

Limited Review Report**Review Report to
The Board of Directors
DIL Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of DIL Limited ('the Company') and unaudited consolidated financial results of the Company and its subsidiaries (together, "the Group"), its associates and jointly controlled entities for the quarter and nine months ended December 31, 2016 (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We report that the Company has made investments in two associates where the net worth of these companies have substantially been eroded. However, Company has not made any detailed evaluation of diminution in the value of these investments in the standalone and consolidated financial results to the tune of Rs. 1,009.86 lakhs and Rs. 484.86 Lakhs respectively considering the view that these are long term investments and profitability will be achieved by these entities over a period of time and hence no permanent diminution is deemed necessary. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the impact, if any, of such diminution on the results.
4. We did not review revenues and assets of Rs. Nil and Rs. 105.12 lakhs for the quarter and as at December 31, 2016 respectively, included in the accompanying unaudited consolidated financial results relating to three subsidiaries and one jointly controlled entity whose financial information have been reviewed by other auditors and whose reports have been furnished to us. Our conclusion on the unaudited quarterly financial results, in so far as it relates to the affairs of such subsidiaries and jointly controlled entity is based solely on the reports of the other auditors.
5. One subsidiary, two associates and one jointly controlled entity whose financial statements reflect the Group's share of total revenue Rs. Nil, total loss of Rs. Nil lakhs for the quarter ended December 31, 2016 and total assets of Rs. 141.42 lakhs as at December 31, 2016 have not been reviewed and have been considered in the unaudited consolidated financial results based solely on the unaudited separate financial statements certified by the management. Accordingly, we are unable to comment on the implications, if any, on the financial results if the same had been reviewed.




S R B C & CO LLP

Chartered Accountants

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6. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of the components, except for the possible effects of our observations 3 & 5, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S R B C & CO LLP
ICAI Firm registration number: 324982E/E300003
Chartered Accountants


per Vikram Mehta
Partner
Membership No.: 105938



Place: Mumbai
Date: February 13, 2017



DIL Limited

Particulars	Consolidated Standalone												
	Unaudited Quarter ended			Unaudited Nine months ended			Unaudited Quarter ended			Unaudited Nine months ended			Audited Year Ended
	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015	March 31, 2016	
1 Income from operations													
a) Net sales/ income from operations (Net of excise duty)	111.19	137.22	174.22	426.24	531.74	4,018.05	3,608.56	11,755.03	10,914.21	10,914.21	14,969.16		
b) Other operating income	16.83	17.60	0.04	40.94	0.04	129.42	105.08	482.06	426.18	426.18	625.86		
Total income from operations (net)	128.02	154.82	174.26	467.18	531.78	4,147.47	3,713.64	12,237.09	11,340.39	11,340.39	15,595.02		
2 Expenses													
a) Cost of material consumed	128.45	171.72	126.52	417.50	383.18	806.10	695.15	2,293.65	2,067.25	2,067.25	2,796.74		
b) Depreciation and amortisation expense	81.38	90.40	24.33	252.19	73.78	265.33	191.22	765.16	567.15	567.15	835.00		
c) Legal & professional expenses	44.95	17.84	20.06	76.35	64.47	78.98	72.49	270.36	209.75	209.75	382.54		
d) Repairs & maintenance	51.58	30.87	21.10	106.17	67.75	96.80	67.95	281.83	209.32	209.32	290.28		
e) Other expenses	172.99	179.71	122.35	479.63	334.77	1,319.99	908.39	3,539.63	2,688.62	2,688.62	3,599.01		
Total expenses (a to e)	479.35	490.54	314.36	1,331.84	923.95	4,220.94	3,442.57	12,134.95	10,260.29	10,260.29	14,295.45		
Profit from operations before other income, finance costs, & exceptional items (1-2)	(351.33)	(335.72)	(140.10)	(864.66)	(392.17)	(73.47)	271.07	102.14	1,090.10	1,090.10	1,299.57		
4 Other income	4.35	-	-	14.85	-	6.87	4.86	36.39	8.20	8.20	11.20		
5 Profit from ordinary activities before finance costs & exceptional items (3+4)	(346.98)	(335.72)	(140.10)	(849.81)	(392.17)	(66.60)	275.93	140.53	1,088.30	1,088.30	1,310.77		
6 Finance costs	210.82	210.43	0.29	582.53	1.41	280.18	117.65	831.19	322.57	322.57	614.69		
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	(557.80)	(546.15)	(140.39)	(1,432.34)	(393.58)	(346.78)	158.28	(690.66)	765.73	765.73	696.08		
8 Exceptional items	-	-	-	2,466.17	-	2,466.17	-	2,466.17	-	-	-		
9 Profit on sale of shares (Refer note 5)	16.15	2,466.17	-	16.15	-	20.00	-	51.70	-	-	-		
10 Profit from ordinary activities before tax (7+8+9)	(573.95)	1,920.02	(140.39)	1,017.68	(393.58)	2,099.39	158.28	1,723.81	765.73	765.73	696.08		
11 Tax expense	(573.95)	1,920.02	(140.39)	1,017.68	(393.58)	142.21	36.96	179.37	312.03	312.03	424.82		
12 Net Profit from ordinary activities after tax (10-11)	24.14	-	-	24.14	-	1,957.18	121.30	1,544.44	453.70	453.70	271.26		
13 Provision for tax in respect of earlier years written back (net)	(598.09)	1,920.02	(140.39)	993.54	(393.58)	(567.03)	121.30	1,520.30	463.70	463.70	271.26		
14 Net Profit for the period/year (12+13)	(573.95)	1,920.02	(140.39)	993.54	(393.58)	1,390.15	121.30	1,520.30	463.70	463.70	271.26		
15 Share of profit/ (loss) of associates	-	-	-	-	-	(7.90)	(16.44)	(9.42)	(36.19)	(36.19)	(54.87)		
16 Minority interest	-	-	-	-	-	(8.37)	(72.50)	(145.68)	(234.73)	(234.73)	(329.81)		
17 Net Profit after taxes, minority interest and share of profit/(loss) of associates (14+15+16)	(598.09)	1,920.02	(140.39)	993.54	(393.58)	1,382.25	32.36	1,365.20	182.78	182.78	(113.42)		
18 Paid-up equity share capital (Face value, 10/- per share)	229.32	229.32	229.32	229.32	229.32	229.32	229.32	229.32	229.32	229.32	229.32		
19 Reserves excluding revaluation reserves as per the balance sheet of previous accounting year.	(26.08)	83.73	(6.12)	43.33	(17.16)	84.57	1.41	59.53	7.97	7.97	(4.95)		
20 i) Basic and diluted earning per share of, 10/- each before extraordinary items	(26.08)	83.73	(6.12)	43.33	(17.16)	84.57	1.41	59.53	7.97	7.97	(4.95)		
ii) Signed-for-identification extraordinary items	(26.08)	83.73	(6.12)	43.33	(17.16)	84.57	1.41	59.53	7.97	7.97	(4.95)		

For Partner only and not annualised except for year end results

S R B C & CO LLP
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Particulars	Consolidated										Audited Year Ended		
	Standalone					Unaudited Quarter ended						Audited Year Ended	
	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016			March 31, 2016
Segment revenue													
- Bulk drugs/chemicals													
- Property	125.58	148.94	144.63	451.67	443.93	613.41	3,749.91	4,007.41	3,566.60	11,816.31	10,888.36	14,969.05	
- Treasury	2.43	5.88	29.59	15.50	87.81	114.64	130.08	153.44	149.13	465.17	457.43	631.41	
- Entertainment								5.88	29.59	15.50	87.81	114.64	
- Unallocable	0.01	0.04	0.04	0.01	0.04	0.09	0.01	-	0.15	0.01	0.04	(0.36)	
Total	128.02	154.82	174.26	467.18	531.78	728.14	3,882.43	4,166.73	3,745.47	12,296.99	11,433.64	15,714.74	
Less: Inter-segment revenue							18.45	19.26	31.83	59.90	93.25	119.72	
Net sales/income from operations (Refer note 2)	128.02	154.82	174.26	467.18	531.78	728.14	3,863.98	4,147.47	3,713.64	12,237.09	11,340.39	15,595.02	
Segment results (profit/(loss) before finance costs and tax)													
- Bulk drugs/chemicals													
- Property	(137.29)	(87.11)	95.21	(186.82)	271.49	274.40	87.49	260.74	413.45	965.51	1,478.06	2,054.42	
- Treasury	2.43	5.02	23.29	14.54	81.51	114.64	(134.51)	(83.37)	98.78	(176.90)	282.63	284.32	
- Entertainment	(22.34)	(23.03)	(25.03)	(64.87)	(70.44)	(81.98)	(22.92)	(23.42)	(25.62)	(66.05)	(71.76)	(93.76)	
- Unallocable	(194.13)	(230.60)	(233.57)	(627.81)	(674.73)	(1,041.43)	(194.14)	(230.60)	(233.57)	(627.82)	(674.74)	(1,041.43)	
Total	(351.33)	(335.72)	(140.10)	(864.86)	(392.17)	(744.37)	(261.65)	(71.63)	276.33	109.38	1,095.70	1,318.19	
Less: Inter-segment results							0.43	1.84	5.26	7.24	15.60	18.62	
Less: Finance costs	(351.33)	(335.72)	(140.10)	(864.86)	(392.17)	(744.37)	(262.08)	(73.47)	271.07	102.14	1,080.10	1,299.57	
Add: Unallocable income	210.82	210.43	0.29	582.53	1.41	176.97	304.79	280.18	117.65	831.19	322.57	614.69	
Add: Exceptional items	4.35	2,466.17		14.85			9.42	6.87	4.86	38.39	8.20	11.20	
Add: Prior period items	16.15			16.15			11.70	20.00		51.70			
Profit/(loss) before tax (Refer note 2)	(573.95)	1,920.02	(140.39)	1,017.66	(363.58)	(921.34)	(569.15)	2,059.39	158.28	1,723.81	765.73	696.08	
Capital employed (segment assets less segment liabilities)													
- Bulk Drugs/chemicals													
- Property	8,871.07	9,039.04	8,453.29	8,871.07	8,453.29	8,535.36	11,523.68	11,409.02	10,584.66	11,523.68	10,584.66	10,737.28	
- Treasury	3,898.42	4,350.44	4,249.20	3,898.42	4,249.20	4,453.70	8,982.49	9,149.80	8,546.44	8,982.49	8,546.44	8,653.86	
- Entertainment	(2.90)	(3.33)	(2.41)	(2.90)	(2.41)	(0.01)	(4.14)	(4.33)	(3.19)	(4.14)	(3.19)	(1.48)	
- Unallocable	(3,509.02)	(3,530.49)	(3,846.91)	(3,509.02)	(3,846.91)	(4,725.02)	(7,784.97)	(7,713.14)	(7,604.17)	(7,784.97)	(7,604.17)	(8,411.01)	
Total capital employed	9,257.57	9,855.66	8,853.17	9,257.57	8,853.17	8,264.03	14,346.24	14,922.54	13,346.44	14,346.24	13,346.44	12,982.01	

NOTES:

- DIL Limited (the Company) is in the business of renting properties, motion film production and distribution and treasury operations. The Company also has strategic investments in subsidiaries, associates and joint ventures which are engaged in manufacturing of bulk drugs, providing services of sporting and health awareness/education activities, development of discoidal electrical motor technology and motion film production. The above unaudited quarterly financial results are presented on a standalone basis as well as on a consolidated basis so as to include the operations of the Company's subsidiaries, associates and joint ventures. The unaudited consolidated financial results includes the results of associates, a joint ventures and a subsidiary on the basis of unaudited financial statements prepared by the management.
- During the previous year, the Company on 01.01.2016 has capitalised Rs. 8,977.43 lakhs for "Thane One" Building along with its infrastructure and utilities.
- The Company has not made provision for diminution in value of investments of two associates whose carrying value in standalone financial statements is Rs. 1,009 lakhs. In view of the fact that these investments have been made in the recent years and in spite of erosion of net worth, Management is confident that profitability will be achieved by these entities and hence there is no permanent diminution in the valuation of these investments. Auditors have qualified their opinion in this regard.
- The Company has received a notice from the private equity investor/shareholder in Company's subsidiary, Fermenta Biotech Limited ("Fermenta"), in this notice, investor has notified the Company that it proposes to exercise its "Drag Along Right" with respect to the shares of Fermenta asking DIL either to acquire shares of Fermenta from the investor or drag along DIL to sell the shares of Fermenta held by investor and DIL to a third party, pursuant to the Shareholders' Agreement dated December 10, 2010 entered into by the Company, Fermenta and investor. The Company has been advised that such claim is not legally tenable and the management has concluded that there is no obligation on the Company with reference to the aforesaid alleged notice from the investor. Accordingly, no impact has been considered in the above financial results.
- During the previous quarter the Company has sold its investment of 6,87,224 equity shares of Rs 10 each of Syngene International Limited and recognised a profit of Rs. 2,466.17 Lakhs
- The Consolidated tax expenses for the quarter includes short provision for tax of Rs. 57.40 Lakhs relating to previous quarter.
- Previous year's period's figures have been regrouped wherever necessary.
- The above unaudited quarterly results have been audited by the Audit Committee of the Company and approved by the Board of Directors in its meeting held on February 13, 2017 and have been subjected to the limited review by the Statutory Auditors.

SIGNED FOR IDENTIFICATION

BY



S R B C & CO LLP
MANAGING DIRECTOR