

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, 2010

(Rs. In Lakhs)

Particulars	3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current year ended	Year to date figures for the previous year ended	Previous accounting year ended
	30/09/2010	30/09/2009	30/09/2010	30/09/2009	31/03/2010
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Net Sales / Income from Operation	73,141	99,274	157,072	180,961	362,447
Other Operating Income	2,060	725	2,370	1,192	4,658
Net Sales / Income from Operations	75,201	99,999	159,442	182,153	367,105
Expenditure					
(Increase) / Decrease in stock in trade and work-in-progress	13,161	(3,942)	8,983	(6,077)	(2,500)
Consumption of Raw Materials	6,311	26,763	25,748	47,560	85,086
Purchase of Traded Goods	10,091	16,488	27,614	28,999	57,135
Employees Cost	16,328	17,252	32,073	30,851	58,531
R&D Expenses	1,664	1,983	3,322	3,699	7,015
Depreciation	3,182	3,753	6,987	7,602	14,265
Foreign Exchange (Gain) / Loss (Net)	1,265	(151)	376	(597)	(1,413)
Other Expenditure (Net)	28,921	23,716	50,079	43,810	89,158
Total Expenditure	80,923	85,862	155,182	155,847	307,277
Profit / (Loss) from Operations before Other Income, Interest & Exceptional Items	(5,722)	14,137	4,260	26,306	59,828
Other Income	2,030	-	2,031	4	4
Profit / (Loss) before Interest & Exceptional Items	(3,692)	14,137	6,291	26,310	59,832
Interest (Net)	288	2,537	1,742	5,077	9,164
Profit / (Loss) after Interest but before Exceptional Items	(3,980)	11,600	4,549	21,233	50,668
Exceptional (Income) / Expense (Net)	(1,622,400)	36	(1,622,207)	36	691
Profit from Ordinary Activities before Tax	1,618,420	11,564	1,626,756	21,197	49,977
Tax Expense	364,385	939	364,651	2,065	1,803
Net Profit after Tax from Ordinary Activities before Minority Interest	1,254,035	10,625	1,262,105	19,132	48,174
Minority Interest (Loss)	(9)	(2)	(13)	(5)	(16)
Net Profit after Tax from Ordinary Activities after Minority Interest	1,254,044	10,627	1,262,118	19,137	48,190
Extraordinary Items (Net of Tax Expense)	-	-	-	-	-
Net Profit for the period	1,254,044	10,627	1,262,118	19,137	48,190
Paid-up Equity Share Capital (Face Value Rs.2/- each)	4,180	4,180	4,180	4,180	4,180
Earnings Per Share					
a. Consolidated EPS - Basic/diluted before extraordinary items for the period(Rs.)	600.0	5.1	603.8	9.2	23.1
b. Consolidated EPS - Basic/diluted after extraordinary items for the period(Rs.)	600.0	5.1	603.8	9.2	23.1
Public Shareholding					
- Number of shares	100,331,208	105,599,880	100,331,208	105,599,880	106,087,962
- Percentage of shareholding	48.00%	50.52%	48.00%	50.52%	50.76%
Promoters and Promoter group Shareholding					
a) Pledged/Encumbered					
- Number of shares	-	8,420,000	-	8,420,000	8,420,000
- Percentage of shares (% to total shareholding of promoters and promoter group)	-	8.14%	-	8.14%	8.18%
- Percentage of shares (% to the total share capital of the company)	-	4.03%	-	4.03%	4.03%
b) Non-encumbered					
- Number of Shares	108,681,936	94,993,264	108,681,936	94,993,264	94,505,182
- Percentage of shares (% to total shareholding of promoters and promoter group)	100.00%	91.86%	100.00%	91.86%	91.82%
- Percentage of shares (% to the total share capital of the company)	52.00%	45.45%	52.00%	45.45%	45.21%

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED					
					(Rs. in Lakhs)
	Quarter Ended		Half Year Ended		Year Ended
	30/09/2010	30/09/2009	30/09/2010	30/09/2009	31/03/2010
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue					
(Net sales / Services)					
a. Pharmaceuticals	71,852	94,574	150,752	171,913	346,603
b. Others	3,354	5,491	8,714	10,337	20,657
Total	75,206	100,065	159,466	182,250	367,260
Less: Inter Segment revenue	5	66	24	97	155
Net sales / Services	75,201	99,999	159,442	182,153	367,105
2. Segment Results					
(Profit before Tax and Interest)					
a. Pharmaceuticals	1,618,359	13,471	1,627,770	25,146	57,095
b. Others	349	630	728	1,128	2,046
Total	1,618,708	14,101	1,628,498	26,274	59,141
Less:					
Interest (Net)	288	2,537	1,742	5,077	9,164
Total Profit Before Tax	1,618,420	11,564	1,626,756	21,197	49,977
3. Capital Employed					
(Segment Assets - Segment Liabilities)					
a. Pharmaceuticals	1,429,425	129,031	1,429,425	129,031	161,664
b. Others	-	21,836	-	21,836	6,825
Total Capital Employed in the Company	1,429,425	150,867	1,429,425	150,867	168,489

Notes:

- The consolidated unaudited financial results, for the quarter and half year ended September 30, 2010, have been reviewed by the Audit Committee and approved by the Board at its meeting held on October 22, 2010 and are subjected to limited review. The standalone results for the half year ended September 30, 2010 have been subjected to audit and includes results for the quarter ended June 30, 2010 which have been subjected to limited review by the statutory auditors.
- Exceptional items for the half year ended September 30, 2010 consists of
 - Profit on sale of domestic formulation business Rs.16,006.62 crores.
 - Profit on sale of investment of Subsidiary Piramal Diagnostic Services Private Limited (PDSPL) Rs.285.82 crores
 - Provision for diminution in value of Investment in Biosyntech Inc., Canada Rs.22.32 crores
 - Closure cost of Vitamin and Fine Chemical Plant, Thane Rs.40.70 crores.
 - Voluntary Retirement Scheme of subsidiaries Rs.7.35 crores.

3. a. The Company had entered into a Business Transfer Agreement (BTA) with Abbott Healthcare Private Limited (Abbott), dated May 21, 2010 for the sale of its Domestic formulation business ("Business") to Abbott on slump sale basis for net cash consideration of USD 3.8 Billion out of which USD 2.2 Billion has been received and balance USD 1.6 Billion is receivable on deferred payment basis equally over the next four years. The transaction has been approved by the Board of Directors in its meeting held on May 21, 2010 and by the shareholders on June 25, 2010. The transaction was concluded on September 07, 2010. The Company recognised a profit of Rs.16,006.62 crores on account of the sale of the business.
3. b. Pursuant to the approval of duly authorized committee of directors on July 13, 2010, the Company has sold its 97.5% holding (3,859,200 Equity shares) of Piramal Diagnostic Services Private Limited to Super Religare Limited (SRL) for consideration of Rs.362.97 crores. The consideration has been discharged by cash of Rs.66.35 crores, Equity Shares of Super Religare Limited of Rs.131.62 crores (5,069,902 shares of Rs.10/- each at a premium of Rs.249.62/-) and 16,500 10% cumulative redeemable debentures of Rs.100,000/- each valuing Rs.165.00 crores for its 97.5% share in PDSPL. In addition SRL has assumed a liability of the Company's outstanding loan of Rs.227.71 crores in PDSPL which has been subsequently paid off. The Company recognised a profit of Rs.285.82 crores on account of sale of the investment in the subsidiary.

4. a) Profit / (Loss) after tax from discontinued operations included in the consolidated results :
(Rs. in Crores)

	Quarter Ended September 30, 2010	Quarter Ended September 30, 2009	Half Year Ended September 30, 2010	Half Year Ended September 30, 2009
- Domestic Formulations Business	49.98	153.15	150.72	257.05
- Diagnostic Services	(3.60)	(0.77)	(5.40)	(2.02)

- b) The carrying amount of total assets and liabilities pertaining to the Discontinued Businesses were as follows:

Particulars	(Rs. in crores)	
	Diagnostic Services	Domestic Formulations Business
	As At August 20, 2010	As At September 07, 2010
Total Assets	243.28	738.69
Total Liabilities	258.69	131.52

5. On September 30, 2010, the Company sold its entire stake of 49% in its Joint Venture Arkray Piramal Medical Private Limited ("ARKRAY") held through its wholly owned subsidiary PHL Fininvest Private Limited. The Company recognised a profit (net of expenses) of Rs.17.74 crores on account of the sale of its stake in the joint venture.
6. The Company held 7,500,000 equity shares as investment in Biosyntech Inc., Canada which has filed for bankruptcy protection under the Bankruptcy and Insolvency Act, Canada. A provision of Rs.22.32 crores has been made towards permanent diminution in the value of the investment.

7. The Board of Directors has approved to shift its manufacturing operation of Vitamins and Fine Chemicals from its Thane Unit to Digwal & Mahad unit. Consequently it has been decided to shut down Thane plant effective September 30, 2010. The total closure cost of the plant (including VRS) is Rs.40.70 crores for which provision has been made.

8. Standalone information:

(Rs. In Lakhs)

	Quarter Ended September 30, 2010	Quarter Ended September 30, 2009	Half Year Ended September 30, 2010	Half Year Ended September 30, 2009	Year Ended March 31, 2010
1. Turnover	54,004	70,770	111,040	127,743	266,621
2. PBT	1,621,093	12,162	1,627,852	20,501	47,726
3. PAT	1,256,998	11,422	1,263,689	18,833	44,322

9. 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, 2010

(Rs. in Lakhs)


PARTICULARS	AS AT	
	6 months ended (30/09/2010)	Corresponding 6 months ended in the previous year (30/09/2009)
	(UNAUDITED)	(UNAUDITED)
Shareholders' Funds		
Share Capital	4,180	4,180
Reserves & Surplus	1,425,245	146,687
Minority Interest	-	740
Loan Funds	64,503	142,480
Deferred Tax Liability (Net)	3,373	7,484
TOTAL	1,497,301	301,571
Fixed Assets	149,117	202,783
Investments	515,600	3,255
Current Assets, Loans And Advances		
Inventories	34,942	50,708
Sundry Debtors	29,751	54,760
Cash And Bank Balances	312,379	6,663
Other Current Assets	3,130	1,094
Loans And Advances	758,940	50,997
	1,139,142	164,222
Current Liabilities And Provisions		
Current Liabilities	95,937	62,179
Provisions	210,621	6,510
	306,558	68,689
TOTAL	1,497,301	301,571

10. Shareholder complaints received during the quarter ended September 30, 2010 :

Complaints as at July 01, 2010	2
Complaints received during the quarter ended September 30, 2010	14
Complaints disposed off during the quarter ended September 30, 2010	13
Complaints pending as on September 30, 2010	3

11. The Current tax includes capital gain tax on sale of Business and sale of Investment in PDSPL Rs.3,667.68 crores.
12. The figures for the quarter and half year ended September 30, 2009 and year ended March 31, 2010 have been regrouped, wherever necessary.
13. The consolidated results for the previous quarter and half year ended September 30, 2009 were not subjected to limited review by the statutory auditors.
14. The figures for the quarter and half year ended September 30, 2010 are not comparable to the previous quarter and half year ended September 30, 2009 on account of the sale of business / subsidiary / joint venture in the current quarter.
15. The standalone financials results for the quarter and half year ended September 30, 2010 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 22, 2010, Mumbai.