20th February, 2019

BSE Limited
1st Floor, New Trading Wing,
Rotunda Bldg, P.J. Towers,
Dalal Street, Fort,
Mumbai- 400 001

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, 912459
NSE SYMBOL - PEL

Sub: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-
Presentation made to the Analyst/ Institutional Investor

Please find enclosed the presentation made to Analyst/Institutional Investors under SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015, the presentation is also hosted on the website of the Company.

Kindly take the above on record.

Thanking you,

Yours truly,
For Piramal Enterprises Limited

Leonard D’Souza
Company Secretary
Disclaimer

Except for the historical information contained herein, statements in this presentation and any subsequent discussions, which include words or phrases such as 'will', 'aim', 'will likely result', 'would', 'believe', 'may', 'expect', 'will continue', 'anticipate', 'estimate', 'intend', 'plan', 'contemplate', 'seek to', 'future', 'objective', 'goal', 'likely', 'project', 'on-course', 'should', 'potential', 'pipeline', 'guidance', 'will pursue' 'trend line' and similar expressions or variations of such expressions may constitute 'forward-looking statements'.

These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements.

These risks and uncertainties include, but are not limited to Piramal Enterprise Limited's ability to successfully implement its strategy, the Company's growth and expansion plans, obtain regulatory approvals, provisioning policies, technological changes, investment and business income, cash flow projections, exposure to market risks as well as other risks.

Piramal Enterprises Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

These materials are not a prospectus, a statement in lieu of a prospectus, an offering circular, an invitation or an advertisement or an offer document under the Indian Companies Act, 2013 together with the rules and regulations made thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, or any other applicable law in India. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States or in any other jurisdiction.

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

Financial Services
- Wholesale Lending
  - Loan Book of Rs. 51,335 Crs (~USD 7.4bn)
  - ROE of 19.4%; GNPA ratio of 0.5%
- Alternative Asset Management
  - AuM of Rs. 9,095 Crores
  - Marquee partners: CDPQ, APG, Bain, CPPIB
- Housing Finance
  - Loan Book Size: INR 3,920 Cr. (~USD 0.5 bn)
  - Launched HFC in Sep 2017 and expanded presence to Mumbai, Pune, Delhi-NCR, etc.
- Diversified Retail Exposure via Shriram
  - 20% stake in SCL, 10% stake in both STFC and SCUF
  - Strong position in CVs, SME, Insurance

Pharma
- Global Pharma
  - Strong portfolio of differentiated branded generic products
  - Distribution to 100+ countries
  - Integrated solutions across APIs, formulations and delivery systems
  - 13 sites (9 USFDA inspected) across US, UK and India
- India Consumer Products
  - Among the leading Indian OTC players
  - Pan-India distribution network

Healthcare Insight and Analytics
- Decision Resources Group (DRG)
  - Serving a large number of healthcare companies
  - Leveraging proprietary data
  - Offers information and analytical insights
  - Global team of over 1,200 eminent industry experts (380+ in India)
  - Recurring revenue model and high client retention

Notes: 1) As per books. Excludes unallocated portion of capital employed to various business segments; 2) ROE for current reported period 9M FY2019 is considering Cash Tax and other synergies from merger; 3) Exchange rate for revenues is Rs. 69.8 / USD and for Loan book is Rs. 69.7 / USD; 4) In addition, JV with Bain Capital Credit has Assets Under Management of ~INR 734 Crores as on 31 Dec, 2018; 5) SCL: Shriram Capital Limited; STFC: Shriram Transport Finance; and SCUF: Shriram City Union Finance
Piramal Enterprises Limited – Investor Presentation

Growth and Profitability track record

<table>
<thead>
<tr>
<th></th>
<th>9M Total Revenues</th>
<th>Normalised Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY15</strong></td>
<td>3,825</td>
<td></td>
</tr>
<tr>
<td><strong>FY16</strong></td>
<td>4,690</td>
<td></td>
</tr>
<tr>
<td><strong>FY17</strong></td>
<td>6,084</td>
<td></td>
</tr>
<tr>
<td><strong>FY18</strong></td>
<td>7,648</td>
<td>1,176</td>
</tr>
<tr>
<td><strong>FY19</strong></td>
<td>9,536</td>
<td>1,466</td>
</tr>
</tbody>
</table>

4-year CAGR – 26%

4-year CAGR – 46%

Note:
1. FY2016 - FY2019 results have been prepared based on IND AS, prior periods are IGAAP;
2) 9M FY2015 net profit excludes exceptional gain on sale of 11% stake in Vodafone India partly offset by the amount written down on account of scaling back of our investments in NCE research;
3) 9MFY2019 normalised net profit excludes non-recurring and non-cash accounting charge towards imaging assets in Q1FY2019.
## Consistent performance

### Revenues

<table>
<thead>
<tr>
<th>Period</th>
<th>Reported Period</th>
<th>Previous Period</th>
<th>% YoY Change</th>
<th>Net Profits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Reported Period</td>
</tr>
<tr>
<td>Q2FY16</td>
<td>1,504</td>
<td>1,243</td>
<td>+21%</td>
<td>235</td>
</tr>
<tr>
<td>Q3FY16</td>
<td>1,786</td>
<td>1,400</td>
<td>+28%</td>
<td>307</td>
</tr>
<tr>
<td>Q4FY16</td>
<td>1,691</td>
<td>1,298</td>
<td>+30%</td>
<td>193</td>
</tr>
<tr>
<td>Q1FY17</td>
<td>1,776</td>
<td>1,401</td>
<td>+27%</td>
<td>231</td>
</tr>
<tr>
<td>Q2FY17</td>
<td>1,966</td>
<td>1,504</td>
<td>+31%</td>
<td>306</td>
</tr>
<tr>
<td>Q3FY17</td>
<td>2,342</td>
<td>1,786</td>
<td>+31%</td>
<td>404</td>
</tr>
<tr>
<td>Q4FY17</td>
<td>2,463</td>
<td>1,691</td>
<td>+46%</td>
<td>311</td>
</tr>
<tr>
<td>Q1FY18</td>
<td>2,254</td>
<td>1,776</td>
<td>+27%</td>
<td>302</td>
</tr>
<tr>
<td>Q2FY18</td>
<td>2,536</td>
<td>1,966</td>
<td>+29%</td>
<td>384</td>
</tr>
<tr>
<td>Q3FY18</td>
<td>2,858</td>
<td>2,342</td>
<td>+22%</td>
<td>490</td>
</tr>
<tr>
<td>Q4FY18²</td>
<td>2,991</td>
<td>2,463</td>
<td>+21%</td>
<td>375</td>
</tr>
<tr>
<td>Q1FY19³</td>
<td>2,902</td>
<td>2,254</td>
<td>+29%</td>
<td>382</td>
</tr>
<tr>
<td>Q2FY19</td>
<td>3,144</td>
<td>2,536</td>
<td>+24%</td>
<td>480</td>
</tr>
<tr>
<td>Q3FY19</td>
<td>3,489</td>
<td>2,858</td>
<td>+22%</td>
<td>603</td>
</tr>
</tbody>
</table>

### Net Profits

**Note:**
1. FY2016, FY2017, FY2018 & FY2019 results have been prepared based on IND AS.
2. Q4FY2018 normalised net profit excludes synergies from reverse merger of subsidiaries in Financial services segment.
3. Q1FY2019 normalised net profit excludes non-recurring and non-cash accounting charge towards imaging assets.
**Strong performance trend in Financial Services**

**Financial Services Performance**

<table>
<thead>
<tr>
<th>Gross NPA ratio as on 31 Dec 2018 is 0.5%</th>
</tr>
</thead>
</table>

**Performance Highlights**

**Asset Quality**
- Consistently maintained healthy asset quality; GNPA below 1% since last 11 quarters

**ROE**
- ROE of 25%+ over last 10 consecutive quarters, prior to the fund raise
  - 9M FY2019 ROE of 19.4%

**Portfolio Diversification**
- Housing finance loan book grew 69% QoQ to Rs.3,920 Crores, despite the volatile environment.
  - The business constitutes ~7% of overall loan book in Dec-2018 vs. 1% in Dec-2017

**Growth**
- Delivered 45%+ YoY growth in loan book in each of the last 15 quarters
  - During 9MFY2019, loan Book grew 45% YoY to Rs. 55,255 Crores

*Not reported Notes: 1) ROE for past periods are reported for full year results have been prepared based on IIND AS, prior periods are IGAAP 2) ROE for current reported period 9M FY2019 considers Cash Tax and other synergies from merger 3) FY2016 - FY2019
### Financial Services: Performing better than peers, despite volatile environment

**PEL’s relative position vs. median for peers**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>PEL</th>
<th>PEL’s relative position</th>
<th>Median – Peers</th>
<th>Peer 1</th>
<th>Peer 2</th>
<th>Peer 3</th>
<th>Peer 4</th>
<th>Peer 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan book growth – YoY (%)</td>
<td>45%</td>
<td></td>
<td>28%</td>
<td>41%</td>
<td>13%</td>
<td>28%</td>
<td>28%</td>
<td>22%</td>
</tr>
<tr>
<td>NIM – 9M FY19 (%)</td>
<td>6.6%</td>
<td></td>
<td>5.0%</td>
<td>11.7%</td>
<td>3.5%</td>
<td>7.0%</td>
<td>2.4%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Gross NPA ratio (%)</td>
<td>0.5%</td>
<td></td>
<td>1.8%</td>
<td>1.8%</td>
<td>1.2%</td>
<td>2.7%</td>
<td>0.5%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Debt-to-equity (D/E)$^1$ (x)</td>
<td>4.6x</td>
<td></td>
<td>6.3x</td>
<td>6.2x</td>
<td>3.4x</td>
<td>7.8x</td>
<td>9.2x</td>
<td>6.3x</td>
</tr>
<tr>
<td>ROE$^2$ – 9M FY19 (%)</td>
<td>19%</td>
<td></td>
<td>18%</td>
<td>16%</td>
<td>20%</td>
<td>21%</td>
<td>16%</td>
<td>18%</td>
</tr>
<tr>
<td>Price-to-book multiple (x)</td>
<td>-</td>
<td></td>
<td>3.6x</td>
<td>9.0x</td>
<td>3.7x</td>
<td>3.6x</td>
<td>2.2x</td>
<td>2.0x</td>
</tr>
</tbody>
</table>

Note: Peer data as reported. Peer set includes (not necessarily in the same order): Bajaj Finance, Cholamandalam Finance, HDFC Ltd., L&T Finance and PNB Housing Finance.  
(1) D/E multiple for HDFC Ltd. and LIC Housing Finance as of Sep 30, 2018; Gearing multiple for PNB Housing Finance; D/E multiple for PEL’s lending business only, excludes investments in Shriram companies, DTA benefit from reverse merger and equity allocated to the Alternate AUM business. Overall D/E multiple for PEL’s Financial Services business is 2.7x as of Dec-2018, including investments in Shriram.  
(2) ROE for PEL on a cash tax basis (considering the capital allocation from the fund raise); Operating Return on Embedded Value for HDFC.  
Source: Company filings / disclosures, Bloomberg
Consistent performance trend: Pharma

Pharma Performance

(in INR crores)

- Pharma Revenue
- Global Pharma EBITDA Margin (%)

4%  9%  12%  15%  17%  17%  15%  21%  21%

8 yrs Revenue CAGR – 16%

Performance Highlights

Growth

- PEL’s Pharma revenue has grown at a CAGR of 16% over last 8 years

Profitability

- Global Pharma (accounts for 93% of Pharma revenues\(^1\)) has delivered a strong growth in EBITDA margins from 4% in 9M FY11 to 21% in 9M FY19

Quality & Compliance

- Successfully cleared 32 USFDA inspections, 130 other regulatory audits and 964 customer audits, since FY 2011

Differentiated Model

- Our differentiated business model has enabled us to perform better than most of the other Indian Pharma companies

Notes:

1. Excludes revenue from JV with Allergan
2. FY2016 - FY2019 results have been prepared based on IND AS, prior periods are IGAAP
3. Global Pharma revenue accounted for 93% of the overall Pharma revenue during 9MFY19
4. Pharma revenue includes Global Pharma and consumer products
Pharma: Our differentiated business model enabling better performance vs. peers

<table>
<thead>
<tr>
<th>Particulars</th>
<th>PEL - Overall Pharma</th>
<th>PEL's relative position</th>
<th>Median - Peers</th>
<th>Peer 1</th>
<th>Peer 2</th>
<th>Peer 3</th>
<th>Peer 4</th>
<th>Peer 5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue growth – YoY (%)</strong></td>
<td>FY16</td>
<td>16%</td>
<td>12%</td>
<td>12%</td>
<td>4%</td>
<td>5%</td>
<td>22%</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>FY17</td>
<td>12%</td>
<td>8%</td>
<td>23%</td>
<td>11%</td>
<td>(9%)</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>FY18</td>
<td>11%</td>
<td>1%</td>
<td>(9%)</td>
<td>(14%)</td>
<td>1%</td>
<td>3%</td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td>9M FY19</td>
<td>11%</td>
<td>7%</td>
<td>4%</td>
<td>12%</td>
<td>7%</td>
<td>4%</td>
<td>15%</td>
</tr>
<tr>
<td><strong>EBITDA margin1 – 9M FY19 (%)</strong></td>
<td>21%</td>
<td>20%</td>
<td>19%</td>
<td>23%</td>
<td>22%</td>
<td>18%</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td><strong>EV / EBITDA (x)2</strong></td>
<td>-</td>
<td>-</td>
<td>17x</td>
<td>17x</td>
<td>17x</td>
<td>17x</td>
<td>16x</td>
<td>13x</td>
</tr>
</tbody>
</table>

Note: Pharma peer set includes (not necessarily in the same order): Aurobindo Pharma, Cipla, Dr. Reddy's Lab, Lupin and Sun Pharma
(1) EBITDA margin for PEL is for the Global Pharma business (93% of overall Pharma business)  
(2) Trailing twelve months as of Feb 13, 2019
Source: Companies reported numbers, Stock Exchange Filings, Bloomberg
Creating significant value for shareholders

Shareholder value creation in less than 3 decades

- Incremental Market cap
- Dividend Paid
- Capital Returned through Buyback
- Capital Raised

1. Company raised less than INR 500 Cr during the entire period (includes initial capital invested in the company in 1988)
2. All numbers till 1992 represent book value

<table>
<thead>
<tr>
<th>Period</th>
<th>Incremental Market cap</th>
<th>Dividend Paid</th>
<th>Capital Returned through Buyback</th>
<th>Capital Raised</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY1988</td>
<td>7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY1989-1992</td>
<td>26</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY1993-1997</td>
<td>387</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY1998-2003</td>
<td>715</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2004-2009</td>
<td>4,064</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2010-2011</td>
<td></td>
<td></td>
<td>7,396</td>
<td></td>
</tr>
<tr>
<td>FY2012-2019</td>
<td></td>
<td></td>
<td>21,124</td>
<td></td>
</tr>
<tr>
<td>A+B+C</td>
<td></td>
<td></td>
<td></td>
<td>43,708</td>
</tr>
</tbody>
</table>

Note:
1. Analysis carried out based on market information till 31 Jan 2019
2. Value Creation total numbers includes Capital Raised amount

- 23% Revenue CAGR for last 30 years
- 29% Net Profit CAGR for last 30 years
- 28% Annualized return to shareholders over last 30 years

Source: Bloomberg
* Assumed dividend reinvested in the stock
Long-term returns to shareholders consistently outperforming benchmarks

Consistently delivered strong shareholder returns – significantly higher than benchmarked indices

<table>
<thead>
<tr>
<th></th>
<th>5 year Annualized Return²</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PEL</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>Nifty</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>

Notes:
1) Total shareholder returns are as on 31 Jan 2019. Assumes reinvestment of dividend in the stock (Source: Bloomberg);
2) Annualized returns are as on 31 Jan 2019;
3) Of the buy back of 41.8 mn shares shown in FY11, buyback of 0.7 mn shares happened in FY12;
4) Capital returned to shareholder through dividends doesn’t include amount paid under Dividend Distribution Tax;
5) Excludes any dividend payout upon conversions of CCDs & related Rights till book closure date
# Board of Directors

## Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Experience/Qualifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Swati Piramal</td>
<td>Vice-Chairperson</td>
<td>Eminent Scientist, Awardee of Padma Shri</td>
</tr>
<tr>
<td>Nandini Piramal</td>
<td>Executive Director, OTC, HR, Quality &amp; Risk</td>
<td>MBA, Stanford</td>
</tr>
<tr>
<td>Anand Piramal</td>
<td>Non-Executive Director, Heads Piramal Realty</td>
<td>MBA, Harvard</td>
</tr>
<tr>
<td>Vijay Shah</td>
<td>Executive Director, 25+ years with Group turnaround businesses</td>
<td></td>
</tr>
</tbody>
</table>

## Independent Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Experience/Qualifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>N Vaghul</td>
<td>Former Chairman, ICICI Bank</td>
<td></td>
</tr>
<tr>
<td>Gautam Banerjee</td>
<td>Senior MD &amp; Co-Chairman, Asia Operating Committee, Blackstone, Singapore</td>
<td></td>
</tr>
<tr>
<td>Arundhati Bhattacharya</td>
<td>Former Chairperson, State Bank of India</td>
<td></td>
</tr>
<tr>
<td>Deepak M Satwalekar</td>
<td>Former MD &amp; CEO, HDFC Standard Life</td>
<td></td>
</tr>
<tr>
<td>Siddharth (Bobby) Mehta</td>
<td>Former President &amp; CEO, Transunion</td>
<td></td>
</tr>
<tr>
<td>S Ramadorai</td>
<td>Former Vice-Chairman, TCS</td>
<td></td>
</tr>
<tr>
<td>Prof. Goverdhan Mehta</td>
<td>Eminent Scientist, Former Director - IISc</td>
<td>Awardee of Padma Shri</td>
</tr>
<tr>
<td>Keki Dadiseth</td>
<td>Former Chairman, Hindustan Unilever Ltd</td>
<td></td>
</tr>
<tr>
<td>Dr. R Maselkar</td>
<td>Eminent Scientist, Former DG, CSIR Awardee of Padma Vibhushan</td>
<td></td>
</tr>
</tbody>
</table>
Robust Governance Mechanism

Board of Directors

- **Legal, Risk, Quality and Compliance teams are independent and report directly to the Board members**

Board Sub-committees

- **PHARMA**
  - Pharma Operations Board
    - Executive Directors
    - Key Business CEOs
    - External Experts

- **FINANCIAL SERVICES**
  - 5 Investment Committees for Real Estate Lending, RE Fund Management, Corporate Finance Transactions, Emerging Corporate Lending and Housing Finance
    - Executive Directors
    - Independent Directors
    - Financial Services CEO
    - External Experts
    - Business Vertical Heads

- **HEALTHCARE INSIGHT & ANALYTICS**
  - Healthcare Insight & Analytics Board
    - Independent Director
    - Business CEO
    - External Expert
Trusted Partnerships

Our Strategic Partners

Our Top Investors
Values Create Value

**Partnerships**
- **Long term partnerships** with financial and operational partners
- Pharma business developed through relationships
- **Long-standing relationships** with global partners including Allergan (JV since 1996), Bain (JV for distressed debt)

**Shriram –Shared Vision**
- **Retail exposure** through investments in Shriram Group
- Opportunity to invest in Shriram Group emerged due to matching set of values
- Mr. Ajay Piramal is the Chairman of Shriram Capital

**Tenured Leadership**
- Professional management team
- Experienced leadership with domain expertise

**Alignment with Minority Shareholder Interests**
- Largest effective promoter shareholding among Financial Institutions
- No equity investments of Promoters outside of Piramal Group
- No inter-group lending to Piramal Realty
- ESOP program funded by Promoters since 1996

**Business Ethics, Integrity and Corporate Governance**
- 32 US FDA Inspections cleared since 2011
- High asset quality – GNPA of 0.5% in Q3 FY2019
- Reputed and experienced Board

Note:
(1) Based on 90 days past due (DPD)
Financial Services
Diversified exposure across both wholesale and retail financing

As on Dec 31, 2018

<table>
<thead>
<tr>
<th>Financial Services</th>
<th>Loan Book – Rs. 55,255 Cr</th>
<th>AUM – Rs. 9,095 Cr</th>
<th>Investments in Shriram – Rs. 6,782 Cr</th>
</tr>
</thead>
</table>

Wholesale business

- Lending
  - Loan Book – Rs. 51,335 Cr

- Real Estate
  - Loans – Rs. 40,080 Cr

- CFG
  - Loans – Rs. 9,808 Cr

- ECL
  - Loans – Rs. 1,447 Cr

- Real Estate
  - AUM – Rs. 7,265 Cr

- CFG
  - AUM – Rs. 1,830 Cr

Retail business

- Alternative AUM
  - AUM – Rs. 9,095 Cr

- Housing Finance
  - Loan Book – Rs. 3,920 Cr

- India Resurgence Fund
  - JV with Bain Capital Credit
    - AUM – Rs. 7,620 Cr
    - Loan Book – Rs. 53,793 Cr

- Investments in Shriram
  - Total Investments – Rs. 6,782 Cr

- SCL
  - 20% stake

- STFC
  - 10% stake

- SCUF
  - 10% Stake

CFG – Corporate Finance Group; ECL – Emerging Corporate Lending; HFC – Housing Finance Company; SCL – Shriram Capital Limited; STFC – Shriram Transport Finance Corp.; SCUF – Shriram City Union Finance

Strong portfolio with total investments, loans and assets under management of over INR 70,000 Crores

(1) In addition, India Resurgence Fund (the JV with Bain Capital Credit) has Assets Under Management of ~INR 734 Crores as on 31 Dec, 2018
Continued scaling up of loan book despite liquidity tightening

*(in INR Crores)*

- Total Loan Book grew 45% YoY to Rs. 55,255 Crores as on 31 Dec 2018
- Robust asset quality:
  - Gross NPAs ratio (based on 90 dpd) remained stable at 0.5% as on 31 Dec 2018
  - Total provisioning maintained at 1.8%

Alternative Assets Under Management was Rs. 9,095 Crores\(^1\) as on 31 Dec, 2018

Note: Carrying value till Dec’15 and amortised cost thereafter

(1) In addition, India Resurgence Fund (the JV with Bain Capital Credit) has Assets Under Management of ~INR 734 Crores as on 31 Dec, 2018
Consistently expanding product portfolio

- Alternative Asset Management
- Corporate Finance
- Housing Finance
- Emerging Corporate Lending
- India Resurgence Fund

Total no. of products - 22

Products added

- Real Estate
- Mezzanine Lending
- Loan Against Shares
- Corporate Finance
- Real Estate – AUM

Note: CF – Construction Finance
Financial Services: Revenues, repayments and key performance indicators

Income from Financial Services¹ (in INR Crores)

<table>
<thead>
<tr>
<th></th>
<th>9M FY13</th>
<th>9M FY14</th>
<th>9M FY15</th>
<th>9M FY16</th>
<th>9M FY17</th>
<th>9M FY18</th>
<th>9M FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>264</td>
<td>546</td>
<td>674</td>
<td>1,192</td>
<td>2,352</td>
<td>3,586</td>
<td>5,131</td>
</tr>
</tbody>
</table>

6-year CAGR – 64%

Trend of cumulative repayments² (in INR Crores)

<table>
<thead>
<tr>
<th></th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>9M19</th>
</tr>
</thead>
<tbody>
<tr>
<td>~INR 3,000 Cr. of repayments in 3Q FY2019; or 48% of disbursements</td>
<td>123</td>
<td>911</td>
<td>2,793</td>
<td>5,379</td>
<td>9,566</td>
<td>23,579</td>
<td>35,924</td>
</tr>
<tr>
<td>~INR 1,000 Cr. of loans down-sold in 3Q FY2019</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Key Performance Indicators: PEL Financial Services (excl. Shriram)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>9M FY2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Loan Book size</td>
<td>Rs. 55,255 Crores</td>
</tr>
<tr>
<td>Total Equity on Lending</td>
<td>Rs. 10,193 Crores</td>
</tr>
<tr>
<td>Total Equity on Lending (considering Cash Tax)</td>
<td>Rs. 10,411 Crores</td>
</tr>
<tr>
<td>Debt-to-Equity (for Lending business)</td>
<td>4.6x</td>
</tr>
<tr>
<td>Average Yield on Loans</td>
<td>13.7%</td>
</tr>
<tr>
<td>Average Cost of Borrowings</td>
<td>8.7%</td>
</tr>
<tr>
<td>Net Interest Margin</td>
<td></td>
</tr>
<tr>
<td>Cost to Income Ratio</td>
<td>6.6%</td>
</tr>
<tr>
<td>Total Provisioning as on December 31, 2018</td>
<td>1.8%</td>
</tr>
<tr>
<td>Gross NPA ratio (based on 90 dpd)</td>
<td>0.5%</td>
</tr>
<tr>
<td>ROA</td>
<td>3.3%</td>
</tr>
<tr>
<td>ROA (considering Cash Tax and other synergies from merger)</td>
<td>3.9%</td>
</tr>
<tr>
<td>ROE</td>
<td>16.6%</td>
</tr>
<tr>
<td>ROE (considering Cash Tax and other synergies from merger)</td>
<td>19.4%</td>
</tr>
</tbody>
</table>

¹ FY2016, FY2017 & FY2018 numbers are as per IND AS and prior period are as per IGAAP
² For loan book only; excludes our investment in Vodafone India, which was exited during FY2015
Significant equity allocated to the Financial Services business

Equity (Book Value) - % split

- Lending: 49%
- Shriram Investments: 32%
- Others*: 19%

Total: ~INR 21,000 Cr.

~INR 10,000 Cr invested in the Lending business

Incl. ~INR 3,500 Cr Synergies from reverse merger

Debt-to-Equity (D/E) - Financial Services

Post fund raise

- In 3Q18, only ~INR 2,300 Cr was allocated to Financial Services
- In 4Q18, the remainder of the ~INR 5,000 Cr (of the est. allocation) was allocated towards the business

Total equity in the Financial Services (FS) Business of ~INR 21,000 Cr vs. loan book of ~INR 55,000 Cr

* Others includes DTA benefit from reverse merger and equity allocated to Alternate AUM business

(1) Based on estimated allocation. Debt-to-equity ratio of PEL’s lending business only, excludes DTA benefit from reverse merger and equity allocated to Alternate AUM business
Profitability and asset quality trends

PEL’s Financial Services ROE\(^1\) performance

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q17</th>
<th>1H17</th>
<th>9M17</th>
<th>FY17</th>
<th>1Q18</th>
<th>1H18</th>
<th>9M18</th>
<th>FY18</th>
<th>1Q19</th>
<th>1H19</th>
<th>9M19</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROE</td>
<td>25%+</td>
<td>25%+</td>
<td>25%+</td>
<td>25%+</td>
<td>25%+</td>
<td>25%+</td>
<td>21%</td>
<td>19%</td>
<td>19%</td>
<td>20%</td>
<td>19%</td>
</tr>
</tbody>
</table>

Post fund raise\(^2\)

PEL’s Financial Services GNPA performance

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q17</th>
<th>2Q17</th>
<th>3Q17</th>
<th>4Q17</th>
<th>1Q18</th>
<th>2Q18</th>
<th>3Q18</th>
<th>4Q18</th>
<th>1Q19</th>
<th>2Q19</th>
<th>3Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>GNPA</td>
<td>0.6%</td>
<td>0.4%</td>
<td>0.5%</td>
<td>0.4%</td>
<td>0.2%</td>
<td>0.2%</td>
<td>0.4%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.5%</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

Note:  
(1) ROE calculation for PEL on a cash tax basis, considering the capital allocation from the fund raise.  
(2) In 3Q18, ~INR 2,300 Cr was allocated to Financial Services. In 4Q18, the entire ~INR 5,000 Cr (of the estimated allocation) was allocated to the business.
Consistent diversification of loan book by lowering the risk profile

Trend of changing portfolio mix (%)

<table>
<thead>
<tr>
<th>Period</th>
<th>Total (In INR Crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,933</td>
</tr>
</tbody>
</table>

- Dec-14: 67% Housing Finance, 28% Construction Finance - Commercial, 22% Construction Finance - Residential, 16% Corporate Finance Group, 7% Loans against property (LAP), 6% Emerging Corporate Lending, 3% Hospitality, 2% Lease Rent Discounting (LRD), 2% Structured Debt
- Dec-15: 54% Housing Finance, 44% Construction Finance - Commercial, 22% Construction Finance - Residential, 16% Corporate Finance Group, 7% Loans against property (LAP), 6% Emerging Corporate Lending, 3% Hospitality, 2% Lease Rent Discounting (LRD), 2% Structured Debt
- Dec-16: 35% Housing Finance, 40% Construction Finance - Commercial, 22% Construction Finance - Residential, 16% Corporate Finance Group, 7% Loans against property (LAP), 6% Emerging Corporate Lending, 3% Hospitality, 2% Lease Rent Discounting (LRD), 2% Structured Debt
- Dec-17: 22% Housing Finance, 40% Construction Finance - Commercial, 22% Construction Finance - Residential, 16% Corporate Finance Group, 7% Loans against property (LAP), 6% Emerging Corporate Lending, 3% Hospitality, 2% Lease Rent Discounting (LRD), 2% Structured Debt
- Dec-18: 19% Housing Finance, 38% Construction Finance - Commercial, 22% Construction Finance - Residential, 16% Corporate Finance Group, 7% Loans against property (LAP), 6% Emerging Corporate Lending, 3% Hospitality, 2% Lease Rent Discounting (LRD), 2% Structured Debt

Note: Corporate Finance Group incl. education loans
Real estate and non-real estate loan book development

Real Estate (incl. Housing Finance) Loan Book

<table>
<thead>
<tr>
<th></th>
<th>Dec-14</th>
<th>Dec-15</th>
<th>Dec-16</th>
<th>Dec-17</th>
<th>Dec-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>2,630</td>
<td>9,692</td>
<td>19,916</td>
<td>31,025</td>
<td>40,080</td>
</tr>
<tr>
<td>Wholesale</td>
<td></td>
<td></td>
<td></td>
<td>491</td>
<td>3,920</td>
</tr>
</tbody>
</table>

CFG includes education loans

CFG¹ and ECL Loan Book

<table>
<thead>
<tr>
<th></th>
<th>Dec-14</th>
<th>Dec-15</th>
<th>Dec-16</th>
<th>Dec-17</th>
<th>Dec-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECL</td>
<td>6,392</td>
<td>9,808</td>
<td>619</td>
<td>1,447</td>
<td>9,808</td>
</tr>
<tr>
<td>CFG</td>
<td>1,303</td>
<td>1,377</td>
<td>2,735</td>
<td>6,392</td>
<td>11,255</td>
</tr>
</tbody>
</table>

Note: Carrying value till Dec'15 and amortised cost thereafter

1) CFG includes education loans
## Real Estate end-to-end financing model

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Private Equity</th>
<th>Mezzanine Lending</th>
<th>Construction Finance</th>
<th>Lease Rent Discounting</th>
<th>Housing Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Stages of lending</strong></td>
<td>Primarily for land purchase</td>
<td>Post land purchase till commencement of construction (Phase of obtaining approvals)</td>
<td>For construction of projects</td>
<td>Lease rental discounting for commercial projects</td>
<td>Providing housing loans to home buyers</td>
</tr>
<tr>
<td>for a project</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Size</strong></td>
<td>Off Balance Sheet (3rd Party Funds with PEL sponsor commitment upto 7.5%)</td>
<td>On Balance Sheet</td>
<td>On Balance Sheet</td>
<td>On Balance Sheet</td>
<td>On Balance Sheet</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Year of commencement</strong></td>
<td>Started in 2006; acquired by PEL in 2011</td>
<td>2011</td>
<td>2015</td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td><strong>Current Size</strong></td>
<td>INR 5,490 Crores*</td>
<td>INR 11,764 Crores</td>
<td>INR 23,361 Crores</td>
<td>INR 4,955 Crores</td>
<td>INR 3,920 Crores</td>
</tr>
<tr>
<td><strong>Yield / IRR</strong></td>
<td>20-24%</td>
<td>14-17%</td>
<td>13-15%</td>
<td>9-11%**</td>
<td>9-11%**</td>
</tr>
<tr>
<td><strong>Tenor</strong></td>
<td>4-6 years</td>
<td>3-5 years</td>
<td>4-6 years</td>
<td>7-15 years</td>
<td>20-30 years</td>
</tr>
</tbody>
</table>

* Includes Ivanhoe commitment
** To down-sell a portion of the portfolio to maintain ROE
Integrated platform creating significant value for customers

- Marrying distressed partners with others with capabilities to execute
- Asset Monitoring enables on time project completion
- Brickex assists in boosting partner's sales
- Plan long term growth strategy for our partners
- Providing insights to partners through proprietary data
- Cross sharing of best practices amongst partners across regions
- Working closely with regulators to assist in critical industry policies
- Working towards creating a fiduciary platform providing exit opportunities to partners
Developer concentration and share in industry-wide sales

Share of our clients in industry-wide sales

<table>
<thead>
<tr>
<th>Region / City</th>
<th>Total No. of Developers</th>
<th>Sales, in the last 6-months (based on area)</th>
<th>Share of PEL (%)</th>
<th>Share of PEL's clients (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MMR</td>
<td>0.8%</td>
<td>5.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bangalore</td>
<td>2.6%</td>
<td>3.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NCR</td>
<td>2.6%</td>
<td>10.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chennai</td>
<td>2.6%</td>
<td>2.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pune</td>
<td>0.5%</td>
<td>3.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ahmedabad + Surat</td>
<td>0.9%</td>
<td>2.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hyderabad</td>
<td>0.9%</td>
<td>3.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>1.3%</td>
<td>4.7%</td>
</tr>
</tbody>
</table>

**Our share in developer relationships**

**Our developers’ share of sales owing to superior project performance**

Loan book exposure: Top-10 developer loans vs. Other loans

Total: INR 55,255 Cr.

- Developer 1: 3%
- Developer 2: 7%
- Developer 3: 7%
- Developer 4: 4%
- Developer 5: 4%
- Developer 6: 2%
- Developer 7: 2%
- Developer 8: 2%
- Developer 9: 2%
- Developer 10: 2%
- Other developers: 42%
- Corporate Finance: 18%
- Housing Finance: 13%
- Emerging Corporate Lending: 3%

Top-10 developers constitute ~30% of total lending exposure
Residential RE: Comparison of our portfolio with overall industry on prices, sales and unsold inventory

YoY change in prices: 2018 vs. 2017

<table>
<thead>
<tr>
<th>Location</th>
<th>Overall Industry</th>
<th>PEL's Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mumbai</td>
<td>-7%</td>
<td>1%</td>
</tr>
<tr>
<td>NCR</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Pune</td>
<td>-3%</td>
<td>-3%</td>
</tr>
<tr>
<td>Bengaluru</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Ahmedabad</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>Chennai</td>
<td>-3%</td>
<td>7%</td>
</tr>
<tr>
<td>Hyderabad</td>
<td>-6%</td>
<td>17%</td>
</tr>
</tbody>
</table>

YoY change in sales\(^1\): 2H 2018 vs. 2H 2017

<table>
<thead>
<tr>
<th>Location</th>
<th>Overall Industry</th>
<th>PEL's Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mumbai</td>
<td>4%</td>
<td>34%</td>
</tr>
<tr>
<td>NCR</td>
<td>10%</td>
<td>134%</td>
</tr>
<tr>
<td>Pune</td>
<td>4%</td>
<td>29%</td>
</tr>
<tr>
<td>Bengaluru</td>
<td>35%</td>
<td>7%</td>
</tr>
<tr>
<td>Ahmedabad</td>
<td>1%</td>
<td>153%</td>
</tr>
<tr>
<td>Chennai</td>
<td>-15%</td>
<td>11%</td>
</tr>
<tr>
<td>Hyderabad</td>
<td>15%</td>
<td>132%</td>
</tr>
</tbody>
</table>

Unsold residential inventory – YoY change

<table>
<thead>
<tr>
<th>Location</th>
<th>Overall Industry: Unsold Residential Inventory</th>
<th>PEL’s Portfolio: Unsold residential inventory</th>
</tr>
</thead>
<tbody>
<tr>
<td>NCR</td>
<td>Change, in % Dec-18 vs. Dec-17: -5%</td>
<td>-20%</td>
</tr>
<tr>
<td>Mumbai</td>
<td>-8%</td>
<td>-14%</td>
</tr>
<tr>
<td>Bengaluru</td>
<td>-2%</td>
<td>-2%</td>
</tr>
<tr>
<td>Pune</td>
<td>-9%</td>
<td>-13%</td>
</tr>
<tr>
<td>Chennai</td>
<td>-4%</td>
<td>-14%</td>
</tr>
<tr>
<td>Ahmedabad</td>
<td>-45%</td>
<td>-15%</td>
</tr>
<tr>
<td>Hyderabad</td>
<td>-6%</td>
<td>-8%</td>
</tr>
<tr>
<td>Total</td>
<td>-7%</td>
<td>-14%</td>
</tr>
</tbody>
</table>

Note: Trends based on number of residential housing units  
(1) YoY change for PEL’s portfolio includes sales from new launches
Source: Figures based on internal calculations, various industry and brokerage reports

Our clients witnessed a stronger pick-up sales, relatively stable prices and higher decline in unsold inventory as compared to the broader industry.
Housing Finance: Growth Drivers

Significant opportunity from existing developer relationships
- Tapping even a portion of the existing developers’ customer base can create a significant opportunity
- 240 Developers
- 720 Projects

Leveraging Brickex
- 10,000+ Distributors
- Brickex is India’s leading B2B aggregation platform focusing on sales & marketing of Real Estate and Financial Services products with a network of 10,000+ distributors across Tier I cities

Focusing on Tier II and Tier III cities
- Targeting to open 24 branches by 2020
- 50% Tier I
- 50% Tier II & III

Extending loans to the self-employed
- FY2020
- Salaried 30%
- Self-employed 70%

LAP, Small Construction Finance
- Small Construction Finance
  - Target top developers in Tier II & III cities
  - Leveraging Brickex for market insights / sourcing
- Loan against property (LAP)
  - To enter the market through Piramal ecosystem
  - Specialised underwriting cell for self-employed

Affordable housing
- Our development partners entering affordable segment
  - To selectively fund based on existing relationship
- Higher margins with selective use of syndication/down selling
Housing Finance: Performance trends

### Customer Mix
- Salaried: 58%
- Self-employed: 42%

### Home Loans: Average Ticket Size (INR Cr)
- Dec-17: 4.9
- Mar-18: 0.7
- Jun-18: 0.8
- Sep-18: 0.7
- Dec-18: 0.65

### Zone-wise Loan Book
- West: 73%
- North: 15%
- South: 12%

### Log-in Trends
- Dec-17: 155
- Mar-18: 292
- Jun-18: 651
- Sep-18: 1,000
- Dec-18: 1,680
Corporate Finance Group: Performance track record

Increased number of sectors with growth in lending platform

<table>
<thead>
<tr>
<th>FY 14</th>
<th>FY 16</th>
<th>FY 17</th>
<th>9M FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book: INR 925 Cr</td>
<td>Book: INR 1,857 Cr</td>
<td>Book: INR 3,599 Cr</td>
<td>Book: INR 9,707 Cr</td>
</tr>
<tr>
<td>Roads</td>
<td>Roads</td>
<td>Roads</td>
<td>Roads</td>
</tr>
<tr>
<td>Renewable</td>
<td>Renewable</td>
<td>Renewable</td>
<td>Renewable</td>
</tr>
<tr>
<td>Cement</td>
<td>Cement</td>
<td>Cement</td>
<td>Auto Ancillaries</td>
</tr>
<tr>
<td>Auto Ancillaries</td>
<td>Transmission</td>
<td>Logistics and Warehousing</td>
<td>Packaging</td>
</tr>
</tbody>
</table>

Yield range widened to 13-16%

<table>
<thead>
<tr>
<th>FY14 - FY16</th>
<th>As of Dec-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 TEAM</td>
<td>46 1</td>
</tr>
<tr>
<td>Infra</td>
<td>SECTOR FOCUS</td>
</tr>
<tr>
<td>INR 1,857 Cr</td>
<td>Mezzanine</td>
</tr>
<tr>
<td>INR 2,015 Cr</td>
<td>PRODUCTS</td>
</tr>
<tr>
<td>INR 9,707 Cr 2</td>
<td>Mezzanine, Senior Debt, Project Finance, Loan Against Shares</td>
</tr>
</tbody>
</table>

(1) Includes ‘Partner Functions’, such as Risk Management, Asset Monitoring, Legal etc.
(2) Loan Book excluding Education Loans
Launch and progress of Emerging Corporate Lending

**Target segments**
- Financing requirements of emerging and mid-market companies

**Products offered**
- Senior Debt, Loan against Property, Lease Rental Discounting, Promoter Financing, Structured Debt, Loans against Shares etc.

**Ticket size**
- Offering solutions with ticket size ranging from Rs.10 Cr. to Rs.125 Cr.

**Sector-agnostic platform**
- Funding diverse sectors including auto ancillaries, manufacturing, pharma, services, hospitality, etc.

**Risk profile**
- Low Risk Portfolio with deals backed by cashflows

**Progress so far**
- Loan book of Rs.1,447 Cr. as on 31 Dec 2018
- Set up team of 27 people including underwriting, investment, dedicated business operations, legal and asset monitoring functions
- For deal origination, senior relationship managers are based in Mumbai, Delhi, Chennai, Bangalore, Hyderabad, Pune and Ahmedabad

**Key Strategies**
- Leverage CFG business model
- Leverage learnings from RE financing
- Focus on small & medium enterprises (SMEs)
- Expand into Tier II & Tier III cities

**1 year journey: Sep’17 to Dec’18**
- Loan book: INR 1,447 crores
- Team size: 27*; Deals: 33
- Lending to multiple sectors across 10 locations
- Offering senior debt, LAP, LRD, Promoter financing & Structured debt, etc.

* Team size including ‘Partner Functions’, such as Risk Management, Asset Monitoring, Legal etc.
Partnership with Shriram – Strategic in nature

- Market capitalization of c. Rs. 350 bn (US$4.9bn) for listed entities
- US$ 21.2 bn of assets under management
- 3,500+ branches
- Customer base of 19.6+ mn
- Exposure to retail financing segments including: Used and New CVs, Small and Medium Enterprises, Consumer and Gold loans, Life Insurance and General Insurance
- **Leading player** in used Commercial Vehicle and Micro, Small and Medium Enterprises financing

---

**Acquired ~10% stake in STFC**
Invested Rs.1,636 Crores

**Acquired 20% stake in SCL**
Invested Rs.2,146 Crores

**Acquired ~10% stake in SCUF**
Invested Rs.801 Crores

**Total investments in Shriram Group**
Rs.4,583 Crores

---

**Share Price Performance since investments (Rs. per share)**

- **Shriram Transport Finance**
  - 10 May 2013: 723
  - 31 Jan 2019: 1,015
  - 40% increase

- **Shriram City Union Finance**
  - 5 Jun 2014: 1,200
  - 31 Jan 2019: 1,713
  - 43% increase

---

Note: FX rate: 1 USD= Rs. 71

(1) Listed entities include Shriram Transport Finance and Shriram City Union Finance
(2) As of 31st Jan, 2019
(3) As of 30th Sep, 2018
(4) PEL’s purchase price on the respective date of investment - Doesn’t include related costs in acquiring these stakes
Distressed Investment Opportunity

Industry Overview

Stressed Loans (% of Bank Loans in India)\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Restructured</th>
<th>GNPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar '15</td>
<td>11.1%</td>
<td></td>
</tr>
<tr>
<td>Mar '16</td>
<td>11.2%</td>
<td></td>
</tr>
<tr>
<td>Mar '17</td>
<td>11.3%</td>
<td></td>
</tr>
<tr>
<td>Mar '18</td>
<td>11.5%</td>
<td></td>
</tr>
<tr>
<td>Sep '18</td>
<td>11.3%</td>
<td></td>
</tr>
</tbody>
</table>

- NPLs of ~USD 220-250 bn to be resolved to fund new asset creation
- RBI firm on ensuring that debt restructuring schemes are viable
- Stress lies in industrial sectors (power, steel, cement), export businesses (textiles, pharma) and domestic underfed sectors (pharma, hotels)
- Delays in resolution are forcing banks to settle before asset is admitted to IBC

Overview of India Resurgence Fund

<table>
<thead>
<tr>
<th>Product</th>
<th>Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments in both debt and equity and across sectors</td>
<td>Partnership with Bain Capital Credit, a multi-asset alternative investment firm with AUM of USD 41 Bn(^2)</td>
</tr>
<tr>
<td>Control and drive restructuring with active participation</td>
<td></td>
</tr>
</tbody>
</table>

Our Differentiated Positioning and Strategy

- Sponsors track record in turnaround investments
- Engagement with regulators to participate in policy making
- Tailored investment approach
- Flexible and efficient investment structure
- Ability to carry out deep business diligence
- Board and investment committee with deep insights

Progress so far

- JV concluded its 1\(^{st}\) transaction in Marine Chemicals space by investing USD156m\(^3\) in Chennai-based Archean Group through debt and equity
- Active pipeline of ~USD 2 Bn

---

(1) RBI Financial Stability Report
(2) Data estimated as of January 1, 2019. Bain Capital Credit AUM includes Bain Capital Credit, LP, its subsidiaries and credit vehicles managed by its AIFM affiliate
(3) USD 156m is total investment along with co-investor
Measures to ensure healthy asset quality
Review and governance mechanism

**Board of Directors**

- **Board Sub-committee for Financial Services**
  - This sub-committee comprise of Executive Directors, Independent Directors & External Experts

**5 Investment Committees for Real Estate Lending, RE Fund Management, Corporate Finance Transactions, Emerging Corporate Lending and Housing Finance**
- These investment committees comprise of Executive Directors, Managing Director, Independent Directors, External Experts and Business Heads

**Deal Clearance Committee**
- Independent Risk Management Team
- Independent Legal Team
- Asset Management Team
- Finance & compliance
- Brickex

**Legal and Risk teams are independent and report directly to the Board members**
## Risk Management and Stringent controls at every stage

### Dealing with Tier 1 clients through a partnership approach and offering innovative, customized solutions

- Over 70% of portfolio comprises of ‘Grade A’ developers, which have a strong track record
- ~97% of Real Estate lending in Tier 1 cities – Mumbai, Pune, Bengaluru, Hyderabad, Chennai and NCR
- 100% deals with escrow accounts on the Cash flow

### Stringent deal underwriting processes

- Independent risk and legal teams, reporting to the Board
- 100% deals with conservative underwriting assumptions based on delay in sales velocity by 6-12 months
- Integrated high quality legal set-up, present across entire deal lifecycle from origination to closure to post-closure
- 3 stage deal approval – Deal Clearance Committee / Executive Clearance Committee / Investment Committee Framework

### In-depth asset monitoring process

- Unique asset monitoring process, comprising of an ‘Early Warning Framework’ and periodic portfolio stress tests
- 100% transaction coverage in ‘Early Warning Signal’ meetings
- 100% developer sales MIS are monitored every month
- Pre- and post-disbursement audit, internal audit and review of processes by external parties

### Unique ability to takeover and complete a project, in a worst-case scenario

- 80% of projects are in the construction stage or completed
- Completed project can be sold through Brickex, the in-house broking and distribution arm, if required
- The Group can take over, complete and sell a project (in a worst-case scenario)

---

100% secured lending with unique ability to takeover, complete and sell a project, if needed
### Key parameters - Risk Management and Asset Monitoring

#### Controls at Pre-qualification stage

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate lending in Tier I cities of Mumbai, Pune, Bengaluru, Hyderabad, Chennai and NCR</td>
<td>97%</td>
</tr>
<tr>
<td>Portfolio comprising of Grade A Developers</td>
<td>70%+</td>
</tr>
</tbody>
</table>

#### Controls at Pre-approval stage

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals with underwriting assumptions based also on delay in velocity by 6 to 12 months</td>
<td>100%</td>
</tr>
<tr>
<td>Deals with Escrow A/C</td>
<td>100%</td>
</tr>
<tr>
<td>Deals with a ‘Minimum Selling Price’ clause ensuring collection of sales value into our Escrow A/C</td>
<td>100%</td>
</tr>
</tbody>
</table>

#### Controls at Post-disbursement stage

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developers</td>
<td>178*</td>
</tr>
<tr>
<td>Transactions</td>
<td>312</td>
</tr>
<tr>
<td>Projects across various cities</td>
<td>436</td>
</tr>
<tr>
<td>Site Visits / month</td>
<td>200+</td>
</tr>
<tr>
<td>Developer sales MIS monitored per month</td>
<td>100%</td>
</tr>
<tr>
<td>Project escrow Accounts monitored per month</td>
<td>100%</td>
</tr>
<tr>
<td>Transaction coverage in Early Warning Signal Meetings</td>
<td>100%</td>
</tr>
<tr>
<td>Projects under construction stage / completed</td>
<td>80%</td>
</tr>
</tbody>
</table>

*Including mid-market developers
Role of the Asset Monitoring Team

**Physical Presence at Site**
- ‘Ears to the ground’ approach:
  - Periodic site visits (Monthly/quarterly)
  - Construction status
  - Real time feedback to Team
  - Micro Market Analysis / Sector Updates
  - PMC & Board Meetings
  - Engagement with Lender’s Engineer

**Operating Performance**
- Adherence to Business Plan:
  - Actual v/s Budget (Sales Velocity, Selling Price, Collection, Costs)
  - Cash Cover Ratio (Actual v/s Budget)
  - Sales Trend Analysis
  - Operating and financial analysis
  - NOC issuance
  - Escrow statement

**EWS Meetings**
- ‘Early Warning Signals’ identified:
  - Project performance
  - Key issues highlighted
  - Action items
  - Market trends
  - Regulatory developments
  - APG Portfolio updates

---

**Real Estate**
- Localised Asset Managers with Techno-financial background: 18
- Site Visits / month: 200+
- Team of CA / Civil Engineers having worked at Developers / Consultants / NBFCs
- In-house technology platform for data capturing and operational scalability
- Escrow Accounts monitored: 800+
- NOCs issued per month: 1,000+
- Projects pan India: 425+
- Micro markets tracked: 100+
- Data analytics for exception reporting and highlighting trends

**Corporate Lending**
- 6 member team of CA/ MBAs
- Total exp of ~50 years in Banks, NBFCs, Fund
- Multi-sectoral and multi-product expertise
- Sectors Tracked (nos): 10 +
- Projects managed pan India (nos): 200 +
- Renewable Energy Portfolio (In MW): 6000 +
Progress on projects monitored regularly: Sample site visit photos

<table>
<thead>
<tr>
<th>Real Estate</th>
<th>Non-Real Estate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep’16 – 5th Floor completed</td>
<td>Operating wind turbines along with 33 kV lines</td>
</tr>
<tr>
<td>Dec’16 – 9th Floor Completed</td>
<td>Molten metal is poured in moulds for casting</td>
</tr>
<tr>
<td>Oct’17 – Finishing near</td>
<td></td>
</tr>
</tbody>
</table>
### Sample of Site Visit Report

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Labours on site</td>
<td></td>
<td>400 - 425</td>
<td>400 - 425</td>
<td>400-425</td>
<td>430-450</td>
<td>360-380</td>
<td>310-330</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tower 1 : 4B + G + 22 Flr.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Block Work</td>
<td>Jun, 2017</td>
<td>12th floor in progress.</td>
<td>9th floor in progress.</td>
<td>6th floor in progress.</td>
<td>4th floor in progress.</td>
<td>3rd floor in progress.</td>
<td>2nd floor in progress.</td>
</tr>
<tr>
<td>Plastering / Gypsum</td>
<td>Sep, 2017</td>
<td>Gypsum started on 1st and 2nd floor.</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Flooring</td>
<td>Dec, 2017</td>
<td>Awaiting for material to start with flooring in next week.</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Finishes</td>
<td>Jun, 2018</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Dashboard of site visits and stalled projects separately highlighted to the MD on a monthly basis.
## Sample of overall Portfolio Performance Review Sheet

### AUM Summary (INR Cr)

<table>
<thead>
<tr>
<th>Category</th>
<th>No. of Deals</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green</td>
<td></td>
<td></td>
</tr>
<tr>
<td>− No major concerns</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yellow</td>
<td></td>
<td></td>
</tr>
<tr>
<td>− Closely monitor for next 6 months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amber</td>
<td></td>
<td></td>
</tr>
<tr>
<td>− Envisage stress over next 6 months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Red</td>
<td></td>
<td></td>
</tr>
<tr>
<td>− Overdue</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Teams spend significant time post disbursement to **detect and react to early warning signals (EWS)**

### Key parameters for colour coding

1. Site visit findings
2. Approval timelines
3. Construction cost
4. Sales Velocity in terms of units, area and value
5. Pricing – per sq ft and ticket size
6. Collections
7. Cover computation
8. Ability to meet principal and interest obligations
9. Discussions with developers / promoters
Liquidity Position and Borrowing Profile
Continued to maintain a robust liquidity position and diversify the borrowing mix

- **Continue to maintain robust liquidity of ~INR 5,400 Cr** in the form of cash and several unutilized bank lines.

- **Raised ~INR 10,000 Crores via NCDs and bank loans** (primarily public sector banks) during the quarter.

- **Reduced CP exposure** by ~40% vs. Sep-2018, from Rs.18,000 Cr. as of Sep-2018 to Rs. 10,750 Cr. as of Dec-2018.

- **Additional measures / proposals to boost liquidity:**
  - Secure additional bank lines
  - Issue NCDs with a longer-term tenure
  - Received in-principal approval for an ECB lines
  - Set-up an Euro medium-term note (EMTN) programme

---

**Note:** (1) Borrowing mix for PCHFL
Asset-Liability Management

Asset-Liability Profile¹
(in INR Crores)

- Cumulative Inflows
- Cumulative Outflows

<table>
<thead>
<tr>
<th>Duration</th>
<th>Cumulative Inflows</th>
<th>Cumulative Outflows</th>
</tr>
</thead>
<tbody>
<tr>
<td>up to 14d</td>
<td>798</td>
<td>516</td>
</tr>
<tr>
<td>up to 1m</td>
<td>3,485</td>
<td>3,065</td>
</tr>
<tr>
<td>up to 2m</td>
<td>6,497</td>
<td>6,286</td>
</tr>
<tr>
<td>up to 3m</td>
<td>7,897</td>
<td>7,556</td>
</tr>
<tr>
<td>up to 6m</td>
<td>10,873</td>
<td>10,015</td>
</tr>
<tr>
<td>up to 1yr</td>
<td>16,676</td>
<td>17,935</td>
</tr>
<tr>
<td>up to 3yrs</td>
<td>36,620</td>
<td>38,138</td>
</tr>
<tr>
<td>up to 5yrs</td>
<td>55,082</td>
<td>40,424</td>
</tr>
<tr>
<td>&gt; 5yrs</td>
<td>65,489</td>
<td>42,434</td>
</tr>
</tbody>
</table>

Note: Data for PCHFL.

(1) Cumulative inflows / outflows include: cash balances, investments / deposits, unutilized bank lines, interest and principal receipts / repayments on the lending and the liabilities side.
Pharma business portfolio delivering strong growth within and outside India

**Piramal Pharma**

**FY2018 Rev: Rs. 4,513 Crores**

**Global Pharma**

- End-to-end manufacturing capabilities
- 13 manufacturing facilities
- Portfolio of niche branded generic products
- Distribution to >100 countries

**India Consumer Products**

- Strong portfolio of OTC brands
- 8 brands among top 100 OTC brands
- Large distribution network
- Among top 5 OTC players

**Pharma Performance**

<table>
<thead>
<tr>
<th>FY</th>
<th>Global Pharma EBITDA Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9M FY11</td>
<td>4%</td>
</tr>
<tr>
<td>9M FY12</td>
<td>9%</td>
</tr>
<tr>
<td>9M FY13</td>
<td>12%</td>
</tr>
<tr>
<td>9M FY14</td>
<td>15%</td>
</tr>
<tr>
<td>9M FY15</td>
<td>17%</td>
</tr>
<tr>
<td>9M FY16</td>
<td>17%</td>
</tr>
<tr>
<td>9M FY17</td>
<td>15%</td>
</tr>
<tr>
<td>9M FY18</td>
<td>21%</td>
</tr>
<tr>
<td>9M FY19</td>
<td>21%</td>
</tr>
</tbody>
</table>

*Includes Allergan JV Revenue

**Note:**

1. Excludes revenue from JV with Allergan
2. FY2016 - FY2019 results have been prepared based on IND AS, prior periods are IGAAP
3. Global Pharma revenue accounted for 93% of the overall Pharma revenue during 9MFY19
4. Pharma revenue includes Global Pharma and consumer products
Global Pharma: How are we moving up the value chain?

1. Acquired global businesses to enter into niche capabilities

- **Injectable**
- **HPAPI**

2. Expanding manufacturing capacities in niche areas

- **ADC**
- **Injectable**
- **Inhalation Anaesthesia**
- **Drug Discovery**
Global Pharma: How are we moving up the value chain? (cont’d)

3 Adding differentiated hospital branded generic products organically and inorganically

- **Leverage global distribution network** by adding differentiated products
- **Differentiated offerings** – Niche branded generics and controlled substances

4 Strong product portfolio to leverage global distribution network

- **Entry barrier** – Complex to manufacture, sell and distribute resulting in limited competition
- **Expands addressable market size** from US$ 1 bn Inhalation Anaesthesia market to US$20 bn generic hospital product market

Our strategy of moving up the value chain will enable us boost growth and enhance margins significantly
Global Pharma Products: Differentiated product portfolio

**Product Portfolio**

**Inhalation Anaesthesia**
- Desflurane
- Sevoflurane
- Isoflurane
- Halothane
  - To be launched in FY19

**Injectable Anaesthesia / Pain Management**
- Sublimaze*
- Sufenta*
- Rapifen*
- Dipidolor*
- Hypnomidate

**Intrathecal Severe Spasticity / Pain Management**
- Gablofen®
  - Products under development

  - Acquired from Mallinckrodt LLC in Mar 2017
  - Acquired from Janssen Pharmaceutica in Oct 2016

**Other Products**
- Generics API
- Vitamins & Premixes

* Controlled substances
Global Pharma Services: Integrated in Capabilities

Discovery
- Ahmedabad, India

Preclinical
- Early Phase API (including high Potency)
  - Ennore, India
  - Aurra, Canada
  - Riverview, USA

Phase 1
- Early Phase Formulation
  - Mumbai, Ahmedabad – India
  - Lexington, KY
  - Grangemouth (ADC), UK

Phase 2
- Late Phase API (including high Potency)
  - Digwal, India
  - Ennore, India
  - Morpeth, UK

Phase 3
- Late Phase Formulation (OSD's & Steriles (Injectables & FFS))
  - Pithampur, India
  - Morpeth, UK
  - Lexington, KY
  - Grangemouth (ADC), UK

Launch
- On-patent

Off-patent

CRO Development (CDMO & Generic API)

Late Phase & Commercial (CDMO), Generic API

Special services

- Antibody Drug Conjugates (ADC)
- High Potent (HPAPIs)
- Clinical Trial Supplies
- Regulatory, Patents, Pharma co-vigilance
- Vitamins & Nutrition Solutions
13 manufacturing facilities both in East and West – All key sites  US FDA inspected

Since 2011, cleared all inspections:

- 32 USFDA inspections
- 130 other regulatory inspections
- 964 customer audits

Note: * Dietary Ingredients
## Global Pharma: Strong presence in key geographies

<table>
<thead>
<tr>
<th>Strong presence in North America</th>
<th>Expanding presence in Europe</th>
<th>Strong presence in India</th>
<th>Expanding Presence in Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Global Business Revenues (as on Sep 30, 2018)</td>
<td>41%</td>
<td>25%</td>
<td></td>
</tr>
<tr>
<td>Distribution Presence</td>
<td>30% market share in US in Inhalation Anaesthesia</td>
<td>Expanding presence in key countries including UK, Italy, Germany, etc.</td>
<td></td>
</tr>
<tr>
<td>Distribution Model</td>
<td>Through direct sales force</td>
<td>Through direct sales force and distributors</td>
<td></td>
</tr>
</tbody>
</table>

- **Manufacturing Faculties**
  - Aurora: API Dev & Mfg
  - Lexington: Sterile Dev & Mfg
  - Riverview: HPAPI Dev & Mfg
  - Bethlehem: Anaesthesia Mfg
  - Grangemouth: ADC Mfg
  - Morpeth: API & Form. Dev & Mfg
  - Grangemouth: ADC Mfg
  - Morpeth: API & Form. Dev & Mfg
  - Grangemouth: ADC Mfg
  - Morpeth: API & Form. Dev & Mfg
  - Grangemouth: ADC Mfg
  - Morpeth: API & Form. Dev & Mfg

- **Distribution Presence**
  - 30% market share in US in Inhalation Anaesthesia
  - Expanding presence in key countries including UK, Italy, Germany, etc.

- **Distribution Model**
  - Through direct sales force
  - Through direct sales force and distributors

- **Note:** Form – Formulations; Dev – Development; Mfg – Manufacturing

- **Global Pharma: Strong presence in key geographies**
  - Expanding presence in key countries including UK, Italy, Germany, etc.
  - 30% market share in US in Inhalation Anaesthesia

- **Strong presence in India**
  - Mumbai: API & Form Dev
  - Digwal: API Dev & Mfg & Anaesthesia Manufacturing
  - Pithampur: Form. Mfg
  - Ahmedabad: Drug Discovery and Form. Dev
  - Ennore: API Dev & Mfg
  - Mahad: Vitamins & Minerals Premixes
  - One of the two approved generics in the market for Sevoflurane, with leading market share
  - Leading market share for Fentanyl with the only currently approved generic in the market
India Consumer Products
Strong product portfolio

Eight brands among India’s top 100 OTC brands

Most brands are among the top two in their respective representative market
Developed a large India-wide distribution network

<table>
<thead>
<tr>
<th></th>
<th>FY2008</th>
<th>FY2012</th>
<th>Now</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of towns present</td>
<td>16</td>
<td>481</td>
<td>2000</td>
</tr>
<tr>
<td>Total Outlet presence</td>
<td>24,000</td>
<td>200,000</td>
<td>420,000</td>
</tr>
<tr>
<td>Chemist Outlet presence</td>
<td>16,000</td>
<td>100,000</td>
<td>220,000</td>
</tr>
<tr>
<td>Field Force</td>
<td>80</td>
<td>800</td>
<td>2,100</td>
</tr>
</tbody>
</table>

Our chemist coverage is now comparable with the top 3 OTC players.
Adding products organically and inorganically

Products added organically

- Instant pain relieving mouth ulcer gel
- A non-drowsy anti-allergy OTC brand
- Oil Balance Face Wash & Face Scrub
- Detoxifies the after effects of socializing, etc.
- A sore throat pain relief product
- A pregnancy test kit
- Paan flavoured antacid
- Educational game Jungle Magic Garden Scienz

Product portfolios added through acquisition

- 5 brands from Organon India & MSD BV
- 4 brands from Pfizer Ltd
- Baby-care brand ‘Little’s’
- Digeplex and associated brands
Healthcare Insight & Analytics
Healthcare Insight and Analytics: At A Glance

Historically viewed as a syndicated healthcare market research company, Decision Resources Group (DRG) has transformed itself into a data-driven, technology enabled, healthcare insights business.

We assist our clients in the Pharma, MedTech, Insurance (Payer), and Provider sectors, addressing many of the most pressing questions in the healthcare industry:

- Where to invest?
- How to get approved, contracted and paid?
- How to prove value?
- How to drive commercial success?

We do this by leveraging a large team of area experts, Real World Health Data, sophisticated analytics tools and data science to deliver:

- Market Research
- Services
- Data
- Analytics

We are increasingly:

- Embedded in our clients’ workflows
- Delivering critical client solutions, which have a bespoke front end, but which are based upon a series of common back-end algorithms

Our Business

- Leaders Interview
- Hospital Audit
- Health Plan Data
- Proprietary Survey Data
- Analytical Tools
- Market Forecasts
- Customized Services
- Proprietary Databases
Key Business Highlights

Serves major Developed and Emerging Markets

FY2018 Revenue - US$186 mn

Capabilities across customer’s product life cycle

17 offices across 6 locations globally

1,200+ employees globally (386 employees in India)

Revenue visibility

- DRG serves nearly all leading life sciences companies
- Over 70% of revenue is recurring in nature
- 96% client retention by value
  - 100% among top 50 customers

>10yr Relationships With Our Top Ten Customers

<table>
<thead>
<tr>
<th>Customer</th>
<th># of Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>AstraZeneca</td>
<td>&gt;10 yrs</td>
</tr>
<tr>
<td>Bayer</td>
<td>&gt;10 yrs</td>
</tr>
<tr>
<td>Boehringer Ingelheim</td>
<td>&gt;10 yrs</td>
</tr>
<tr>
<td>Johnson &amp; Johnson</td>
<td>&gt;10 yrs</td>
</tr>
<tr>
<td>Merck &amp; Co</td>
<td>&gt;10 yrs</td>
</tr>
<tr>
<td>Novartis</td>
<td>&gt;10 yrs</td>
</tr>
<tr>
<td>Novo Nordisk</td>
<td>&gt;10 yrs</td>
</tr>
<tr>
<td>Pfizer</td>
<td>&gt;10 yrs</td>
</tr>
<tr>
<td>Roche</td>
<td>&gt;10 yrs</td>
</tr>
<tr>
<td>Takeda</td>
<td>&gt;10 yrs</td>
</tr>
</tbody>
</table>

Top 10 Relationships Comprise <30% of Revenue

48 of the top 50 life sciences companies

17 of the top 20 medical device companies

8 of the top 10 US payers and top US health systems
Expanded into new markets and established offices in India to drive margin improvement

- DRG launched a new initiative to transform its global talent pool by expanding to India. Business opened offices in Bengaluru (Jan 2015) and Gurugram (Feb 2016) with 386 positions on boarded (i.e. 31% of DRG’s headcount).

- Scaling India operations to:
  - Improve customer delight, delivery, and response times through building 24/7 capabilities
  - Access a large pool of educated professionals with substantial expertise
  - Establish new international offices in a key growth market
  - Accelerate DRG’s profit growth through the cost-effective expansion of teams

Source: Based on proprietary market research and internal DRG estimation
## Comparable Company & Transaction Analysis

### Public Company Peer Valuation Trading Multiples

<table>
<thead>
<tr>
<th>DRG Peers</th>
<th>2018 Multiples</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EV / Revenue</td>
<td>EV / EBITDA</td>
<td>EV (USD Mn)</td>
<td></td>
</tr>
<tr>
<td>Gartner</td>
<td>4.3x</td>
<td>37.2x</td>
<td>15,556</td>
<td></td>
</tr>
<tr>
<td>Healthstream</td>
<td>6.5x</td>
<td>20.2x</td>
<td>24,801</td>
<td></td>
</tr>
<tr>
<td>IHS Markit Ltd.</td>
<td>3.8x</td>
<td>18.1x</td>
<td>31,405</td>
<td></td>
</tr>
<tr>
<td>Medidata solutions</td>
<td>3.8x</td>
<td>18.0x</td>
<td>7,438</td>
<td></td>
</tr>
<tr>
<td>Omnicell</td>
<td>6.2x</td>
<td>41.5x</td>
<td>988</td>
<td></td>
</tr>
<tr>
<td>Median</td>
<td>4.3x</td>
<td>20.0x</td>
<td>15,556</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** CapIQ, Wall Street equity research, SEC Filings

### Sector M&A Valuation Multiples

<table>
<thead>
<tr>
<th>Target</th>
<th>Buyer / Investors</th>
<th>Transaction Value (USMM)</th>
<th>Transaction Value / LTM Revenue</th>
<th>Transaction Value / LTM EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>iHealth</td>
<td>Connolly</td>
<td>1,200</td>
<td>7.5x</td>
<td>14x</td>
</tr>
<tr>
<td>Heartbeat Experts</td>
<td>Truven Health</td>
<td>136</td>
<td>5.2x</td>
<td>22x</td>
</tr>
<tr>
<td>Vitruvian</td>
<td>CRF</td>
<td>374</td>
<td>4.5x</td>
<td>18x</td>
</tr>
<tr>
<td>IMS Health</td>
<td>Quintiles</td>
<td>13,346</td>
<td>4.4x</td>
<td>15x</td>
</tr>
<tr>
<td>Altegra</td>
<td>Emdeon</td>
<td>910</td>
<td>4.3x</td>
<td>16x</td>
</tr>
<tr>
<td>Truven Health</td>
<td>IBM Watson Health</td>
<td>2,600</td>
<td>4.2x</td>
<td>17x</td>
</tr>
<tr>
<td>Merge Healthcare</td>
<td>IBM Watson Health</td>
<td>1,000</td>
<td>4.2x</td>
<td>24x</td>
</tr>
<tr>
<td>WebMD</td>
<td>KKR</td>
<td>2,800</td>
<td>4.0x</td>
<td>15x</td>
</tr>
<tr>
<td><strong>Median</strong></td>
<td></td>
<td></td>
<td><strong>4.4x</strong></td>
<td><strong>17x</strong></td>
</tr>
</tbody>
</table>

**Source:** CapIQ, Wall Street equity research, SEC Filings

*Note: Financial information per the latest financial filings as of March 31, 2018. Trading information as of July 13, 2018.*
Financials: Q3 & 9M FY2019
Diversified Revenue Mix

<table>
<thead>
<tr>
<th>Net Sales break-up</th>
<th>Quarter III ended</th>
<th>% Change</th>
<th>% Sales for Q3</th>
<th>Nine Months ended</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31-Dec-18</td>
<td>31-Dec-17</td>
<td>% Change</td>
<td>31-Dec-18</td>
<td>31-Dec-17</td>
</tr>
<tr>
<td>Financial Services</td>
<td>1,841</td>
<td>1,316</td>
<td>40%</td>
<td>5,131</td>
<td>3,586</td>
</tr>
<tr>
<td>Pharma</td>
<td>1,156</td>
<td>1,022</td>
<td>13%</td>
<td>3,308</td>
<td>2,992</td>
</tr>
<tr>
<td>Global Pharma</td>
<td>1056</td>
<td>923</td>
<td>14.4%</td>
<td>3,063</td>
<td>2,732</td>
</tr>
<tr>
<td>India Consumer Products</td>
<td>100</td>
<td>100</td>
<td>-</td>
<td>245</td>
<td>261</td>
</tr>
<tr>
<td>Healthcare Insight and Analytics</td>
<td>492</td>
<td>468</td>
<td>5%</td>
<td>1062</td>
<td>976</td>
</tr>
<tr>
<td>Others</td>
<td>1</td>
<td>52</td>
<td>0%</td>
<td>35</td>
<td>95</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,489</strong></td>
<td><strong>2,858</strong></td>
<td><strong>22%</strong></td>
<td><strong>9,536</strong></td>
<td><strong>7,648</strong></td>
</tr>
</tbody>
</table>

Note:

1. Foreign Currency denominated revenue in Q3 FY2019 was Rs.1,417 Crores (41% of total revenue) and in 9M FY2019 was Rs.3,764 Crores (39% of the total revenue)
## Consolidated P&L

### (In INR Crores or as stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter III Ended</th>
<th>Nine Months ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31-Dec-18</td>
<td>31-Dec-17</td>
</tr>
<tr>
<td>Net Sales</td>
<td>3,489</td>
<td>2,858</td>
</tr>
<tr>
<td>Non-operating other income</td>
<td>103</td>
<td>64</td>
</tr>
<tr>
<td>Total income</td>
<td>3,592</td>
<td>2,922</td>
</tr>
<tr>
<td>Other Operating Expenses</td>
<td>1,462</td>
<td>1,411</td>
</tr>
<tr>
<td>OPBIDTA</td>
<td>2,130</td>
<td>1,511</td>
</tr>
<tr>
<td>Interest Expenses</td>
<td>1,169</td>
<td>750</td>
</tr>
<tr>
<td>Depreciation</td>
<td>133</td>
<td>110</td>
</tr>
<tr>
<td>Profit before tax &amp; exceptional items</td>
<td>828</td>
<td>651</td>
</tr>
<tr>
<td>Exceptional items (Expenses)/Income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income tax</td>
<td>293</td>
<td>212</td>
</tr>
<tr>
<td>Profit after tax (before MI &amp; Prior Period items)</td>
<td>535</td>
<td>439</td>
</tr>
<tr>
<td>Minority interest</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Share of Associates(^1)</td>
<td>68</td>
<td>51</td>
</tr>
<tr>
<td>Net Profit after Tax</td>
<td>603</td>
<td>490</td>
</tr>
<tr>
<td>Net Profit Margin %</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Normalised Net Profit(^2)</td>
<td>603</td>
<td>490</td>
</tr>
<tr>
<td>Normalised Net Profit Margin %</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Diluted EPS (Rs./share)</td>
<td>30.3</td>
<td>26.2</td>
</tr>
<tr>
<td>Normalised EPS (Rs./share)(^2)</td>
<td>30.3</td>
<td>26.2</td>
</tr>
</tbody>
</table>

**Notes:**

1. Income under share of associates primarily includes our share of profits at Shriram Capital and profit under JV with Allergan, as per the new accounting standards.
2. 9MFY2019 normalised net profit excludes non-recurring and non-cash accounting charge towards imaging assets in Q1FY2019.
### Consolidated Balance Sheet

_In INR Crores_

<table>
<thead>
<tr>
<th>Particulars</th>
<th>31 Dec 2018</th>
<th>31 March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity Share Capital</td>
<td>37</td>
<td>36</td>
</tr>
<tr>
<td>Other Equity</td>
<td>26,390</td>
<td>26,409</td>
</tr>
<tr>
<td>Non Controlling Interests</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Borrowings (Current &amp; Non Current)</td>
<td>55,351</td>
<td>44,161</td>
</tr>
<tr>
<td>Deferred Tax Liabilities (Net)</td>
<td>26</td>
<td>29</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>1,954</td>
<td>1,901</td>
</tr>
<tr>
<td>Provisions</td>
<td>104</td>
<td>135</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>83,872</strong></td>
<td><strong>72,683</strong></td>
</tr>
<tr>
<td>PPE, Intangibles (Under Development), CWIP</td>
<td>5,755</td>
<td>5,740</td>
</tr>
<tr>
<td>Goodwill on Consolidation</td>
<td>5,985</td>
<td>5,633</td>
</tr>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment</td>
<td>21,328</td>
<td>23,527</td>
</tr>
<tr>
<td>Others</td>
<td>34,588</td>
<td>21,287</td>
</tr>
<tr>
<td><strong>Other Non Current Assets</strong></td>
<td>511</td>
<td>437</td>
</tr>
<tr>
<td>Deferred Tax Asset (Net)</td>
<td>4,128</td>
<td>4,244</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>950</td>
<td>774</td>
</tr>
<tr>
<td>Trade receivable</td>
<td>1,209</td>
<td>1,355</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents &amp; Other Bank balances</td>
<td>1,954</td>
<td>2,467</td>
</tr>
<tr>
<td>Other Financial &amp; Non Financial Assets</td>
<td>7,464</td>
<td>7,219</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>83,872</strong></td>
<td><strong>72,683</strong></td>
</tr>
</tbody>
</table>

Note: The above numbers have been regrouped from IND AS Financial Statements for Presentation purposes only.
Appendix
Key Differentiators and our presence in Financial Services

Simple ingredients to our success

- Domain knowledge
- Constant Product innovation
- Relationship based approach
- Diversification enabling lowering of risk profile
- Independent risk & stringent monitoring process
- Leveraging technology & analytics
- High quality talent acquisition & retention

Sector agnostic presence across ticket sizes in most of the Tier I cities of India

- Real Estate Developer Financing
- Corporate Financing
- Housing Finance
- Emerging Corporate Lending

Retail Housing Finance: Target segments

- Salaried
  - Increasing ticket size
- Self Employed: Partial income proof
- Self Employed: Income proof
- Self Employed: No income proof

Increasing interest rates offered:
- Selective
- Resale & Balance Transfer
- Under construction & new sale
- Currently de-prioritized

Affordable
- Necessary for top line growth
Mid Income
High end

Increasing ticket size

Resale & Balance Transfer
Opportunistic

Necessary for top line growth
# HFC: Measures to reduce costs and enhance returns

## Hub and Spoke model (Branch light)
- Consistency in decision making
- Better control
- Scalability with optimum cost

## Latest technology
- Leveraging Fintechs, etc.
- Transparency on application status
- Quick turnaround time

## Leveraging group’s shared services
- Manage non-core activities efficiently
- Greater economies of scale

## Sourcing from developers (B to B to C Model) and Brickex
- Lower cost compared with DSAs, connectors, etc.
- Properties sold through Brickex will be referred to our HFC for loans – low cost of sourcing

## Usage of data, analytics and bureau insights
- For setting up credit policy framework
- For early warning signals

## Diversification and expected rating upgrade
- Improve leveraging capability
- Reduce cost of borrowings
- Enhance ROE for overall Financial Services
Corporate Finance Group: Key Differentiators

**Sector Focus**
- Sector specific teams
- Alignment of coverage and Investments teams
- Detailed industry analysis and risk assessment

**Solutions Based Approach**
- Provide customised solutions for each transaction
- Presence across Capital Structure
  - Equity/Mezzanine Instruments:
    - Promoter Financing
    - Investor take-out
    - Liquidity event linked
  - Debt Instruments:
    - Project Finance
    - Loan Against Shares
    - Capex Financing
    - Acquisition Financing
    - Refinancing with term extension

**Faster Turnaround Time**
- Faster turnaround of transactions is an outcome of:
  - In-depth understanding of sectors
  - Continuous engagement with key players
Corporate Finance Group: Leveraging our expertise in other sectors

- Evaluate sectors to identify high growth segments
  - Understanding of industry cycles
  - Understand industry barriers
  - Take long term view of the sector

- Cover credit-worthy corporates in identified sectors
  - Evaluate company’s fundamentals
  - Analyze financial standing – leverage/capital structure

- Identify Opportunities with competitive advantage
  - Cover major market participants for leads
  - Leverage existing relationships

- Adopt a relationship approach similar to RE to create long term partnerships
- Approach client problems through innovative solutions

Internal deal originating team – The Corporate Coverage Group (CCG)

<table>
<thead>
<tr>
<th>Coverage</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CCG is engaged with over 50 groups and over 400 companies</td>
</tr>
<tr>
<td></td>
<td>Has strong relationship with over 30 Private Equity funds for opportunities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Presence</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Covering clients from various sectors on a pan India basis</td>
</tr>
<tr>
<td></td>
<td>12 member strong team with rich credit / underwriting experience combined with wide network of relationships across business groups</td>
</tr>
</tbody>
</table>
## Financial Services: Illustration 1 - How we closed our largest FS deal?

<table>
<thead>
<tr>
<th>Developer Proposal</th>
<th>Purpose</th>
<th>Our Deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility Amount</td>
<td>Rs 1,500 Crores</td>
<td>Rs.2,320 Crores</td>
</tr>
</tbody>
</table>
| Purpose          | Towards Lender A exit | • Rs.820 Cr – Towards takeover of existing loans on Project A and Project B (quality projects)  
• Rs.1,500 Cr – Towards Lender A exit |
| Proposed Security| 2nd charge on Project C | • 1st charge on Project A and Project B (Takeover of existing loans to have full control on escrow)  
• 2nd charge on Project X & Project Y  
• 2nd charge on Project W cashflows  
• 1st charge on Plot A (10 Acres)  
• 2nd charge on unutilised FSI of Project C |
| Disbursement     | Full amount upfront | • Linked to sales milestones of projects (ability to back test our sales assumptions) |
| Deal Type        | General Corporate Purpose | • Receivables discounting + Takeover of Construction Finance establishing full escrow control |
**Financial Services : Illustration 2 - How we resolved an old NPA case?**

### Project X

- Rs.60 Crores facility disbursed in Sep 2012
- Security of multiple apartments consisting of 3BHKs & Duplex
- Account was classified as NPA in March 2014

### Resolution

<table>
<thead>
<tr>
<th>Legal</th>
<th>Brickex (our in-house real estate advisory arm)</th>
<th>Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pressure building through legal proceedings including mortgage enforcement</td>
<td>Sourcing and engaging with customer for sales of security units</td>
<td>Bridging the gap of Customer and Developer expectation</td>
</tr>
<tr>
<td>Filed criminal complaint with Economic Offence Wing (EOW) and Crime Branch</td>
<td>Continuous dialogue with developers</td>
<td>Multiple meetings with EOW and Crime Branch</td>
</tr>
<tr>
<td></td>
<td>Structuring transaction</td>
<td></td>
</tr>
</tbody>
</table>

### Outcome

- Recovered entire Principal with interest of Rs.20 Crores, whereas other lenders are yet to recover even their principal.
# Financial Services: Illustration 3 - Resolving a stressed deal

## Key Project Details
- Projects located in prime locations of NCR
- Commercial component has excellent market potential

## Problem Statement
- Project sales got impacted due to ban on Construction by NGT and overall market slow down in NCR
- Leading to opening of working capital gaps

## Solutions being explored
- We leveraged our relationships with both regional and national developers to take over and execute the project
- Win-win for both:
  - Developer: Takes care of existing liabilities from lenders, authorities and customers
  - Ecosystem: Provides other development partners an opportunity to these prime projects
Consistently delivering exceptional performance quarter after quarter

Trend of key ratios

<table>
<thead>
<tr>
<th>Parameter</th>
<th>FY2016</th>
<th></th>
<th>FY2017</th>
<th></th>
<th>FY2018</th>
<th></th>
<th>FY2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3M</td>
<td>6M</td>
<td>9M</td>
<td>12M</td>
<td>3M</td>
<td>6M</td>
<td>9M</td>
<td>12M</td>
</tr>
<tr>
<td>Loan Book Growth (YoY)%</td>
<td>138%</td>
<td>150%</td>
<td>181%</td>
<td>180%</td>
<td>110%</td>
<td>118%</td>
<td>105%</td>
<td>87%</td>
</tr>
<tr>
<td>GNPA Ratio (%)</td>
<td>1.5%</td>
<td>1.1%</td>
<td>1.2%</td>
<td>0.9%</td>
<td>0.6%</td>
<td>0.4%</td>
<td>0.5%</td>
<td>0.4%</td>
</tr>
<tr>
<td>ROE (%)</td>
<td>25%+</td>
<td>25%+</td>
<td>25%+</td>
<td>25%+</td>
<td>25%+</td>
<td>25%+</td>
<td>25%+</td>
<td>25%+</td>
</tr>
</tbody>
</table>

Notes:
1. As on end of reported period
2. ROE calculation also takes into account the capital allocation from recent fund raise. During Q3 FY2018, INR 2,300 Crores was allocated to Financial Services. In Q4 FY2018, the entire INR 5,000 crores of estimated allocation got allocated towards Financial Services business
3. ROE considers cash tax and other synergies from reverse merger of subsidiaries in Financial Services segment
Stage-wise: Loan book and provisioning details

<table>
<thead>
<tr>
<th>Category</th>
<th>Loan Book (INR Crores)</th>
<th>% of Loan Book</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1</td>
<td>54,611</td>
<td>98.8%</td>
</tr>
<tr>
<td>Stage 2</td>
<td>381</td>
<td>0.7%</td>
</tr>
<tr>
<td>Stage 3</td>
<td>263</td>
<td>0.5%</td>
</tr>
<tr>
<td>Total Loan Book</td>
<td>55,255</td>
<td>100%</td>
</tr>
</tbody>
</table>

Gross NPA: 0.5%  Provision: 987 Cr.  Provision %: 1.8%

Note: Stage 1 - Loans which are less than or equal to 30 days past due (dpd); Stage 2 – Loans which are 31-90 dpd; and Stage 3 – Loans which are 90+ dpd
Team Strength

Financial Services
- 1,083

Wholesale business
- Real Estate
  - 88
- CFG
  - 32
- ECL
  - 19
- Partner Functions
  - 255

Retail business
- Housing Finance
  - 689

1) Includes Capital Markets Advisory business
2) Partner Functions includes Risk Management, Asset Monitoring, Legal, Treasury, Brickex, Human Resources, Information Technology etc.

Every employee is a partner

- Entrepreneurial approach empowering each employee as a partner
- Carry scheme covering all employees across levels ensuring collaboration to get best deal for the platform
- Leadership team shares a part of their earnings with employees in lower bands
- Incentives are also linked to overall platform performance
- Create internal leadership through various employee development programs – most of our senior positions are fulfilled from within
- Extend support for individual growth & care based on our values

Creating a great place to work

Incentive structure

High retention

Recognized as one of the Great Mid-Size Workplaces by Great Place to Work Institute® 2 years in a row – Ranked No. 1 in 2018
Opportunity in Wholesale Lending

• Bank Lending to Industry as proportion to their overall lending has gone down significantly.
• Retail lending by banks has increased over the last few years

Outstanding amount lent by banks (in %)

- Industrial Lending as a proportion of non-food credit
- Retail lending as a proportion of non-food credit

<table>
<thead>
<tr>
<th>Year</th>
<th>Industrial Lending</th>
<th>Retail Lending</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>40</td>
<td>22</td>
</tr>
<tr>
<td>2013</td>
<td>45.8</td>
<td>18.4</td>
</tr>
<tr>
<td>2018</td>
<td>43</td>
<td>24.8</td>
</tr>
</tbody>
</table>

Loan outflows per year (in %)

- Proportion of lending to Industry during the year
- Proportion of lending to retail during the year

<table>
<thead>
<tr>
<th>Year</th>
<th>Proportion to Industry</th>
<th>Proportion to Retail</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY09</td>
<td>49</td>
<td>10</td>
</tr>
<tr>
<td>FY13</td>
<td>59</td>
<td>5</td>
</tr>
<tr>
<td>FY18</td>
<td>48.6</td>
<td>3.3</td>
</tr>
</tbody>
</table>
60+ rules that run real time to create fraud alerts

Benefits:
- Prevent delinquency losses due to fraud rings prevalent in retail & SME lending
- 27 fraudulent applications identified worth INR 120 Cr
- Auto reject high risk cases
- Faster approval for low risk cases
- Future use cases: Risk-based pricing

What is the true identity?

We auto-reject applications based on the output from the Fraud Analytics Rule Engine
A Billion Dollar Fund Raise

First major fund raise in the history of PEL - Raised ~ INR 7,000 Cr

Raised ~INR 4,996 Cr through QIP of CCDs

- Largest QIP deal by any company (excluding banks) in India
- First QIP of INR denominated CCDs in India
- Widespread participation

Raising INR 1,978 Cr through Rights Issue

- Existing shareholders got an equal opportunity to participate
- Issue was oversubscribed by 1.26x times
- Promoter Group underwritten to an extent of 90%

86% of CCDs were allotted to FIIs

Top 6 investors contributed 63% of allotted CCDs

Investors were spread across geographies

- 86% of CCDs were allotted to FIIs
- 63% of allotted CCDs were contributed by Top 6 investors
- 37% of allotted CCDs were allotted to Rest

- 50% of investors were from North America
- 35% of investors were from Asia
- 15% of investors were from Europe
For Investors:

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