, 2017 and 9th May, 2017 on the subject.

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

1. Audited Financial Results

The Audited (Consolidated & Standalone) Financial Results of the Company for the quarter/ year ended 31st March, 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. Statements showing the Audited Financial results (Consolidated & Standalone) for the quarter / year ended 31st March, 2017
2. Auditors' report on the Audited Financial Results - (Consolidated & Standalone)
3. Declaration in respect of Auditors' Report with Unmodified Opinion

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4. Press Release to the investors

Kindly note that as informed vide our letter dated 5th May, 2017, the Company shall be publishing only the consolidated financial results in the newspapers in accordance with Regulation 47 of the Listing Regulations.

2. Dividend

The Board is pleased to recommend dividend of ₹ 21 (Rupees Twenty One only) per equity share of face value of ₹ 2/- for the financial year ended 31st March, 2017 subject to the approval of the shareholders at the ensuing Annual General Meeting ('AGM') of the Company.

3. Appointment of Mr. Anand Piramal as Non- Executive Director of the Company

Mr. Anand Piramal has been appointed as a Non- Executive Director of the Company with effect from 12th May, 2017. Details of his appointment including a brief profile of Mr. Anand Piramal are enclosed as Annexures A1 and A2.

4. Issue of equity shares and/or convertible securities upto an aggregate amount not exceeding ₹ 5,000 crores or equivalent thereof, in one or more foreign currency(ies)

The Board has approved raising of funds by issue of equity shares, global depository receipts, American depository receipts or any other securities (including foreign securities), in the course of international and/or domestic offering(s) in one or more foreign markets and/or domestic market by way of one or more public, rights and/or private offerings (including qualified institutions placement) or any combination thereof up to an amount not exceeding ₹ 5,000 crore (Rupees Five Thousand Crores) or an equivalent amount thereof (inclusive of such premium as may be fixed on such securities) in one or more foreign currency(ies), as the case may be, subject to approval of shareholders.

5. Postal Ballot

For the purpose of seeking shareholders' approval for issuance of securities, the Board approved seeking such approval by Postal Ballot and approved the Postal Ballot notice for this purpose. This notice shall shortly be forwarded to you separately.

6. Book Closure

The Register of Members and Share Transfer Books shall remain closed from Tuesday, 25th July, 2017 to Tuesday, 1st August, 2017 (both days inclusive) for the purpose of declaration of dividend.

Piramal Enterprises Limited
CIN : L24110MH1947PLC005719
Registered Office: Piramal Tower Ganpatrao Kadam Marg Lower Parel Mumbai 400 013.
Secretarial Dept. : Piramal Tower Annexe 1st Floor Ganpatrao Kadam Marg Lower Parel Mumbai 400 013.
T +91 22 3046 7839 F +91 22 3046 7855
W www.piramal.com

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7. Annual General Meeting

The 70th Annual General Meeting of the Company is scheduled to be held on Tuesday, 1st August, 2017.

The meeting commenced at 11.15 a.m. and concluded at 2.45 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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Annexure A1

Appointment of Non- Executive Director

Sr. No	Particulars of Events	Information pertaining to such event
1	Reason for change viz. appointment, resignation, removal, death or otherwise;	Mr. Anand Piramal, has been appointed as Non-Executive Director (Additional Director) of the Company with effect from 12th May, 2017.
2	Date of appointment/cessation (as applicable) & term of appointment;	12th May, 2017 Term of Appointment – Upto the ensuing Annual General Meeting.
3	Brief Profile	Enclosed as Annexure A2
4	Disclosure of relationships between directors (in case of appointment of a director)	Mr. Anand Piramal is related to three directors currently on the Board viz; a) Son of Mr. Ajay G. Piramal and Dr. (Mrs.) Swati A. Piramal, and b) Brother of Ms. Nandini Piramal.



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Annexure A2

Brief Profile of Mr. Anand Piramal

Mr. Anand Piramal, Executive Director, Piramal Group, heads Piramal Realty Ltd., the real estate arm of the group.

Piramal Realty secured approximately US$434 million in funding from global private equity firms - Goldman Sachs and Warburg Pincus, making it the largest FDI in India since 2008. Founded in 2012, Piramal Realty, with over 10 million square feet of land under development in prime areas of Mumbai, aims to build world-class developments in India.

Anand graduated in Economics from University of Pennsylvania, and earned an MBA from Harvard Business School.



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12th May, 2017

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National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No. C/1, G. Block,
Bandra-Kurla Complex,
Mumbai – 400 051.

Dear Sir / Madam,

Ref: BSE Scrip Code: 500302
NSE Symbol: PEL

Sub: Declaration in respect of Auditors Report with Unmodified Opinion

Dear Sir/ Madam,

With reference to the Audited Financial Results of the Company for year ended 31st March, 2017, we hereby declare that the Statutory Auditors of the Company, M/s. Price Waterhouse, Chartered Accountants (Firm Registration Number 301112E), have issued the Audit Report with unmodified opinion in respect of the Audited Financial Statements of the Company for the year ended 31st March, 2017.

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

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PIRAMAL ENTERPRISES LIMITED

Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013.
STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

(Rs. in Lakhs)

Particulars	Three months ended 31/03/2017 (Audited) (Refer note 8)	Three months ended 31/12/2016 (Unaudited)	Corresponding Three months ended 31/03/2016 (Audited) (Refer note 8)	Year to Date Figures for Current Year Ended 31/03/2017 (Audited)	Previous Year ended 31/03/2016 (Audited)
Revenue from operations	93,565	61,980	105,529	380,931	342,432
Other Income	5,046	13,156	3,885	35,715	47,192
Total Income	**98,611**	**75,136**	**109,414**	**416,646**	**389,624**
Expenses					
Cost of materials consumed	19,885	17,818	21,808	79,127	85,945
Purchase of Stock-in-Trade	2,975	3,430	2,608	12,755	7,035
Changes in inventories of finished goods, work-in-progress and stock-in-trade	8,809	(1,275)	2,616	1,906	(4,443)
Excise Duty	1,171	1,060	1,028	4,310	3,997
Employee benefits expense	9,432	9,250	8,600	37,063	36,119
Finance costs	20,416	22,181	27,364	117,834	78,688
Depreciation and amortisation expense	2,464	2,448	2,314	9,449	7,955
Research and Development Expenses	3,185	957	1,984	6,491	6,876
Other Expenses, Net	27,969	11,597	19,125	55,718	76,106
Total Expenses	**96,306**	**67,466**	**87,447**	**324,653**	**298,278**
Profit Before Exceptional Items and Tax	**2,305**	**7,670**	**21,967**	**91,993**	**91,346**
Exceptional Items (Refer Note 11)	-	-	7,279	-	7,019
Profit before Tax	**2,305**	**7,670**	**29,246**	**91,993**	**98,365**
Tax Expense					
(1) Current Tax (including tax expense of prior years)	2,339	2,361	26,017	19,540	26,017
(2) Deferred Tax	(1,173)	(707)	(26,059)	(5,225)	(27,222)
Profit for the period	**1,139**	**6,016**	**29,288**	**77,678**	**99,570**
Other Comprehensive Income and (Expense) (OCI), net of tax expense					
A. Items that will not be subsequently reclassified to profit or loss					
(a) Changes in fair values of equity instruments through OCI	86,635	(90,293)	15,572	84,635	(69,264)
(b) Remeasurement of Post Employment Benefit Plans	272	(108)	(47)	(194)	(246)
Less: Income Tax Impact on above	(94)	37	16	67	85
B. Items that will be subsequently reclassified to profit or loss					
(a) Hedging Reserve	165	(145)	-	20	-
Less: Income Tax Impact on above	(56)	49	-	(7)	-
Other Comprehensive Income / (Expense) (OCI) for the period, net of tax expense	**86,922**	**(90,460)**	**15,541**	**84,521**	**(69,425)**
Total Comprehensive Income / (Expense) for the period	**88,061**	**(84,444)**	**44,829**	**162,199**	**30,145**
Paid-up Equity Share Capital (Face Value Rs.2/- each)	3,451	3,451	3,451	3,451	3,451
Paid-up Debt Capital				379,500	407,000
Net Worth				1,442,260	1,280,061
Debenture Redemption Reserve				65,579	52,400
Earnings Per Equity Share (EPS) (of Rs.2/- each)					
a) Basic and diluted EPS before extraordinary items for the period (Rs.)	0.66	3.49	16.97	45.01	57.70
b) Basic and diluted EPS after extraordinary items for the period (Rs.)	0.66	3.49	16.97	45.01	57.70
Debt Equity Ratio (Refer Footnote 1)				0.7	1.1
Debt Service Coverage Ratio (Refer Footnote 2)				0.7	1.4
Interest Service Coverage Ratio (Refer Footnote 3)				1.8	2.2

Footnotes:

1. Debt equity Ratio:
   Debt = Long term Borrowings + Short term Borrowings + Current maturities of Long term Borrowings
   Equity = Paid up Share Capital plus Other Equity
2. Debt Service Coverage Ratio = (Earnings before Interest, Tax and Exceptional items)/ (Interest Expense + Principal Repayment excluding loans transferred)
   Debt = Long Term Debt
   Interest Expense = Interest on Long Term Debt
3. 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 quarter and year ended March 31, 2017, have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 12, 2017.

2. **Statement of Standalone Assets and Liabilities :**

(Rs.in Lakhs)

Particulars	As at		
	31/03/2017 (Audited)	31/03/2016 (Audited)	1/04/2015 (Audited)
ASSETS			
1. **Non-Current Assets**			
(a) Property, Plant & Equipment	71,252	69,529	65,583
(b) Capital Work in Progress	57,521	9,176	5,697
(c) Intangible Assets	36,228	25,915	9,405
(d) Intangible Assets under development	2,665	1,112	444
(e) Financial Assets:			
(i) Investments	1,560,764	1,742,578	1,088,143
(ii) Loans	363,583	459,849	73,643
(iii) Others	4,733	10,286	3,082
(f) Deferred Tax Assets (Net)	34,995	29,708	4,505
(g) Other Non Current Assets	26,414	27,280	22,768
Total Non-Current Assets	**2,158,155**	**2,375,433**	**1,273,270**
2. **Current Assets**			
(a) Inventories	34,311	37,515	32,108
(b) Financial Assets:			
(i) Investments	166,657	62,804	91,631
(ii) Trade Receivables	49,143	40,458	32,638
(iii) Cash & Cash equivalents	9,510	772	2,727
(iv) Bank balances other than (iii) above	2,897	3,176	1,312
(v) Loans	104,524	171,307	328,361
(vi) Other Financial Assets	10,780	9,754	4,536
(c) Other Current Assets	11,495	10,501	10,540
Total Current Assets	**389,317**	**336,287**	**503,853**
Total Assets	**2,547,472**	**2,711,720**	**1,777,123**
EQUITY AND LIABILITIES			
1. **Equity**			
(a) Equity Share capital	3,451	3,451	3,451
(b) Other Equity	1,438,809	1,276,610	1,324,351
Total Equity	**1,442,260**	**1,280,061**	**1,327,802**
2. **Liabilities**			
Non-Current Liabilities			
(a) Financial Liabilities:			
(i) Borrowings	273,952	563,323	119,942
(ii) Other Non-Current Financial Liabilities	565	1,114	-
(b) Provisions	3,086	3,425	4,282
Total Non-Current Liabilities	**277,603**	**567,862**	**124,224**
Current Liabilities			
(a) Financial Liabilities:			
(i) Borrowings	502,012	672,035	257,552
(ii) Trade Payables	53,336	49,039	44,456
(iii) Other Current Financial Liabilities	262,074	130,133	10,831
	817,422	**851,207**	**312,839**
(b) Other Current Liabilities	4,676	2,528	1,847
(c) Provisions	4,216	8,729	8,968
(d) Current Tax Liabilities (Net)	1,295	1,333	1,443
Total Current Liabilities	**827,609**	**863,797**	**325,097**
Total Equity & Liabilities	**2,547,472**	**2,711,720**	**1,777,123**

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

(Rs. in Lakhs)

Particulars	Three months ended 31/03/2017	Three months ended 31/12/2016	Corresponding Three months ended 31/03/2016	Year to Date Figures for Current Year Ended 31/03/2017	Previous Year ended 31/03/2016
	(Audited) (Refer Note 8)	(Unaudited)	(Audited) (Refer Note 8)	(Audited)	(Audited)
1. Segment Revenue					
Total Income from Operations, Net					
a. Pharmaceuticals manufacturing and services	73,262	44,275	56,649	213,807	189,044
b. Financial services	20,303	17,705	48,880	167,124	153,388
Total	**93,565**	**61,980**	**105,529**	**380,931**	**342,432**
Less: Inter Segment revenue	-	-	-	-	-
Total Income from Operations, Net	**93,565**	**61,980**	**105,529**	**380,931**	**342,432**
2. Segment Results					
Profit / (Loss) including Exceptional Items but before Tax, Finance Cost and Exchange Gain					
a. Pharmaceuticals manufacturing and services	18,956	3,030	10,330	39,666	39,806
b. Financial services (Refer Note 7)	8,185	9,801	26,647	99,883	75,462
Total	**27,141**	**12,831**	**36,977**	**139,549**	**115,268**
Add : Exchange Gain / (Loss), Net	(13,777)	3,128	1,571	(11,233)	15,142
Add : Unallocated Income / (Net of unallocated cost)	(2,447)	(2,125)	(2,514)	(10,301)	(9,729)
Less: Finance Cost (unallocated)	8,612	6,164	6,788	26,022	22,316
Total Profit / (Loss) Before Tax	**2,305**	**7,670**	**29,246**	**91,993**	**98,365**
3. Capital Employed					
(Segment Assets - Segment Liabilities)					
a. Pharmaceuticals manufacturing and services					
Segment Assets	516,696	507,070	480,998	516,696	480,998
Segment Liabilities	(69,613)	(69,291)	(72,784)	(69,613)	(72,784)
b. Financial services					
Segment Assets	1,553,788	1,492,152	1,847,992	1,553,788	1,847,992
Segment Liabilities	(582,658)	(617,868)	(1,048,951)	(582,658)	(1,048,951)
c. Unallocated					
Segment Assets	476,988	461,427	382,730	476,988	382,730
Segment Liabilities	(452,941)	(417,420)	(309,924)	(452,941)	(309,924)
Total Capital Employed	**1,442,260**	**1,356,070**	**1,280,061**	**1,442,260**	**1,280,061**

4. The Standalone Financial Results for the quarter and year ended March 31, 2017 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with a transition date of April 1, 2015.

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

PIRAMAL ENTERPRISES MBAI

6. The reconciliation of net equity reported in accordance with Indian GAAP to net equity in accordance with Ind AS is given below:

(Rs. in Lakhs)

Particulars	As at March 31, 2016 (End of last period presented under previous GAAP)	As at April 1, 2015 (Date of transition)
Total equity (shareholders' funds) under previous GAAP	**1,217,660**	**1,144,684**
Fair valuation gain on investments held through OCI	75,984	145,247
Adjustment for interest free rental deposit	(3)	(1)
Measurement of financial guarantee contracts issued	4,292	2,802
Measurement of financial liabilities at amortised cost	1,221	384
Measurement of forward exchange contracts at fair value	887	773
Dividends which are not recognised as a liability until declared	-	41,539
On account of measuring Financial Assets at Amortised Cost through Effective Interest Rate method and Fair value through Profit & Loss	(14,168)	(1,111)
Reversal of Income received in advance, recognised on Amortised Cost method	(165)	-
Measurement of loss allowance on certain financial assets (including commitments) using the expected credit loss model	(8,050)	(5,880)
Recognition of lease rent expense on straight-line method	(793)	-
Recognition of constructive obligation	(2,883)	(2,429)
Deferred Tax assets on all the Ind AS adjustments	6,079	1,794
Total adjustments to equity	**62,401**	**183,118**
Total equity under Ind AS	**1,280,061**	**1,327,802**

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

(Rs. in Lakhs)

Description	Quarter Ended 31/03/2016 (Audited) (Refer Note 8)	Year Ended 31/03/2016 (Audited)
Net profit as per Previous GAAP (Indian GAAP)	23,519	106,115
On account of measuring Financial Assets at Amortised Cost through Effective Interest Rate method and Fair value through Profit & Loss	(522)	(13,218)
On account of measuring Financial Liabilities at Amortised Cost through Effective Interest Rate method	144	838
Measurement of loss allowance on certain financial assets (including commitments) using the expected credit loss model	3,045	(2,170)
Measurement of forward exchange contracts at fair value	314	113
Measurement of financial guarantee contracts issued	(10)	1,490
Remeasurement of defined benefit obligations transferred to OCI	(39)	161
Recognition of lease rent expense on straight-line method	(206)	(794)
Reversal of Foreign Currency Translation Reserve	1,604	3,208
Unwinding of discounting of provisions	(455)	(455)
Others	(5)	(3)
Deferred tax impacts on above	1,899	4,285
Net profit as per Ind AS	**29,288**	**99,570**
Other Comprehensive Income (net of tax expense)	15,541	(69,425)
Total Comprehensive Income	**44,829**	**30,145**

7. During the year, the Company has down-sold a portion of its lending portfolio comprising of Loan book assets of Rs.1,395,027 Lakhs (Previous year Rs. NIL) and Borrowings of Rs.1,251,058 Lakhs (Previous year NIL), forming part of its financial services business to its wholly owned subsidiary Piramal Finance Limited (formerly known as Piramal Finance Private Limited), for a net consideration of Rs. 143,969 Lakhs (Previous year Rs.NIL). Accordingly, the results for the year ended March 31, 2017 are not comparable with the previous year. Expected Credit Loss provision of Rs.20,191 lakhs (Previous year Rs.NIL) on this loan book has been reversed accordingly.

8. The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.

9. The Board of Directors' at their meeting held on May 12, 2017 have approved the issuance of equity shares and / or convertible securities for an aggregate amount not exceeding Rs.500,000 lakhs or an equivalent amount thereof in one or more foreign currencies, including approval of the postal ballot notice for obtaining shareholders' approval.

PIRAMAL ENTERPRISES LIMITED MUMBAI

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10. A Dividend of Rs.21 per equity share (1050% of the face value of Rs.2/- each) has been recommended by the Board of Directors which is subject to approval of the Shareholders.

11. Exceptional Income / (Expense) during previous year includes:
a. Loss on sale of clinical research business known as 'Piramal Clinical Research (PCR)' (formerly known as Wellquest) during the previous year, Rs.260 lakhs;
b. Costs and write downs on account of scaling down the Research and development activities of the New Chemical Entity (NCE) division for the quarter and previous year ended March 31, 2016 of Rs. 256 lakhs (Reversal); and
c. Gain on sale of properties of Rs.7,023 lakhs during the quarter and previous year ended March 31, 2016.

12. During the year:
a. The Company through its wholly owned subsidiary, PEL Pharma Inc., has acquired 100% stake in Ash Stevens Inc., a US based Contract Development and Manufacturing Organisation ('CDMO'), in an all cash deal on August 16, 2016 for a total consideration of Rs. 30,143 Lakhs;
b. The Company through its wholly owned subsidiary, Piramal Critical Care UK Limited, has acquired five anaesthesia and pain management injectable products from Janssen Pharmaceutica NV, in an all cash deal on October 10, 2016 for an upfront consideration of Rs. 106,992 lakhs (inclusive of transaction costs), and an earnout consideration upto USD 20 million (equivalent Rs.13,310 lakhs), if the Product portfolio achieves certain agreed financial milestones over the next 30 months;
c. The Company has acquired four brands from Pfizer Limited on September 26, 2016 for a consideration of Rs.12,081 lakhs (inclusive of transaction costs); and
d. The Company through its wholly owned subsidiary, Piramal Critical Care UK Limited, acquired a portfolio of intrathecal spasticity and pain management drugs from Mallinckrodt LLC in an all cash deal on January 30, 2017 for a consideration of Rs.116,417 lakhs and upto an additional USD 32 million (equivalent Rs.21,786 lakhs) payable depending on financial performance of the acquired assets over the next 3 years. The subsidiary has provided for an estimated earnout payment of USD 16 million (equivalent to Rs. 10,377 lakhs).

For **PIRAMAL ENTERPRISES LIMITED**

Ajay G. Piramal
Chairman

May 12, 2017, Mumbai

INDEPENDENT AUDITORS' REPORT

To the Members of Piramal Enterprises Limited

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of **Piramal Enterprises Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.



6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 16, 2016 and May 7, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us, on which we have expressed an unmodified opinion vide our report dated, May 12, 2017.

   Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements – Refer Note 48;

ii. The Company has made provision as at March 31, 2017, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts – Refer Note 48 forming part of Notes to financial statements. The Company has derivative contracts as at March 31, 2017, for which there were no material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017;

iv. The Company has provided requisite disclosures in the standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 53.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership Number: 048125

Mumbai
May 12, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Piramal Enterprises Limited on the standalone financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Piramal Enterprises Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Piramal Enterprises Limited on the standalone financial statements for the year ended March 31, 2017

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership Number: 048125

Mumbai
May 12, 2017

Annexure B to Independent Auditors' Report
Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Piramal Enterprises Limited on the standalone financial statements as of and for the year ended March 31, 2017

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 3 on Property, Plant & Equipment to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has granted unsecured loans, to twelve companies covered in the register maintained under Section 189 of the Act. The Company has not granted any secured/ unsecured loans to firms, LLPs or other parties covered in the register maintained under Section 189 of the Act.

(a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

(b) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148 (1) of the Act in respect of its products.
We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of, profession tax, employees' state insurance, value added tax and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, income tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities.

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

Annexure B to Independent Auditors' Report
Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Piramal Enterprises Limited on the standalone financial statements for the year ended March 31, 2017

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth tax and value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount* (Rs. In Crores)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise duty including interest and penalty, as applicable	7.54	2008-2009	The High Court of Judicature at Indore
		8.85	1994-1995, 1996-1997, 1999-2000 to 2000-2001, 2002-2003, 2005-2006 to 2007-2008, 2009-2010 to 2015-2016	CESTAT
		2.86	1989-1990, 1995-1996, 1996-1997, 1998-1999, 1999-2000, 2003-2004 to 2007-2008, 2009-2010 to 2013-2014	Appellate Authority upto Commissioner's Level
Service Tax (Finance Act, 1994)	Service tax including interest and penalty, as applicable	1.24	2009-2010	The High Court of Judicature at Indore
		0.90	2007-2008 to 2010-2011 and 2014-2015	CESTAT
		0.49	2005-2006 and 2009-2010 to 2014-2015	Appellate Authority upto Commissioner's Level
Custom Duty	Payment of Duty	0.20	2009-2010 to 2014-2015	Appellate Authority upto Commissioner's Level
Central Sales Tax Act and Local Sales Tax	Sales Tax including interest and penalty, as applicable	5.21	1990-1991, 1997-1998 to 2007-2008, 2009-2010, 2010-2011 and 2013-2014	Tribunal
		12.45	1998-1999, 2000-2001, 2003-2004 to 2010-2011 and 2013-2014	Appellate Authority upto Commissioner's Level
Income Tax Act, 1961	Income tax including interest and penalty, as applicable	353.69	2001-2002 to 2005-2006 and 2008-2009 to 2010-2011	Income-tax Appellate Tribunal
		149.16	2004-2005, 2005-2006, 2007-2008 and 2009-2010 to 2011-2012	Appellate Authority upto Commissioner's level

* Net of amounts paid under protest or otherwise



viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given to us, term loans have been applied for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership Number: 048125

Mumbai
May 12, 2017

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

STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

(Rs. in Lakhs)

Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to Date Figures for Current Year Ended	Previous Year Ended
	31/03/2017 (Audited) (Refer note 12)	31/12/2016 (Unaudited)	31/3/2016 (Audited) (Refer note 12)	31/03/2017 (Audited)	31/03/2016 (Audited)
Revenue from operations	246,264	234,174	169,103	854,675	638,148
Other Income	8,632	5,208	5,176	23,375	25,166
Total Income	**254,896**	**239,382**	**174,279**	**878,050**	**663,314**
Expenses					
Cost of Materials Consumed	30,721	19,858	33,858	112,202	126,148
Purchase of Stock-in-Trade	7,418	12,030	1,688	26,864	10,913
Changes in inventories of finished goods, work-in-progress and stock-in-trade	6,627	3,196	1,650	1,044	(6,467)
Excise Duty	1,171	1,060	1,028	4,310	3,997
Employee benefits expense	48,172	45,966	43,476	179,387	168,305
Finance Costs	58,972	59,063	31,120	203,098	95,907
Depreciation and amortisation expense	12,154	11,011	7,583	38,170	25,545
Research and development expenses	2,933	2,120	4,184	10,075	14,462
Other Expenses, Net	45,987	41,445	40,817	170,879	153,066
Total Expenses	**214,155**	**195,749**	**165,404**	**746,029**	**591,876**
Profit Before Exceptional Items and Tax	**40,741**	**43,633**	**8,875**	**132,021**	**71,438**
Exceptional Items (Refer note 11)	(814)	(181)	7,235	(995)	4,566
Profit before Tax	**39,927**	**43,452**	**16,110**	**131,026**	**76,004**
Tax Expense					
(1) Current Tax (including tax expense of prior years)	20,909	22,639	7,870	48,546	29,842
(2) Deferred Tax, net	(10,591)	(15,063)	(6,192)	(25,734)	(24,891)
Net Profit before non controlling interest and share of profit / (loss) of associates and joint ventures	**29,609**	**35,876**	**14,432**	**108,214**	**71,053**
Share of profit / (loss) of associates and joint ventures	1,458	4,532	4,875	16,990	19,421
Non Controlling interest	(29)	-	-	(29)	-
Net Profit after non controlling interest and share of profit / (loss) of associates and joint ventures	**31,096**	**40,408**	**19,307**	**125,233**	**90,474**
Other Comprehensive Income and (Expense) (OCI), net of tax expense					
A. Items that will not be subsequently reclassified to profit or loss					
(a) Changes in fair values of equity instruments through OCI	84,668	(90,293)	15,572	84,635	(69,264)
(b) Remeasurement of Post Employment Benefit Plans	363	(302)	(696)	(303)	(917)
Less: Income Tax Impact on above	(90)	186	33	141	102
B. Items that will be subsequently reclassified to profit or loss					
(a) Hedging Reserve	847	(377)	-	470	-
(b) Exchange differences on translation of foreign operations	(22,972)	5,351	(1,960)	(21,746)	9,778
Less: Income Tax Impact on above	5,196	(202)	555	4,994	-
Other Comprehensive Income / (Expense) (OCI) for the period, net of tax expense	**68,012**	**(85,637)**	**13,504**	**68,191**	**(60,301)**
Total Comprehensive Income / (Expense) for the period	**99,108**	**(45,229)**	**32,811**	**193,424**	**30,173**
Paid-up Equity Share Capital (Face Value Rs.2/- each)	3,451	3,451	3,451	3,451	3,451
Paid up Debt Capital				627,269	407,000
Net Worth				1,488,257	1,294,835
Debenture Redemption Reserve				65,579	52,400
Earnings Per Equity Share (EPS) (of Rs.2/- each)					
a) Basic and diluted EPS before extraordinary items for the period (Rs.)	18.02	23.42	11.19	72.57	52.43
b) Basic and diluted EPS after extraordinary items for the period (Rs.)	18.02	23.42	11.19	72.57	52.43
Debt Equity Ratio (Refer Footnote 1)				2.05	1.26
Debt Service Coverage Ratio (Refer Footnote 2)				0.20	0.50
Interest Service Coverage Ratio (Refer Footnote 3)				1.70	1.70

Footnotes:

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

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Notes:

1. The standalone and consolidated financial results for the quarter and year ended March 31, 2017, have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 12, 2017.

2. **Statement of Consolidated Assets and Liabilities:**

(Rs.in Lakhs)

	Particulars	As at		
		31/03/2017 (Audited)	31/03/2016 (Audited)	1/04/2015 (Audited)
	ASSETS			
1.	**Non-Current Assets**			
(a)	Property, Plant & Equipment	146,505	133,585	113,906
(b)	Capital Work in Progress	73,237	28,685	23,584
(c)	Intangible Assets	308,046	70,405	41,776
(d)	Intangible Assets under development	14,726	6,817	3,712
(e)	Goodwill	542,719	548,538	494,369
	Financial Assets:			
	(i) Investments			
	- Investments in Equity accounted associates	271,701	256,124	239,926
	- Other Investments	1,899,965	1,312,106	656,773
	(ii) Loans	583,515	207,378	102,320
	(iii) Others	5,190	10,775	3,368
(f)	Deferred Tax Assets (Net)	62,521	31,793	9,184
(g)	Other Non Current Assets	39,914	42,483	34,331
	Total Non-Current Assets	**3,948,039**	**2,648,689**	**1,723,249**
2.	**Current Assets**			
(a)	Inventories	72,307	72,377	65,605
(b)	Financial Assets:			
	(i) Investments	346,395	63,440	95,800
	(ii) Trade Receivables	110,774	97,081	81,929
	(iii) Cash & Cash equivalents	149,044	29,798	27,871
	(iv) Bank balances other than (iii) above	5,046	6,796	14,498
	(v) Loans	150,058	145,945	162,142
	(vi) Other Financial Assets	18,362	13,778	6,079
(c)	Other Current Assets	22,320	20,067	23,084
(d)	Asset held for sale	1,591	-	-
	Total Current Assets	**875,897**	**449,282**	**477,008**
	Total Assets	**4,823,936**	**3,097,971**	**2,200,257**
	EQUITY AND LIABILITIES			
1.	**Equity**			
(a)	Equity Share capital	3,451	3,451	3,451
(b)	Other Equity	1,484,806	1,291,384	1,339,097
(c)	Non-controlling interests	1,321	12	12
	Total Equity	**1,489,578**	**1,294,847**	**1,342,560**
2.	**Liabilities**			
	Non-Current Liabilities			
(a)	Financial Liabilities:			
	(i) Borrowings	1,449,569	747,400	368,727
	(ii) Other Non-Current Financial Liabilities	15,048	4,716	253
(b)	Deferred tax liabilities (Net)	3,075	3,026	3,381
(c)	Other Non-Current Liabilities	3,523	2,830	442
(d)	Provisions	7,359	7,137	4,900
	Non-Current Liabilities	**1,478,574**	**765,109**	**377,703**
	Current Liabilities			
(a)	Financial Liabilities:			
	(i) Borrowings	1,207,948	682,893	279,654
	(ii) Trade Payables	76,429	70,256	66,804
	(iii) Other Current Financial Liabilities	511,261	224,722	81,531
		1,795,638	**977,871**	**427,989**
(b)	Other Current Liabilities	45,051	45,892	39,824
(c)	Provisions	11,347	11,865	10,590
(d)	Current Tax Liabilities (Net)	3,748	2,387	1,591
	Current Liabilities	**1,855,784**	**1,038,015**	**479,994**
	Total Equity & Liabilities	**4,823,936**	**3,097,971**	**2,200,257**

PIRAMAL ENTERPRISES LIMITED ★ MUMBAI

3 **Segment Wise Revenue, Results, Assets, Liabilities and Capital Employed**

(Rs. in Lakhs)

	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to Date Figures for Current Year Ended	Previous Year Ended
	31/03/2017	31/12/2016	31/3/2016	31/03/2017	31/3/2016
	(Audited) (Refer note 12)	(Unaudited)	(Audited) (Refer note 12)	(Audited)	(Audited)
1. Segment Revenue					
Total Income from Operations					
a. Pharmaceuticals manufacturing and services	123,647	97,568	93,447	397,287	348,592
b. Financial services	99,919	90,230	54,803	335,150	173,972
c. Information management	22,698	46,376	20,856	122,238	115,592
Total	**246,264**	**234,174**	**169,106**	**854,675**	**638,156**
Less: Inter Segment revenue	-	-	3	-	8
Total Income from Operations	**246,264**	**234,174**	**169,103**	**854,675**	**638,148**
2. Segment Results					
Profit / (Loss) including Exceptional Items but before Tax, Finance Cost and Exchange Gain					
a. Pharmaceuticals manufacturing and services	18,162	3,388	8,291	33,341	17,004
b. Financial services	41,502	39,467	28,148	142,155	81,591
c. Information management	(5,264)	16,029	(5,495)	10,403	17,689
Total	**54,400**	**58,884**	**30,944**	**185,899**	**116,284**
Add : Exchange Gain, Net	2,644	(55)	960	4,546	10,126
Add : Unallocated Income / (Net of unallocated cost)	(4,082)	(3,936)	(5,588)	(15,769)	(13,072)
Less: Finance Cost (unallocated)	13,035	11,441	10,206	43,650	37,334
Total Profit / (Loss) Before Tax	**39,927**	**43,452**	**16,110**	**131,026**	**76,004**
3. Capital Employed					
(Segment Assets - Segment Liabilities)					
a. Pharmaceuticals manufacturing and services					
Segment Assets	708,632	646,609	472,900	708,632	472,900
Segment Liabilities	(156,522)	(98,237)	(88,173)	(156,522)	(88,173)
b. Financial services					
Segment Assets	3,300,370	3,060,691	1,924,818	3,300,370	1,924,818
Segment Liabilities	(2,247,804)	(2,127,024)	(1,071,835)	(2,247,804)	(1,071,835)
c. Information management					
Segment Assets	584,602	563,066	546,675	584,602	546,675
Segment Liabilities	(108,620)	(51,621)	(60,795)	(108,620)	(60,795)
d. Unallocated					
Segment Assets	230,331	206,969	153,578	230,331	153,578
Segment Liabilities	(822,732)	(809,952)	(582,333)	(822,732)	(582,333)
Total Capital Employed	**1,488,257**	**1,390,501**	**1,294,835**	**1,488,257**	**1,294,835**

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4. The Consolidated Financial Results for the quarter and year ended March 31, 2017 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with a transition date of April 1, 2015.

5. Standalone Information **(Rs. In lakhs)**

Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to Date Figures for Current Year Ended	Previous Year Ended
	31/03/2017	31/12/2016	31/3/2016	31/03/2017	31/03/2016
	(Audited) (Refer note 12)	(Unaudited)	(Audited) (Refer note 12)	(Audited)	(Audited)
1. Total Income	98,611	75,136	109,414	416,646	389,624
2. Profit before tax	2,305	7,670	29,246	91,993	98,365
3. Profit after tax	1,139	6,016	29,288	77,678	99,570

6. The secured listed non-convertible debentures of the Group aggregating to Rs.368,592 Lakhs as on March 31, 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.

7. The reconciliation of net equity reported in accordance with Indian GAAP to net equity in accordance with Ind AS is given below:

(Rs. in Lakhs)

Particulars	As at March 31, 2016 (End of last period presented under previous GAAP)	As at April 1, 2015 (Date of transition)
Total equity (shareholders' funds) under previous GAAP	**1,242,210**	**1,173,593**
Fair valuation gain on investments held through OCI	70,588	139,852
Remeasurement of net pension assets	(11,888)	(9,551)
Measurement of financial liabilities at amortised cost	5,978	7,708
Measurement of forward exchange contracts at fair value	886	773
Amortisation of distribution fees	2,764	3,754
Recognition of lease rent expense on straight-line method	(794)	-
Impact of equity method of accounting being followed for associates / joint ventures	62	(310)
Dividends not recognised as liability until declared under Ind AS	-	41,539
Measurement of financial assets at amortised cost	(17,520)	(6,426)
Measurement of financial assets at FVTPL	3,842	4,418
Expected credit loss allowance on investments, loans and commitments	(10,550)	(10,719)
Application of acquisition method of accounting for business combinations under Ind AS 103	598	-
Reversal of amortisation of goodwill under Ind AS	7,607	-
Recognition of constructive obligation	(2,884)	(2,429)
Others	23	(195)
Effect of foreign currency transalation	(126)	-
Net Deferred Tax impact on all the Ind AS adjustments	4,039	541
Total adjustments to equity	**52,625**	**168,955**
Total equity under Ind AS	**1,294,835**	**1,342,548**

PIRAMAL ENTERPRISES LIMITED ★ MUMBAI

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

(Rs. in Lakhs)

Description	Quarter Ended 31/03/2016 (Audited) (Refer note 12)	Year Ended 31/03/2016 (Audited)
Net profit as per Previous GAAP (Indian GAAP)	18,024	95,060
Adjustments:		
Measurement of financial liabilities at amortised cost	(432)	(1,731)
Measurement of financial assets at amortised cost	252	(11,094)
Measurement of financial assets at FVTPL	(576)	(576)
Measurement of forward exchange contracts at fair value	314	113
Measurement of loss allowance on certain financial assets using the expected credit loss model	3,104	169
Recognition of lease rent expense on straight-line method	(794)	(794)
Remeasurement of defined benefit obligations transferred to Other Comprehensive Income and (Expense)	(31)	202
Amortisation of distribution fees	(253)	(990)
Remeasurement of net pension assets	(3,818)	(1,714)
Reversal of amortisation of goodwill under Ind AS	2,055	7,607
Application of acquisition method of accounting for business combinations under Ind AS 103	(486)	598
Impact of equity method of accounting being followed for associates / joint ventures	372	372
Deferred Tax impacts on above	1,215	3,497
Unwinding of discounting of provisions	(455)	(455)
Others	817	210
Total effect of transition to Ind AS	**1,283**	**(4,586)**
Profit for the year as per Ind AS	**19,307**	**90,474**
Other comprehensive income for the year (net of tax)	13,504	(60,301)
Total comprehensive income under Ind AS	**32,811**	**30,173**

9. A Dividend of Rs.21 per equity share (1050% of the face value of Rs.2/- each) has been recommended by the Board of Directors which is subject to approval of the Shareholders.

10. During the year:
a. The Group through its wholly owned subsidiary, PEL Pharma Inc., acquired 100% stake in Ash Stevens Inc. a US based Contract Development and Manufacturing Organisation ('CDMO'), in an all cash deal for a total consideration of Rs. 30,143 Lakhs.

The Group has accounted for the acquisition date fair values of assets and liabilities on a provisional basis in accordance with Ind AS 103.

b. The Group through its wholly owned subsidiary, Piramal Critical Care UK Limited, has acquired five anesthesia and pain management injectable products from Janssen Pharmaceutica NV, in an all cash deal on October 30, 2016 for an upfront consideration of Rs. 106,992 lakhs (inclusive of transaction costs), and an earnout consideration upto USD 20 Million (equivalent Rs.13,310 lakhs), if the Product portfolio achieves certain agreed financial milestones over the next 30 months.

c. The Company has acquired four brands from Pfizer Limited for a consideration of Rs.12,081 lakhs (inclusive of transaction costs).
d. the Group through its wholly owned subsidiary, Piramal Critical Care UK Limited, entered into an agreement to acquire a portfolio of intrathecal spasticity and pain management drugs from Mallinckrodt LLC in an all cash deal for a consideration of Rs.116,417 lakhs and upto an additional USD 32 Million (equivalent Rs.21,786 lakhs) payable depending on financial performance of the acquired assets over the next 3 years. The Group has provided for an estimated earnout payment of USD 16 million (equivalent to Rs. 10,377 lakhs).

11. Exceptional Income / (Expense) includes:
a. Employee severance costs of Rs.995 lakhs during the year ended March 31, 2017 and Rs. 927 lakhs during the previous year ended March 31, 2016;
b. Loss on sale of clinical research business known as 'Piramal Clinical Research (PCR)' (formerly known as Wellquest) during the previous period, Rs.260 lakhs;
c. Costs and write downs on account of scaling down the Research and development activities of the New Chemical Entity (NCE) division for the previous year ended March 31, 2016 of Rs. 256 lakhs (Reversal);
d. Gain on sale of properties of Rs.7,023 lakhs during the previous year ended March 31, 2016;
e. Loss on impairment of assets of Rs. 1,509 lakhs during the year ended March 31, 2016; and
f. Loss on sale of brand BST Cargel of Rs.16 lakhs in the previous year ended March 31, 2016.

12. The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.



13. The Board of Directors' at their meeting held on May 12, 2017 have approved the issuance of equity shares and / or convertible securities for an aggregate amount not exceeding Rs.500,000 lakhs or an equivalent amount thereof in one or more foreign currencies, including approval of the postal ballot notice for obtaining shareholders' approval.

14. The results for the quarter and year ended March 31, 2017 include the results of associates to whom Ind AS does not apply currently and hence, the results are accounted based on currently applicable Indian GAAP.

For **PIRAMAL ENTERPRISES LIMITED**

Ajay G. Piramal
Chairman

May 12, 2017, Mumbai

INDEPENDENT AUDITORS' REPORT

To the Members of Piramal Enterprises Limited

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Piramal Enterprises Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures and associate companies; (refer Note 39 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its associates and joint ventures in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and joint ventures respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.



5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2017, and their consolidated profit (including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. We did not audit the financial statements of 52 subsidiaries whose financial statements reflect total assets of Rs. 31,157.01 crores and net assets of Rs. 8,276.83 crores as at March 31, 2017, total revenue of Rs. 4,869.82 crores, net profit of Rs. 516.05 crores and net cash flows amounting to Rs. 1,104.73 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 171.85 crores for the year ended March 31, 2017 as considered in the consolidated Ind AS financial statements, in respect of 3 associate companies and 2 joint ventures whose financial statements have not been audited by us. One of the joint venture's consolidated financial statements have been prepared considering the financial statements of its subsidiary, its associate and 6 subsidiaries and 2 associates of such associate (together referred to as "the components"). These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate companies and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.



9. We did not audit the financial statements of 7 subsidiaries whose financial statements reflect total assets of Rs. 44.59 crores and net assets of Rs. 534.52 crores as at March 31, 2017, total revenue of Rs. 28.85 crores, net loss of Rs. 15.13 crores and net cash flows amounting to Rs. 0.34 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 2.80 crores for the year ended March 31, 2017 as considered in the consolidated Ind AS financial statements, in respect of 1 associate company whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate company and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries and associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

   Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

10. The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 16, 2016 and May 7, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us except in respect of 52 subsidiaries, 2 joint ventures and 3 associate companies.

    Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

11. As required by Section143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

    (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, associate companies and joint ventures incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group, associate companies and joint ventures incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.



(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies and joint ventures incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group, its associates and joint ventures– Refer Note 28 and Note 51 to the consolidated Ind AS financial statements.

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2017– Refer (a) Note 50 and 51 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associates and joint ventures and (b) the Group's share of net profit in respect of its associates.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended March 31, 2017 .

iv. The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Holding Company, and its subsidiary companies, associate companies and joint ventures incorporated in India and as produced to us by the Management– Refer Note 52.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership Number: 048125

Mumbai
May 12, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Piramal Enterprises Limited on the consolidated financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Piramal Enterprises Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Piramal Enterprises Limited on the consolidated financial statements for the year ended March 31, 2017

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 13 subsidiary companies, 2 associate companies and 2 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership Number: 048125

Mumbai
May 12, 2017

Piramal Enterprises Limited Announces Consolidated Results for Q4 FY2017 and FY2017

Delivering robust performance year after year

- *Best performance in terms of top-line growth in the last 16 quarters**
- *Board of Directors approves raising of funds of up to Rs.5,000 crores***

Mumbai, India, May 12, 2017: Piramal Enterprises Limited ('PEL', NSE: PEL, BSE: 500302) today announced its consolidated results for Q4 FY2017 and FY2017.

*Highlights

- Strong revenue growth during the quarter and the full year period
  - Up 46% at Rs.2,463 Crores during Q4 FY2017 vs. Rs.1,691 Crores during Q4 FY2016
  - Up 34% at Rs.8,547 Crores during FY2017 vs. Rs.6,381 Crores during FY2016
- Operating profit was :
  - 135% higher at Rs.1,119 Crores during Q4 FY2017 vs. Rs.476 Crores during Q4 FY2016
  - 94% higher at Rs.3,733 Crores during FY2017 vs. Rs.1,929 Crores during FY2016
- OPBITDA Margin was :
  - Up at 44% in Q4 FY2017 vs. 27% in Q4 FY2016
  - Up at 43% in FY2017 vs. 29% in FY2016
- Net Profit :
  - Increased by 61% to Rs.311 Crores for Q4 FY2017 vs. Rs.193 Crores for Q4 FY2016
  - Increased by 38% to Rs. 1,252 Crores for FY2017 vs. Rs.905 Crores for FY2016
- Loan Book grew by 87% to Rs.24,400 Crores as on 31 Mar 2017 vs. Rs.13,048 Crores as on 31 Mar 2016
- The Board has recommended a final dividend of Rs.21 per share.

Mr. Ajay Piramal, Chairman of Piramal Enterprises, said: *"We are pleased to announce that Piramal Enterprises has achieved robust revenue and profitability for the year. The Company has delivered Rs.8,547 Crores of revenues for the year, recording a 34% growth; and net profits of Rs 1,252 Crores for FY2017, up 38% over last year. Strong growth across all businesses during the quarter enabled us to deliver the best quarterly performance over the last few years. We remain steadfast in our commitment to generate year-on-year improved performance and to drive innovative strategic business initiatives that bolster growth, strengthen our market leadership and consistently create long-term value for our shareholders."*

**Board Approves Fund Raising of upto Rs 5000 crores

Our performance

- **Long term -** Over a period of 29 years, Piramal Enterprises has delivered revenue CAGR of 24% and net profit CAGR of 29%.
- **Medium term -** With consistent growth across all three business segments, the Company's revenues grew at a CAGR of 29%, while its net profit grew by 62%, in the last five years.
- **Near-term**[1] - It has consistently improved its revenue and net profit performance over the last 10 quarters, with top-line growth higher than 25% during each of the four quarters. In the last two years, our net profit has grown over 30% in each quarter.

Value creation

- The Company has delivered an annualised return[2] of 30% to its shareholders, one of the very few companies to create such value for its shareholders for around a period of 29 years. Over last 5 years period, the Company has delivered an annualised shareholder return[2,3] of 47% as compared with 14% return delivered by NIFTY Index.
- The Company has returned over Rs.5,200 Crores (i.e. 1/3rd of our current book value) to its shareholders in form of dividends, special dividends and buyback since the Abbott deal.
- Merely less than Rs. 500 Crores of external capital raised till date.

Fund Raising

In order to support future growth, the Board of Directors of the Company today approved raising of funds by issue of equity shares, global depository receipts, American depository receipts, foreign currency convertible bonds, fully convertible debentures, partly convertible debentures, non-convertible debentures along with warrants (with a right exercisable by the warrant holder to exchange the said warrants with equity shares) and/or any other financial instruments convertible into equity shares (including warrants, or otherwise) and/or any security convertible into equity shares and/or securities linked to equity shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to equity shares (collectively, "Securities") or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in one or more foreign currency(ies), in the course of international and/or domestic offering(s) in one or more foreign markets and/or domestic market, through public, rights, private offerings (including qualified institutions placement) or any combination thereof, as may be permitted under applicable law to eligible investors up to an amount not exceeding Rs.5,000 Crores (Rupees Five Thousand Crores) or an equivalent amount thereof (the "Offering").

The Offer shall be undertaken in accordance with the applicable laws, including the Companies Act, 2013 and rules framed thereunder and other applicable rules, regulations and guidelines prescribed by Securities and Exchange Board of India, Government of India, Reserve Bank of India, the Registrar of Companies, Maharashtra at Mumbai, BSE Limited and National Stock Exchange of India Limited and any other competent authorities, and in such manner and on such price, terms and conditions in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, or any other provisions of the applicable laws.

The Board has constituted the Administrative Committee of Directors to take decision on type of Offering and for taking all necessary actions in connection with the Offering. Further, the Board has approved the postal ballot notice for obtaining the approval of the shareholders of the Company for the Offering.

Note: 1. FY2015 quarterly net profit numbers exclude exceptional gain from Vodafone transaction and exceptional loss from NCE shutdown
2. Analysis carried out based on market information till April 2017. Assumed dividend reinvested in the stock.
3. Source: Bloomberg

Consolidated Financial Performance

(Rs. Crores or as stated)

Particulars	Quarter IV ended			Full year ended		
	31-Mar-17	31-Mar-16	% Change	31-Mar-17	31-Mar-16	% Change
Net Sales	2,463	1,691	46%	8,547	6,381	34%
Non-operating other income	86	52	67%	234	252	(7%)
Total Income	2,549	1,743	46%	8,781	6,633	32%
R&D Expenses	29	42	(30%)	101	145	(30%)
Other Operating Expenses	1,401	1225	14%	4,947	4,560	8%
OPBIDTA	1,119	476	135%	3,733	1,929	94%
OPM %	44%	27%	-	43%	29%	-
Interest Expenses	590	311	90%	2,031	959	112%
Depreciation	122	76	60%	382	255	49%
Profit before tax & exceptional items	407	89	359%	1,320	714	85%
Exceptional items (Expenses)/ Income	(8)	72	-	(10)	46	-
Income tax	103	17	515%	228	50	361%
Profit after tax (before MI & Prior Period items)	296	144	105%	1,082	711	52%
Minority interest	(0)	-	-	(0)	-	-
Share of Associates	15	49	(70%)	170	194	(13%)
Net Profit after Tax	311	193	61%	1,252	905	38%
EPS (Rs./share)	18.0	11.2	61%	72.5	52.4	38%

The Company is among the pioneers in adoption of IndAS for NBFC business. We have already implemented it for the year 2015-16 and 2016-17.

Consolidated Revenues

Consolidated revenues were 46% higher at Rs.2,463 Crores for Q4 FY2017 and 34% higher at Rs.8,547 Crores for FY2017. The Company has delivered a strong revenue performance with growth across all three business segments. 48% of our Q4 FY2017 revenues and 51% of our FY2017 revenues were earned in foreign currency.

Operating Profit

Operating profit for Q4 FY2017 was 135% higher at Rs.1,119 Crores, primarily driven by strong revenue performance across all businesses during the quarter, increase in non-operating other income and fall in R&D expenses. OPBITDA margin was higher at 44% in Q4 FY2017 as compared with 27% in Q4 FY2016.

Operating profit for FY2017 was 94% higher at Rs.3,733 Crores, mainly on account of higher revenue growth. OPBITDA margin was higher at 43% in FY2017 as compared with 29% in FY2016.

Net Profit

Net Profit for Q4 FY2017 was up by 61% at Rs.311 Crores as compared to Rs.193 Crores in Q4 FY2016. Strong profitability was mainly on account of improved performance across business segments and lower R&D expenses. Net Profit for FY2017 was Rs.1,252 Crores.

Interest Expenses

Interest expense for the Q4 FY2017 and FY2017 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 the Q4 FY2017 and FY2017 primarily includes our share in the profits of Shriram Capital for the period. Our share of profit under JV with Allergan has also now been included under share of profit / loss of Associate, as per the new accounting standards.

Business-wise Revenue Performance

(Rs. Crore or as stated)

Net Sales break-up	Quarter IV ended			% Sales	Full year ended		
	Q4 FY2017	Q4 FY2016	% Change		FY2017	FY2016	% Change
Pharma	1,214	929	30.7%	45.5%	3,893	3,467	12.3%
Global Pharma	1,103	853	29.4%	-	3,517	3,206	9.7%
Consumer Products*	111	76	45.1%	-	375	261	44.0%
Financial Services	999	552	81.1%	39.2%	3,352	1,744	92.2%
Information Management	227	209	8.8%	14.3%	1,222	1,156	5.7%
Others	23	2	-	0.9%	80	15	-
Total	**2,463**	**1,691**	**45.6%**	**100%**	**8,547**	**6,382**	**33.9%**

* *Excludes Opthalmology*

Pharma

Revenue from Pharma business was 31% higher at Rs.1,214 Crores in Q4 FY2017 and 12% higher at Rs.3,893 Crores in FY2017.

Revenue from Global Pharma business was 29% higher at Rs.1,103 Crores in Q4 FY2017, mainly on account of addition of new products, strong order book and deliveries across all key segments of the business. Revenue for FY2017 was 10% higher at Rs. 3,517 Crores primarily due to addition of differentiated hospital branded generic products portfolio. The Company is executing on its strategy of moving up the value chain with the acquisition of two high margin niche branded generic product portfolios from Janssen and Mallinckrodt and acquisition of Ash Stevens, a US based facility focused on high potency APIs.

Despite of demonetization, revenue from India Consumer Products business grew 45% at Rs.111 Crores for Q4 FY2017 and by 44% higher at Rs.375 Crores for FY2017. During the year, we acquired four brands from Pfizer Ltd. and have successfully integrated all three Consumer Product acquisitions. All these three acquisitions – Little's, MSD brands and Pfizer brands have already surpassed their erstwhile annual sales within a short span of time post acquisition. We also launched various brands (including brands extensions) like Throatsil, StopAllerG, Polycrol Paan, i-pill daily, Quikkool-D, Tetmosol Total cream and StopAllerG All Day among others.

Financial Services

Income from Financial Services was 81% higher at Rs.999 Crores for Q4 FY2017 and 92% higher at Rs.3,352 Crores for FY2017. The growth in income was primarily driven by increase in size of Loan Book. Loan Book grew by 87% to Rs.24,400 Crores as on 31 Mar 2017 vs Rs.13,048 Crores as on 31 Mar 2016. Construction Finance constitutes 57% of the Real Estate loan book. Asset quality continued to remain robust with a GNPA ratio of just 0.4%.

Gross Assets under Management was at Rs.7,160 Crores during the quarter. During the quarter, we applied for the license for our entry into housing finance. We commenced financing to commercial real estate with the launch of Construction Finance and Lease Rental Discounting (LRD) for commercial assets. In Feb 2017, we announced a strategic partnership with Ivanhoé Cambridge to provide long term equity capital to blue chip residential developers across the five major metro cities in India. During the year, PEL also signed an MOU with Bain Capital Credit to create a strategic partnership to invest in restructuring situations in India.

Information Management

Revenues from Information Management business grew by 8.8% YoY, to Rs.227 Crores in Q4 FY2017 primarily driven by the provider and payer business units. In FY2017, revenues grew by 6% YoY to Rs.1,222 Crores. During the year, we launched multiple, dynamic, user-friendly, tech-enabled web-based platforms for delivering products and services via superior interface. We also acquired Walnut Medical, a UK based data company, that will provide access to key European hospital-level data. DRG continued in expansion in India with 250+ positions on boarded resulting in reduced company costs, skills augmentation and margin enhancement opportunities.

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

The Q4 and FY2017 results presentation will be available for download on our website: piramal.com

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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 Pharmaceuticals, Healthcare Information Management and Financial Services. PEL's consolidated revenues were over US$1.3 billion in FY2017, with 51% of revenues generated from outside India.

In Pharma, through an end-to-end manufacturing capabilities across 14 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 Information Management 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 enable them to take informed business decisions.

In Financial Services, PEL, through its Piramal Fund Management Division, provides comprehensive financing solutions to real estate companies. The Division's Structured Finance Group (SFG) also provides senior and mezzanine growth capital to various businesses across varied sectors that are integral part of India's growth story. The total funds under management under these businesses are US$4.9 billion. The Company has recently applied for HFC license. 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. PEL also has long term equity investments worth over US$700 million in Shriram Group, a leading financial conglomerate in India.

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

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