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# PIRAMAL HEALTHCARE LIMITED

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

## CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2011

(Rs. in Lakhs)

| Particulars | 3 months ended | Corres\ponding 3 months ended in the previous year | Year to date figures for current period ended | Year to date figures for the previous year ended | Previous accounting year ended |
|---|---|---|---|---|---|
| | 30/09/2011 (Unaudited) | 30/09/2010 (Unaudited) | 30/09/2011 (Unaudited) | 30/09/2010 (Unaudited) | 31/03/2011 (Audited) |
| Net Sales / Income from Operations (Refer Note.7) | 47,758 | 73,141 | 91,258 | 157,072 | 250,986 |
| Other Operating Income | 671 | 2,060 | 1,269 | 2,350 | 4,610 |
| **Net Sales / Income from Operations** | **48,429** | **75,201** | **92,527** | **159,422** | **255,596** |
| Income from Investments (Refer Note.8) | 5,045 | 4,960 | 12,142 | 7,360 | 33,583 |
| **Net Sales / Income from Operations and Investments** | **53,474** | **80,161** | **104,669** | **166,782** | **289,179** |
| **Expenditure** | | | | | |
| (Increase) / Decrease in stock in trade and work-in-progress | (2,322) | 182 | (5,503) | (3,996) | (2,852) |
| Consumption of Raw Materials | 22,224 | 19,290 | 39,523 | 38,727 | 74,126 |
| Purchase of Traded Goods | 2,570 | 10,091 | 6,291 | 27,614 | 32,912 |
| Employees Cost | 11,443 | 16,328 | 20,694 | 32,073 | 51,787 |
| R&D Expenses | 2,715 | 1,664 | 5,211 | 3,322 | 7,162 |
| Depreciation | 2,861 | 3,182 | 5,556 | 6,987 | 11,989 |
| Foreign Exchange (Gain) / Loss (Net) | (10,259) | 1,265 | (17,897) | 376 | (9,860) |
| Other Expenditure (Net) | 14,125 | 28,921 | 27,922 | 50,079 | 79,588 |
| **Total Expenditure** | **43,357** | **80,923** | **81,797** | **155,182** | **244,852** |
| **Profit from Operations and Investment Income before Other Income, Interest and Exceptional Items** | **10,117** | **(762)** | **22,872** | **11,600** | **44,327** |
| Other Income | 1 | - | 2 | 1 | 3 |
| **Profit / (Loss) before Interest and Exceptional Items** | **10,118** | **(762)** | **22,874** | **11,601** | **44,330** |
| Interest Expenses | 1,958 | 3,218 | 3,027 | 7,052 | 10,039 |
| **Profit / (Loss) after Interest but before Exceptional Items** | **8,160** | **(3,980)** | **19,847** | **4,549** | **34,291** |
| Exceptional Income / (Expenses) (Net) | (108) | 1,622,400 | (108) | 1,622,207 | 1,622,050 |
| **Profit from Ordinary Activities before Tax** | **8,052** | **1,618,420** | **19,739** | **1,626,756** | **1,656,341** |
| Tax Expense | 2,759 | 364,385 | 5,447 | 364,651 | 367,974 |
| **Net Profit after Tax from Ordinary Activities before Minority Interest** | **5,293** | **1,254,035** | **14,292** | **1,262,105** | **1,288,367** |
| Minority Interest Profit / (Loss) | 50 | (9) | 126 | (13) | 31 |
| **Net Profit after Tax from Ordinary Activities before Extraordinary Items** | **5,243** | **1,254,044** | **14,166** | **1,262,118** | **1,288,336** |
| Extraordinary Items (Net of Tax Expense) | - | - | - | - | - |
| **Net Profit for the period** | **5,243** | **1,254,044** | **14,166** | **1,262,118** | **1,288,336** |
| Paid-up Equity Share Capital (Face Value Rs.2/- each) | 3,344 | 4,180 | 3,344 | 4,180 | 3,358 |
| **Earnings Per Share (EPS)** | | | | | |
| a) Consolidated Basic and diluted EPS before exceptional and extraordinary items for the period (Rs.) | 3.2 | (1.5) | 8.5 | 1.7 | 15.2 |
| b) Consolidated Basic and diluted EPS before extraordinary items for the period (Rs.) | 3.1 | 598.4 | 8.4 | 602.3 | 572.2 |
| c) Consolidated Basic and diluted EPS after extraordinary items for the period (Rs.) | 3.1 | 598.4 | 8.4 | 602.3 | 572.2 |
| **Public Shareholding** | | | | | |
| - Number of shares | 78,048,415 | 100,331,208 | 78,048,415 | 100,331,208 | 78,400,644 |
| - Percentage of shareholding | 46.68% | 48.00% | 46.68% | 48.00% | 46.69% |
| Promoters and Promoter group Shareholding | | | | | |
| a) Pledged/Encumbered | | | | | |
| - Number of shares | - | - | - | - | - |
| - Percentage of shares (% to total shareholding of promoters and promoter group) | - | - | - | - | - |
| - Percentage of shares (% to the total share capital of the company) | - | - | - | - | - |
| b) Non-encumbered | | | | | |
| - Number of Shares | 89,162,100 | 108,681,936 | 89,162,100 | 108,681,936 | 89,515,400 |
| - Percentage of shares (% to total shareholding of promoters and promoter group) | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| - Percentage of shares (% to the total share capital of the company) | 53.32% | 52.00% | 53.32% | 52.00% | 53.31% |

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## SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

| | Quarter Ended | | Half Year Ended | | Year Ended |
|---|---|---|---|---|---|
| | 30/09/2011 | 30/09/2010 | 30/09/2011 | 30/09/2010 | 31/03/2011 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| **1. Segment Revenue** | | | | | |
| **(Net sales / Services)** | | | | | |
| a. Pharmaceuticals | 47,618 | 71,852 | 91,716 | 150,732 | 246,906 |
| b. Others | 811 | 3,354 | 811 | 8,714 | 8,714 |
| **Total** | **48,429** | **75,206** | **92,527** | **159,446** | **255,620** |
| Less: Inter Segment revenue | - | 5 | - | 24 | 24 |
| **Net sales / Services** | **48,429** | **75,201** | **92,527** | **159,422** | **255,596** |
| | | | | | |
| **2. Segment Results (without Income from Investments)** | | | | | |
| **(Profit before Tax, Interest and Exchange Gain / (Loss))** | | | | | |
| a. Pharmaceuticals | (5,194) | 1,617,594 | (7,173) | 1,626,096 | 1,622,209 |
| b. Others | (100) | 349 | (100) | 728 | 728 |
| **Total** | **(5,294)** | **1,617,943** | **(7,273)** | **1,626,824** | **1,622,937** |
| Add : Income from Investments | 5,045 | 4,960 | 12,142 | 7,360 | 33,583 |
| Add : Exchange Gain / (Loss) | 10,259 | (1,265) | 17,897 | (376) | 9,860 |
| Less: Interest Expense | 1,958 | 3,218 | 3,027 | 7,052 | 10,039 |
| **Total Profit Before Tax** | **8,052** | **1,618,420** | **19,739** | **1,626,756** | **1,656,341** |
| | | | | | |
| **3. Capital Employed** | | | | | |
| **(Segment Assets - Segment Liabilities)** | | | | | |
| a. Pharmaceuticals | 102,332 | 69,101 | 102,332 | 69,101 | 111,081 |
| b. Assets arising on Sale of Domestic Formulation Business | 1,072,977 | 1,360,324 | 1,072,977 | 1,360,324 | 1,075,116 |
| c. Others | 16,728 | - | 16,728 | - | - |
| **Total Capital Employed in the Company** | **1,192,037** | **1,429,425** | **1,192,037** | **1,429,425** | **1,186,197** |

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**Notes:**

1. The standalone and consolidated financial results, for the quarter and half year ended September 30, 2011, have been reviewed by the Audit Committee and approved by the Board at its meeting held on October 20, 2011 and are subjected to limited review by the statutory auditors.

2. Standalone information: (Rs. In Lakhs)

| | Quarter Ended September 30, 2011 | Quarter Ended September 30, 2010 | Half Year Ended September 30, 2011 | Half Year Ended September 30, 2010 | Year Ended March 31, 2011 |
|---|---|---|---|---|---|
| 1. Turnover | 27,069 | 54,004 | 52,619 | 111,040 | 161,036 |
| 2. PBT | 11,913 | 1,621,093 | 24,449 | 1,627,852 | 1,656,721 |
| 3. PAT | 9,539 | 1,256,998 | 19,648 | 1,263,689 | 1,289,691 |

3. Pursuant to the Board Resolution dated August 2, 2011, the Company has purchased 5.485% (i.e. 2,27,12,664 equity shares) of the issued equity share capital of Vodafone Essar Limited from ETHL Communications Holdings Limited for a cash consideration of Rs.2,856.95 Crores.

4. The Company through its newly incorporated wholly owned subsidiary PHL Capital Private Limited acquired :

   a) 94% stake in IndiaReit Fund Advisors Private Limited for a consideration of Rs.103.4 Crores on August 11, 2011.

   b) 100% stake in PHL Finance Private Limited (Formerly known as Glass Engineers Private Limited) for a consideration of Rs.25.1 Lakhs on July 27, 2011.

   The operations of all the above subsidiaries from the date of acquisition / incorporation have been included in the above financial results.

5. Pursuant to the board resolutions dated May 6, 2011, the shareholders of the Company and Piramal Life Sciences Limited (PLSL) have approved the scheme of demerger of New Chemical Entity Unit (NCE) of PLSL into the Company on going concern basis with effect from April 01, 2011 (Appointed Date) for the consideration of One equity share of Rs.2/- each of the Company for four equity shares of Rs.10/- each held in PLSL.

   Pending approval of the scheme with Hon'ble High Court, the revenue expenditure / charges relating to the period from April 01, 2011 to September 30, 2011 of NCE Research Unit, have not been considered in the results.

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6. Statement of Unaudited Consolidated Assets and Liabilities :

Disclosure of Balance Sheet Items as per clause 41(V)(h) of the Listing Agreement as at September 30, 2011

(Rs. In Lakhs)

| PARTICULARS | AS AT | |
|---|---|---|
| | 6 months ended (30/09/2011) | Corresponding 6 months ended in the previous year (30/09/2010) |
| | (UNAUDITED) | (UNAUDITED) |
| **SHAREHOLDERS' FUNDS** | | |
| (A) SHARE CAPITAL | 3,344 | 4,180 |
| (B) RESERVES & SURPLUS | 1,187,923 | 1,425,245 |
| **MINORITY INTEREST** | 770 | - |
| **LOAN FUNDS** | 108,891 | 64,503 |
| **DEFERRED TAX LIABILITY (NET)** | 4,612 | 3,373 |
| **T O T A L** | **1,305,540** | **1,497,301** |
| **FIXED ASSETS** | 171,786 | 149,117 |
| **INVESTMENTS** | 391,753 | 515,600 |
| **CURRENT ASSETS, LOANS AND ADVANCES** | | |
| INVENTORIES | 45,562 | 34,942 |
| SUNDRY DEBTORS | 35,185 | 29,751 |
| CASH AND BANK BALANCES | 73,512 | 312,379 |
| OTHER CURRENT ASSETS | 611,004 | 723,159 |
| LOANS AND ADVANCES | 70,105 | 38,911 |
| | **835,368** | **1,139,142** |
| LESS : CURRENT LIABILITIES AND PROVISIONS | | |
| CURRENT LIABILITIES | 87,550 | 95,937 |
| PROVISIONS | 5,817 | 210,621 |
| | **93,367** | **306,558** |
| **T O T A L** | **1,305,540** | **1,497,301** |

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7. The Company has on

   i. September 7, 2010 sold its Domestic Formulations Business (discontinued operations) to Abbott Healthcare Private Limited on slump sale basis.

   ii. August 20, 2010 sold its 97.5% holding in Piramal Diagnostic Services Private Limited (Diagnostic Services) to Super Religare Limited (SRL).

   The net profit of the Business in respect of the ordinary activities attributable to the discontinued operations is:

   Net Sales / Income from Operations and Profit / (Loss) after tax from discontinued operations included in the consolidated results:

(Rs. in Crores)

| | For the Quarter Ended September 30 | | For the Half Year Ended September 30 | | For the Year Ended March 31 |
|---|---|---|---|---|---|
| | 2011 (Unaudited) | 2010 (Unaudited) | 2011 (Unaudited) | 2010 (Unaudited) | 2011 (Audited) |
| **Net Sales / Income from Operations** | | | | | |
| - Domestic Formulations Business | - | 363.06 | - | 795.92 | 795.92 |
| - Diagnostic Services | - | 33.54 | - | 87.14 | 87.14 |
| | | | | | |
| **Protfit / (Loss) After Tax** | | | | | |
| - Domestic Formulations Business | - | 49.98 | - | 150.72 | 150.72 |
| - Diagnostic Services | - | (3.60) | - | (5.40) | (5.40) |

8. Income from Investments represents the income earned on the temporary investments made out of proceeds from sale of the Domestic Formulation Business and the holding in Piramal Diagnostic Services Private Limited. These temporary investments have been made due to surplus funds available in the interim and shall be deployed in businesses in due course.

9. Shareholder complaints received during the quarter ended September 30, 2011 :

| | |
|---|---|
| Complaints as at July 01, 2011 | 01 |
| Complaints received during the quarter ended September 30, 2011 | 17 |
| Complaints disposed off during the quarter ended September 30, 2011 | 14 |
| Complaints pending as on September 30, 2011 | 04 |

10. The figures for the quarter and half year ended September 30, 2010 and year ended March 31, 2011 have been regrouped, wherever necessary.

11. The figures for the quarter and half year ended September 30, 2011 are not comparable to the previous quarter and half year ended September 30, 2010 on account of the sale of Domestic formulation business and Diagnostics Services referred in note 7 above.

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12. The standalone financials results for the quarter and half year ended September 30, 2011 are submitted to the Bombay Stock Exchange Limited (www.bseindia.com) and the National Stock Exchange of India Limited (www.nseindia.com) and are available on their respective websites as well as on our website www.piramalhealthcare.com

For PIRAMAL HEALTHCARE LIMITED

Ajay G. Piramal
Chairman

October 20, 2011, Mumbai.