

24th August, 2022

BSE Limited
P.J. Towers, Dalal Street, Fort,
Mumbai- 400 001
BSE scrip code: 500302

National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051
NSE symbol: PEL

Dear Sir / Madam,

Sub: Intimation of Schedule of Analyst/ Institutional Investor Meetings under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [‘Listing Regulations’]

We wish to inform you that pursuant to Regulation 30(6) of the Listing Regulations, the schedule of Analyst /Institutional Investor Meetings with the Company is as under:

Date	Type of Interaction	Interaction with	Venue
25 th August – 30 th August, 2022	Investor Roadshow Meetings (Financial Services)	Institutional Investors	Virtual Meetings / Mumbai

Note: Dates are subject to change. Changes may happen due to exigencies on the part of Investors / Company.

Please also find enclosed the presentation that will be made during these meetings.

Kindly take the above on record.

Thanking you,

For Piramal Enterprises Limited

Bipin Singh
Company Secretary

Piramal Enterprises Limited

CIN : L24110MH1947PLC005719

Registered Office: Piramal Ananta, Agastya Corporate Park, Opp Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai 400 070 India
Secretarial Dept : Ground Floor, B Block, Agastya Corporate Park, Opp. Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai, Maharashtra 400070, India
T +91 22 3802 3084/3083/3103 F +91 22 3802 3084

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Piramal

Piramal Enterprises Limited **Financial Services** Roadshow Presentation

August 2022

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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.



1. PEL Financial Services: Becoming a Listed Diversified NBFC

PEL Financial Services – At a Glance



Retail Lending

₹22,267

Crore

(Loans towards affordable housing and MSMEs; Off-Balance Sheet assets¹ of INR 17,419 crore)



Wholesale Lending

₹42,323

Crore

(Loans to Residential and Commercial Real Estate Developers & Corporates)



Alternative Assets

~\$1.0

Billion²

(Marquee Partners in Investment platforms including CDPQ and Bain Capital Credit)



Life Insurance

₹1,099

Crore³

(Joint Venture with Prudential International Insurance Holdings)



Investments in Shriram

₹5,095

Crore⁴

(20% stake in Shriram Capital and ~10% stake in Shriram City Union Finance)

Presence across retail and wholesale lending, as well as fund-based platforms and investments, with assets of ~\$10bn

Data as of 30th June 2022. Notes: 1. Fee-earning Securitized Assets; 2. Committed Funds; 3. FY22 Gross Written Premium; 4. Investments in Shriram City Union Finance based on market value; Shriram Capital based on book value, including accumulated profits

PEL FS: Becoming a Leading Listed Diversified NBFC



1

India-wide platform to address the **diverse financing needs** of the under-served 'Bharat' market



2

Holds a **leading HFC**, focused on **affordable housing**



3

Dominant position in **Real Estate Developer Financing**



4

Building a strong position in the **MSME lending**



5

Partnerships with marquee institutional investors, fintechs / consumer techs

Key Highlights

Size, scale and diversification



AUM

INR 64,590 Cr

(37:63 Retail /
Wholesale Mix)



Branches

317 across
25 States/UTs

Capital optimization & utilization



Equity (Lending)¹
INR 17,006 Cr



Net Debt-to-Equity
/ Capital Adequacy
Ratio (Lending)
2.5x / 25%

Customers



No. of customers
>1 Million
(life-to-date)



Avg. Retail
Ticket Size
INR 12.5 lacs
(for disbursements
in Q1 FY23)

Asset quality & provisioning



GNPA Ratio
3.7%



Provisions
(% of AUM)
6.2%

PEL FS Transformation: Embarking upon Phase 3

Phase 1

(Mar-19 to Jun-21)

Strengthening and Consolidation

- Raised capital and improved capital adequacy
- Deleveraged the business and strengthened liabilities
- Increased granularity of the wholesale book
- Created adequate provisions

Capital Adequacy:

Mar-19
22%



Jun-21
39%

Provision:
(% of AUM)

1.9%



5.8%

High Exposure A/Cs⁽¹⁾:

3



NIL

Phase 2

(Jun-21 to Mar-22)

Quantum Growth and Transition

- Significant increase in loan book size post the DHFL acquisition – creating a leading HFC in India
- Completed DHFL acquisition and integration
- Transformation from a wholesale-led to a well-diversified business

Retail Loan Book:

Jun-21
5,156 Cr



Mar-22
21,552 Cr

Retail Share in Loans:

11%



36%

Retail Customers:

~22,000



>1 mn⁽²⁾

Phase 3

(Commencing)

Sustainable growth and profitability

- Scale-up the overall loan book
- Leverage DHFL's platform to cross-sell
- Significantly increase retail loans share to two-third

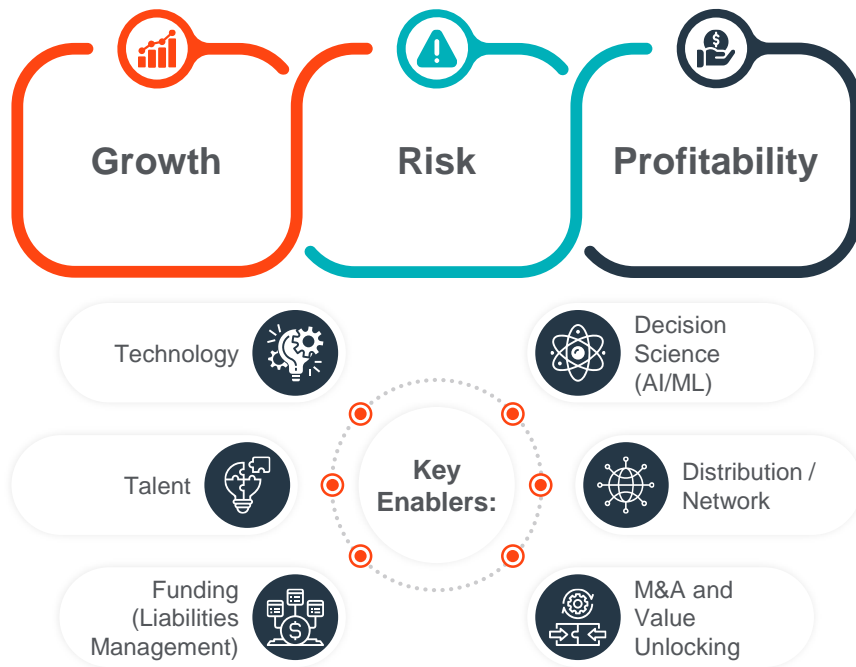
Balanced trade-offs between 3 key vectors of lending



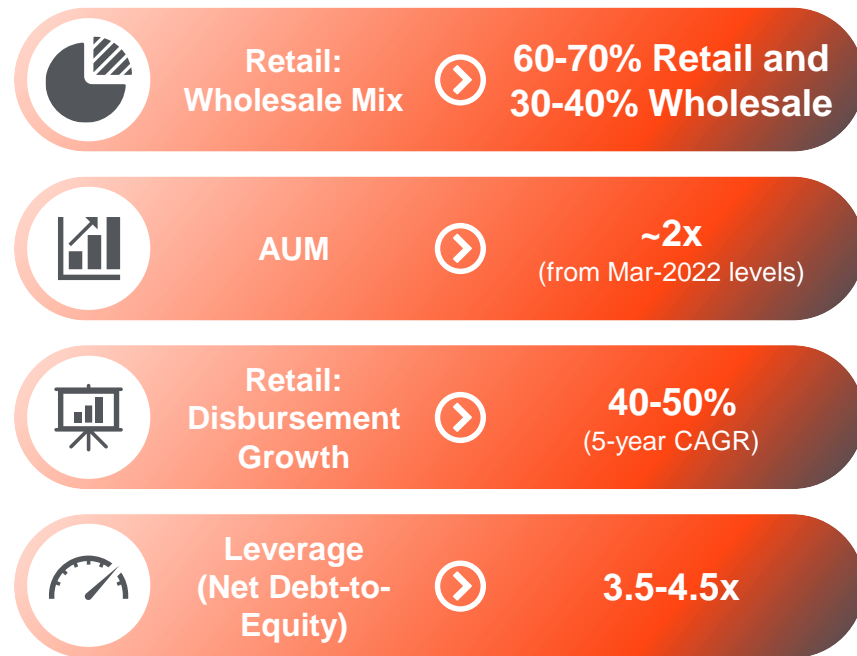
Notes: (1) # of Accounts > 15% of Net Worth; (2) Life-to-date customers

Phase 3: Sustainable Growth and Profitability

Balance Between 3 Principal Vectors of Financial Services



Phase 3: FY2027 Aspirations





2. Key Investment Highlights

Lending Business

PEL FS: Platform Built on Sound Structural Pillars



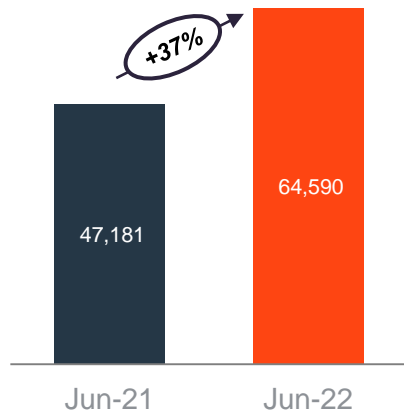
1

AUM: Scale, Growth and Diversification

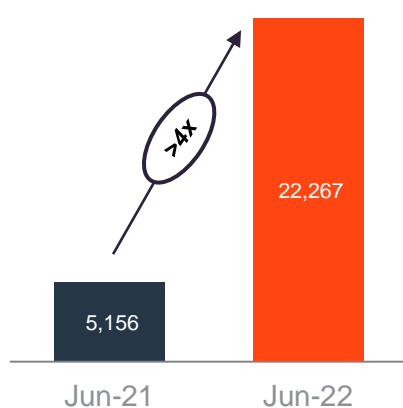
PEL is amongst India's Top 10 Diversified NBFCs

(INR Cr)

Overall AUM



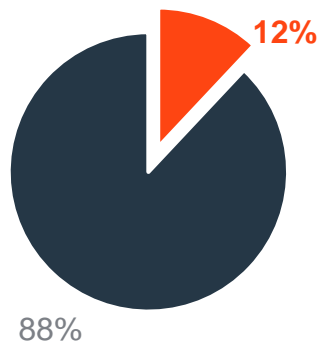
Retail Loans



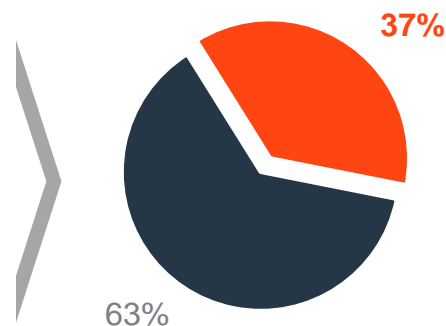
AUM Mix – Strong focus on Granularizing the AUM

(in %)

June 2021



June 2022



■ Retail

■ Wholesale

PEL is diversifying and rebalancing the AUM with strong focus on retail

Large, Diversified,
Growing, Retail Focus

Strong Balance
Sheet

Twin Engine
Strategy

Wholesale
Lending 2.0

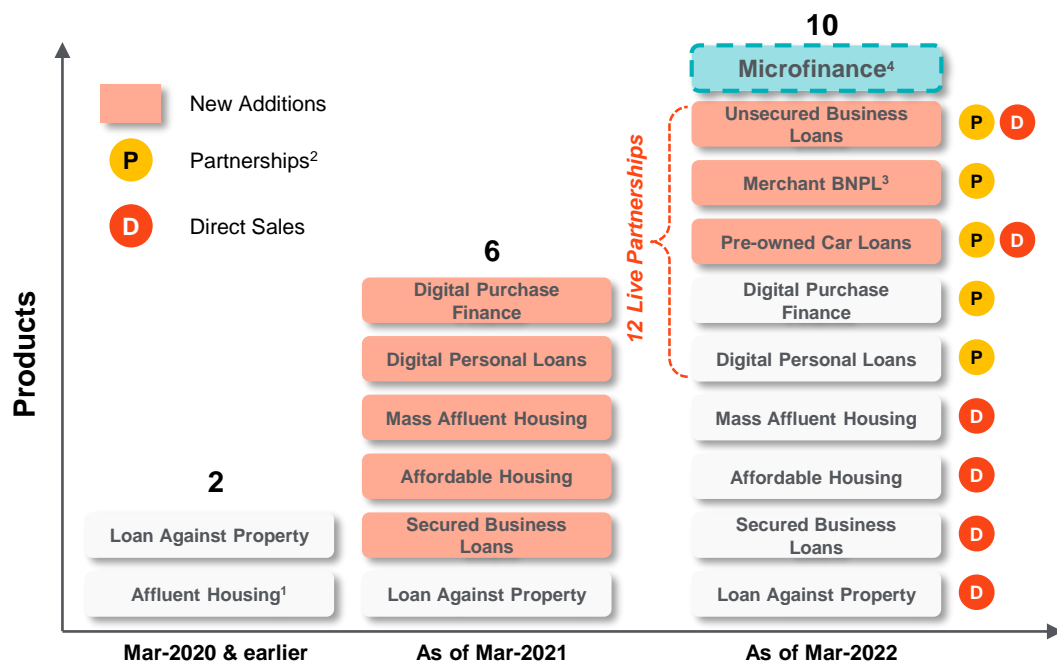
De-risking/ Granularizing
Wholesale

Asset Quality &
Provisioning

Stable Long-
Term Funding



1 Expanding Retail Lending Platform Across Multiple Products

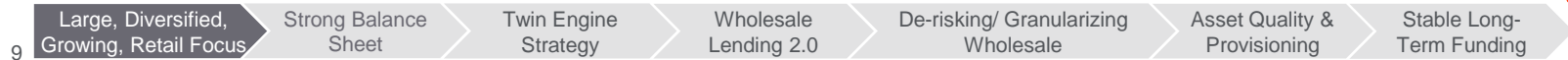


Launched Microfinance lending in Q1 FY2023

- ✓ Started in May-2022 from Jhunjhunu, Rajasthan and have 21 active branches now
- ✓ 'Phygital' model with video + AI-driven underwriting through a Business Correspondent partner
- ✓ Started disbursements in Q1 FY23
- ✓ Compliant with the latest RBI regulations

Partnering with leading Fintech and Consumer Tech firms to acquire customers at scale, at low cost and enable seamless digital lending

Notes: (1) Exited 'Affluent Housing' (in terms of new business) as the business pivots towards 'Affordable' and 'Mass Affluent' Housing under the new strategy (2) Launched in partnership with leading FinTech and Consumer Tech firms (3) BNPL: Buy now, pay later (4) Launched Micro-finance through the Business Correspondent (BC) model in Q1 FY2023 (i.e. after Mar-2022)




Strong Retail Disbursement Growth, Accompanied with Ramp-up in Customer Base

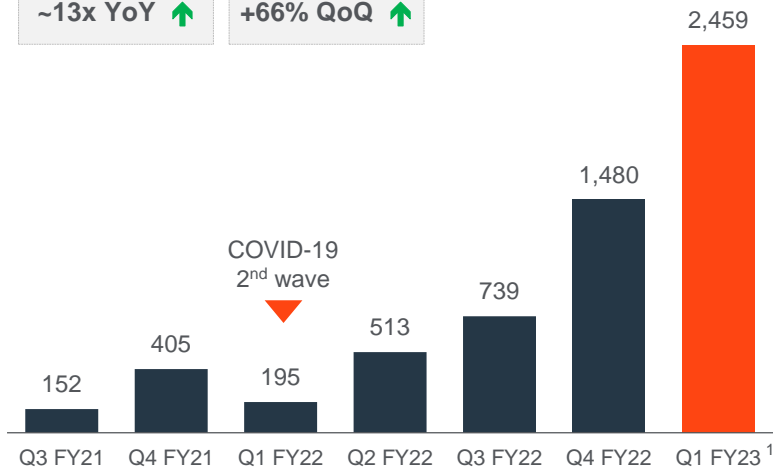
Retail Loans – Quarterly Disbursements

(In INR Cr.)

Q1 FY23 Performance:

~13x YoY 

+66% QoQ 

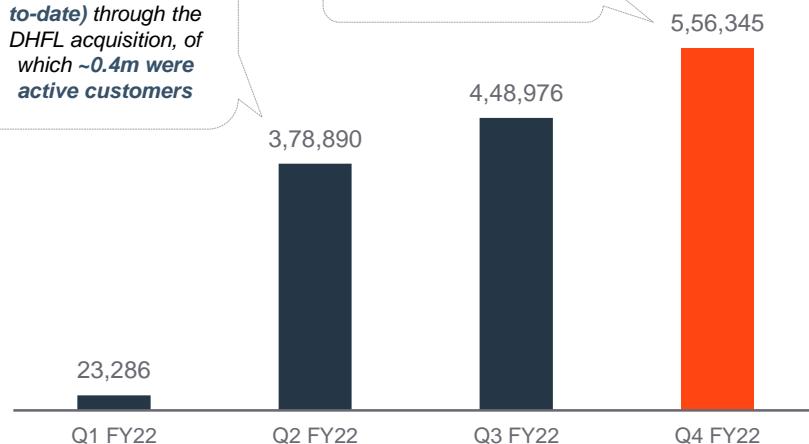


Active Retail Lending Customers

(# of Customers, Period-end)

~1m customers (life-to-date) through the DHFL acquisition, of which ~0.4m were active customers

~132,000 customers² acquired in Q4 FY22



On-track to achieve disbursements of INR 2,500-3,500 Cr. in Q3 FY23 (5-7x of pre-DHFL acquisition levels) and consistently growing customer-base

Notes: (1) Includes pool purchases (2) Gross Additions

Large, Diversified, Growing, Retail Focus

Strong Balance Sheet

Twin Engine Strategy

Wholesale Lending 2.0

De-risking/ Granularizing Wholesale

Asset Quality & Provisioning

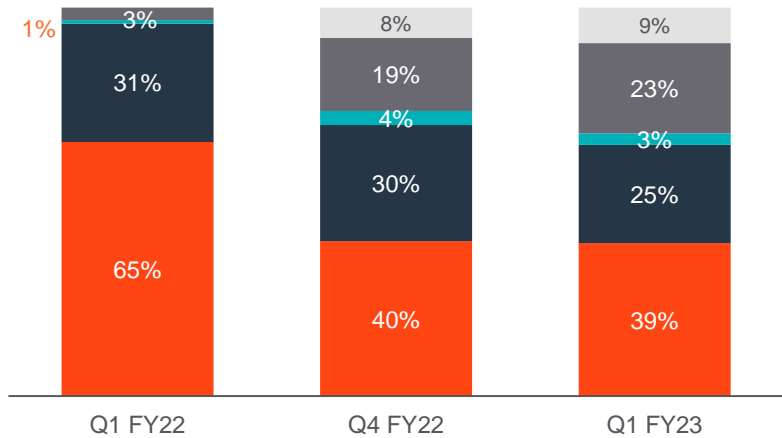
Stable Long-Term Funding

Healthy Disbursement Mix Driving Improvement in Retail Yields

Retail Disbursements Across Product Segments

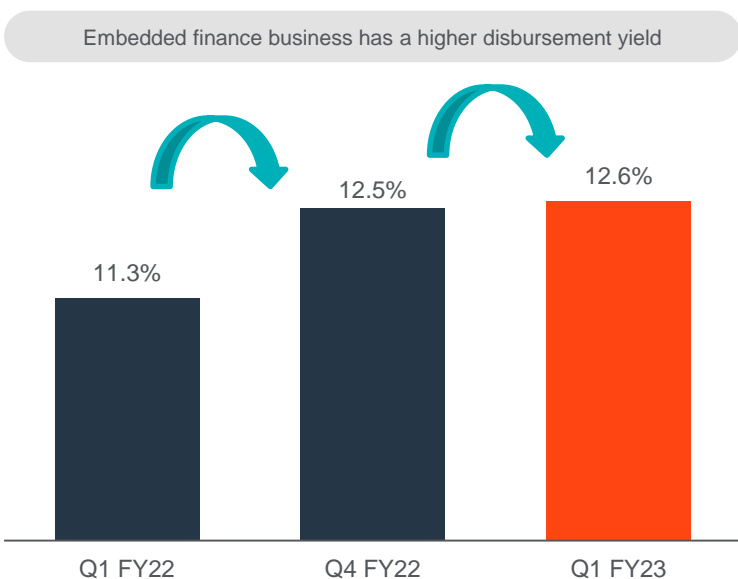
%, based on value for retail loans

- MSME Unsecured + Microfinance
- Digital Embedded Finance
- Used Car Loans
- MSME Secured
- Housing



Improvement in Retail Disbursement Yields

%, for retail loans (excl. embedded finance)



Strong Balance Sheet Creating Significant Headroom for Organic and Inorganic Growth

Overall Equity - As of March 31, 2022

(In INR Crores)

Financial Services (Lending): 48%

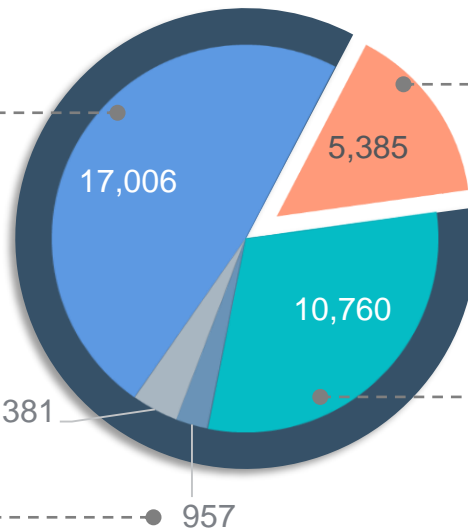
Capital Adequacy Ratio of 25%
as of Jun-2022

Alternatives: 4%

Commitment of ~USD 1 billion;
partnerships with marquee institutions

Life Insurance: 3%

Joint Venture (JV) with Prudential
International Insurance Holdings



Pharma¹: 15%

Built a differentiated business, valued at
an EV of USD 2,775 million in Jun-2020

Overall Equity¹:
INR 35,489 Cr.

Unallocated equity: 30%

Includes investments in Shriram, cash &
cash equivalents and others

Strong balance sheet with equity of nearly INR 30,000 Crores (excluding Pharma)

Note: (1) Excludes Non-Controlling Interest (NCI) of INR 1,348 Cr.

Large, Diversified,
Growing, Retail Focus

Strong Balance
Sheet

Twin Engine
Strategy

Wholesale
Lending 2.0

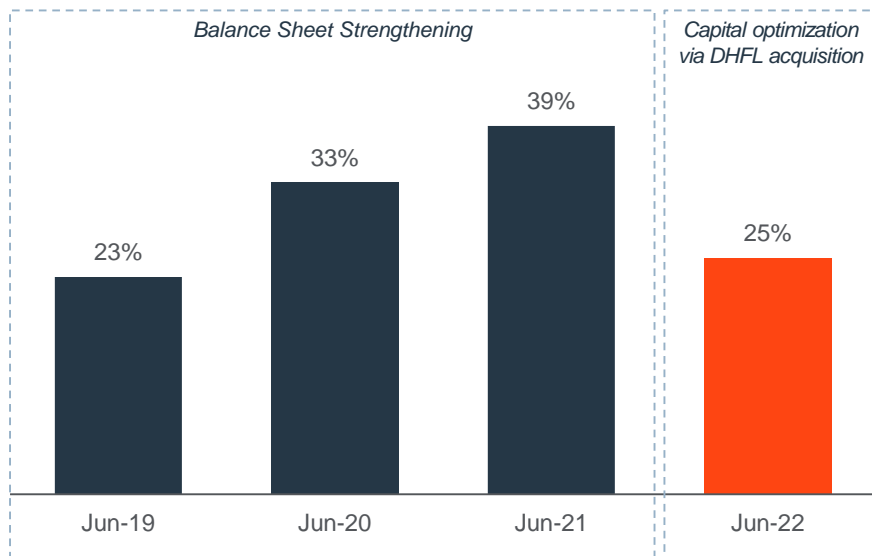
De-risking/ Granularizing
Wholesale

Asset Quality &
Provisioning

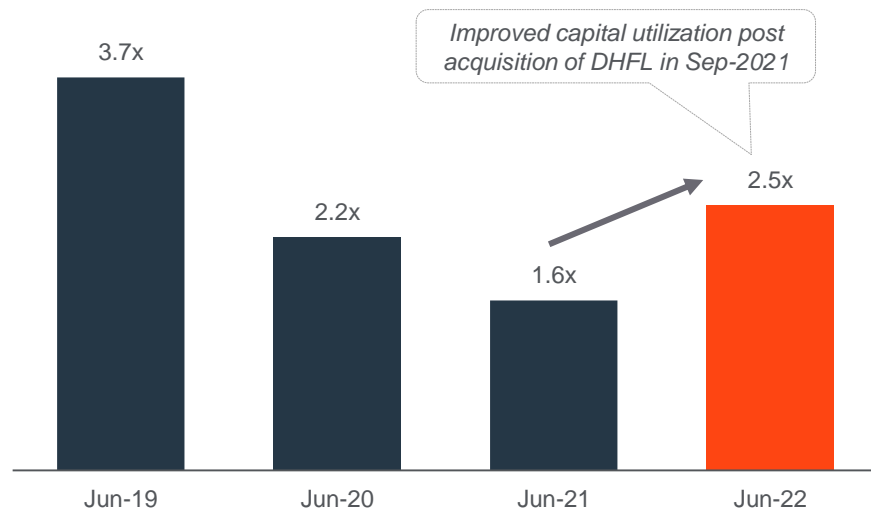
Stable Long-
Term Funding

Effectively Utilizing Large Capital Pool Through Organic And Inorganic Growth

Capital Adequacy Ratio

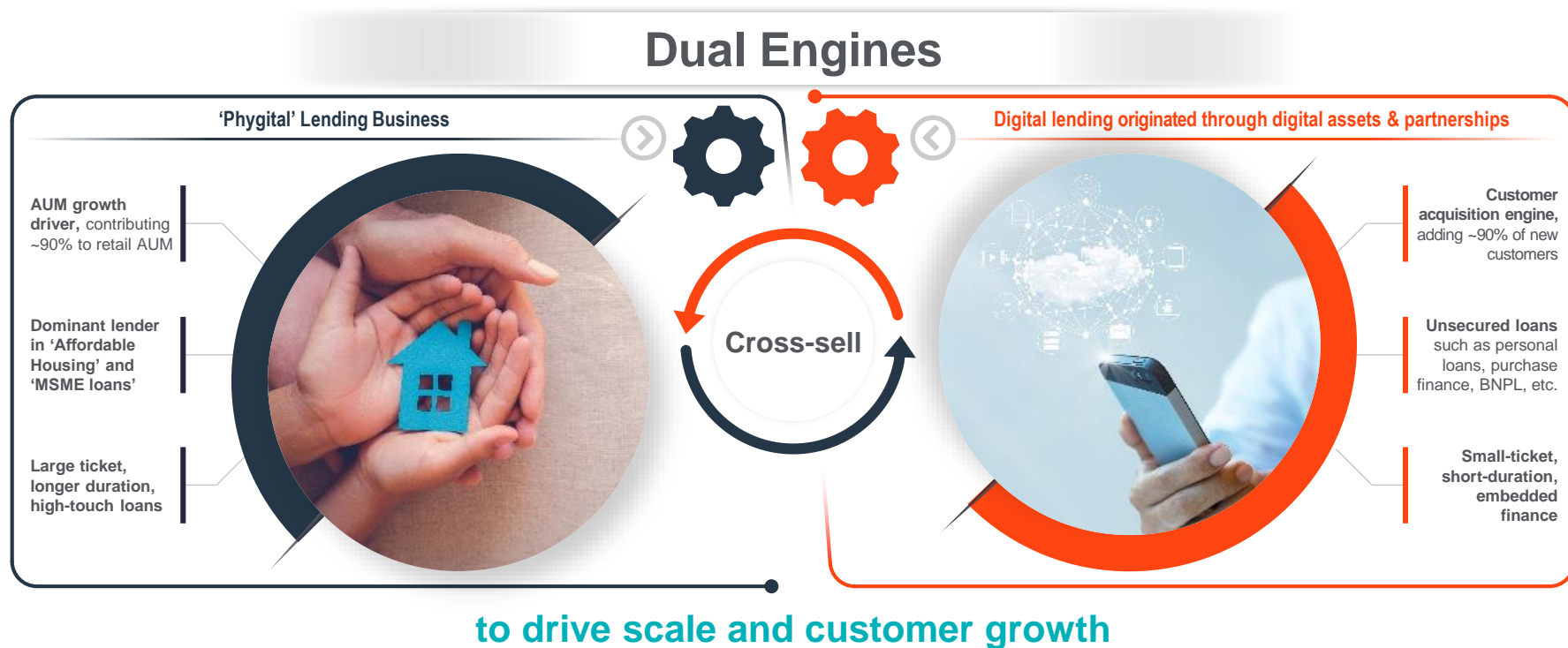


Net Debt-to-equity



Strong balance sheet enabled acquisition of DHFL; further scope for capital optimization

Adopting a 'Twin Engine' Approach for Retail Business

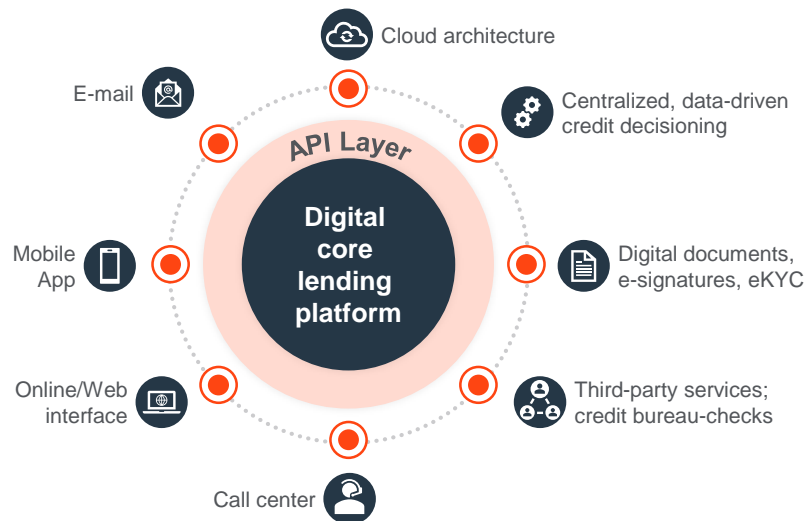


3

'Phygital Lending': Physically-distributed, Digitally-enabled

Physical infrastructure

'Feet-on-the-ground'



Innovative customized product offerings



Affordable Housing

Mass Affluent Housing

Secured Business Loans

Loan Against Property

Pre-owned Car Loans



Large, Diversified,
Growing, Retail Focus

Strong Balance
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Twin Engine
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Wholesale
Lending 2.0

De-risking/ Granularizing
Wholesale

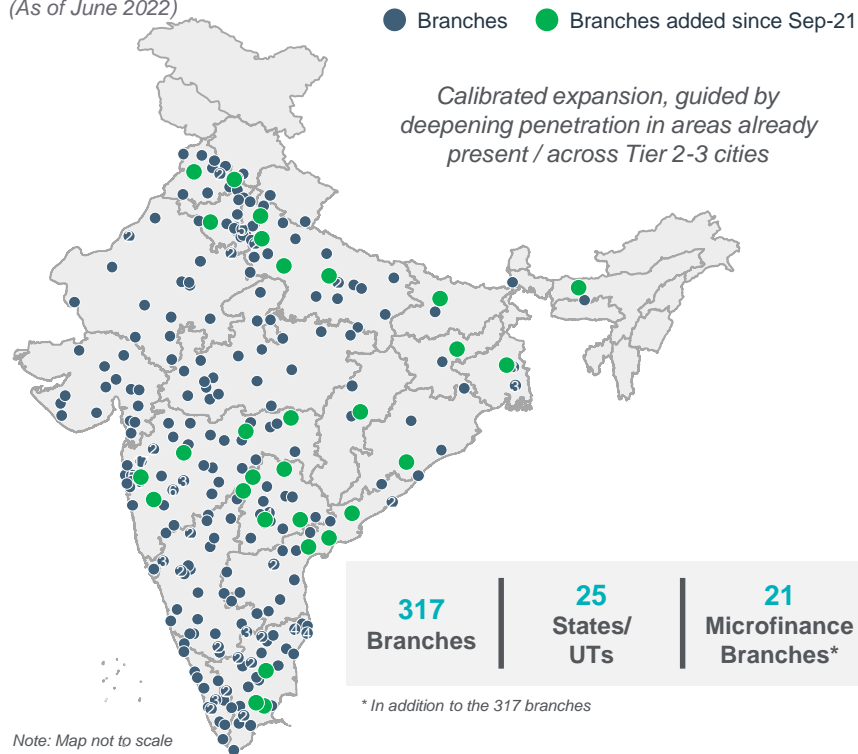
Asset Quality &
Provisioning

Stable Long-
Term Funding

Pan-India Physical Distribution Network through Successful Integration of DHFL

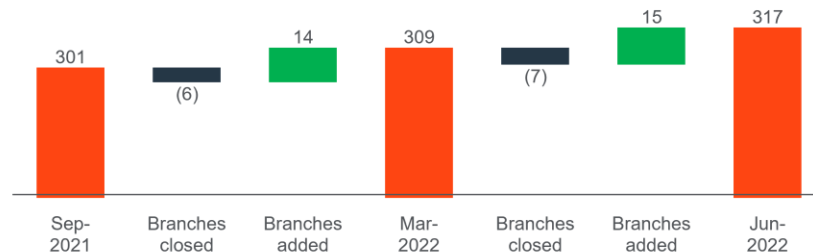
Pan-India Extensive Distribution Network

(As of June 2022)



Branch additions since the DHFL acquisition in Sep-2021

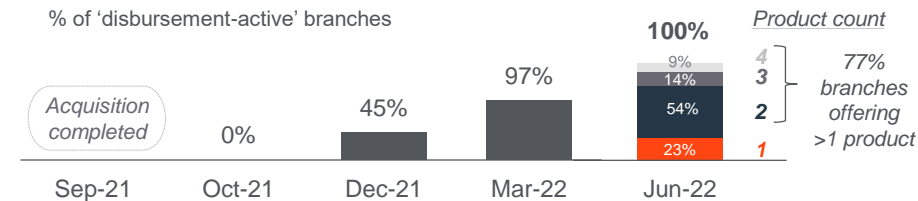
(No. of branches, excl. Microfinance-BC branches)



- **Branches:** Add 100 branches in FY2023; expand to 500-600 branches with presence in ~1,000 locations in 5 years
- **Microfinance-BC branches:** Activate ~100 Microfinance branches across 4-5 states in the near-to-medium term

Steady Branch Activation at DHFL

% of 'disbursement-active' branches



Catering to Customers across Affordable Housing and MSME Segments



Small Business Owner

**Kirana Store' Owner
In Bahadurgarh, Haryana**

- Required Working capital for wholesale trading in nearby localities



Small Business Owner

**Tailor in Meerut,
Uttar Pradesh**

- Required loans for renovation of shop



Cash Salaried

**Runs a Coaching Center
In Ulhasnagar, Maharashtra**

- To purchase a 1BHK in Thane



Self-employed

**Trader Of Plywood
In Dewas , Madhya Pradesh**

- To buy a plot and construct a house



Self-employed

**Electrical Contractor
In Kannur, Kerala**

- To buy a house for self occupation



Small Business Owner

**Pharmacy Owner
In Kanchipuram, Tamil Nadu**

- Small business loan

Overall, a diversified customer mix with ~56% Self-employed and 44% Salaried¹

Note (1) As of March 2022.

Large, Diversified,
Growing, Retail Focus

Strong Balance
Sheet

Twin Engine
Strategy

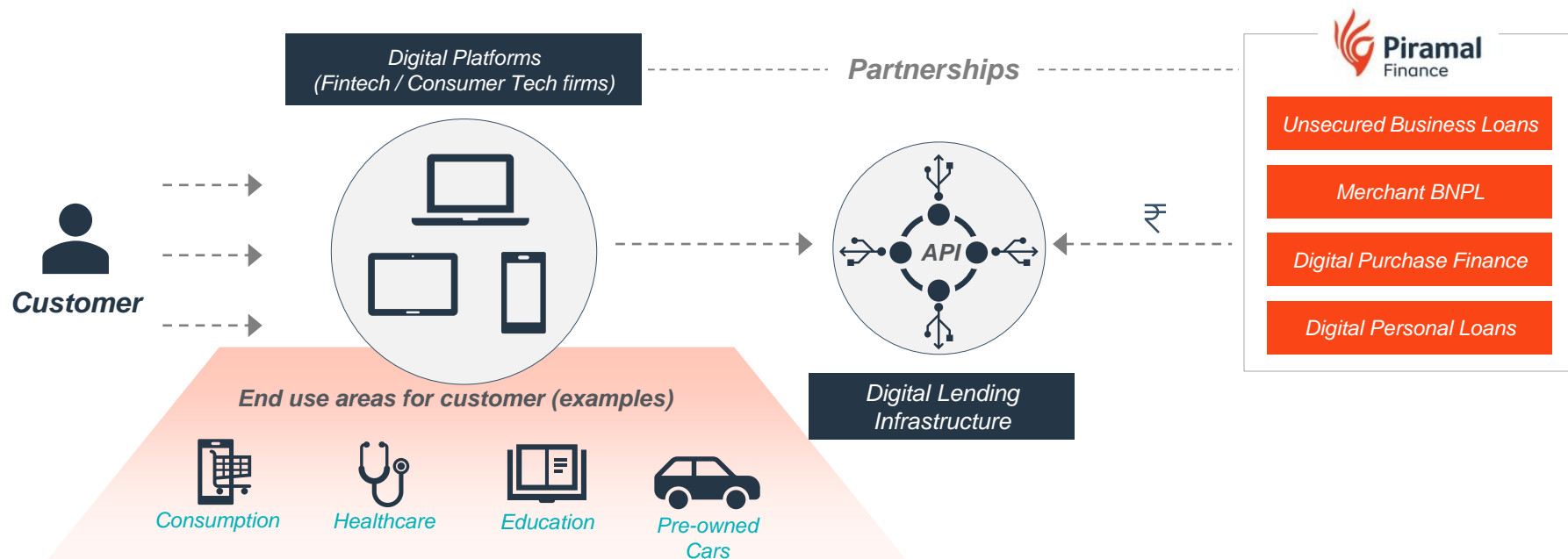
Wholesale
Lending 2.0

De-risking/ Granularizing
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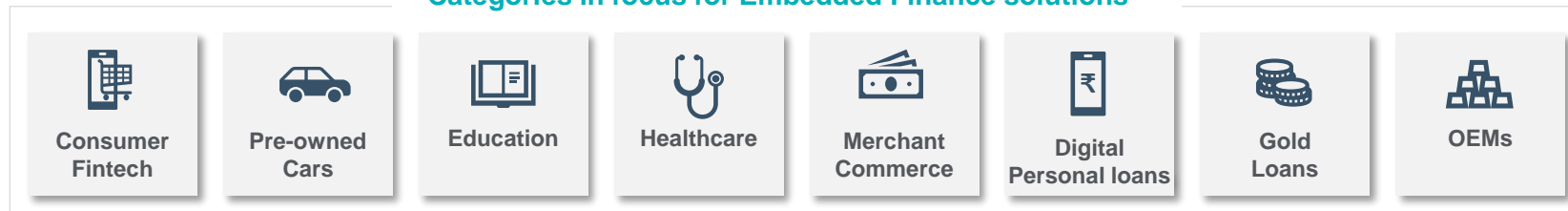
PEL's Digital Lending Business Model



Embedding credit as a microservice into customer journeys

Digital Lending: Growing across product categories, business models and partners

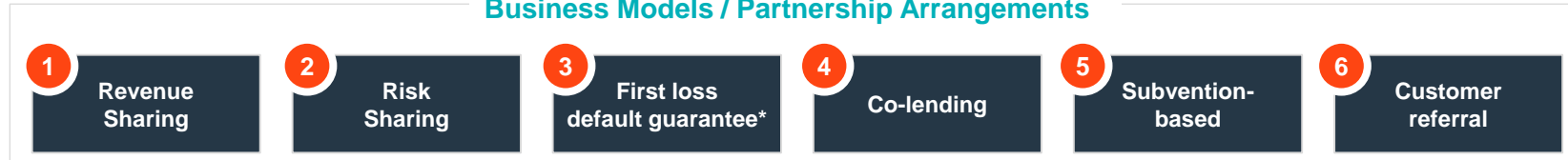
Categories in focus for Embedded Finance solutions



12 diverse partnerships launched

Fintech NBFCs	Transaction platforms	Service providers	Edtechs / Education Institutes [#]
MSME platforms	OEMs [#]	Gold Collateral Companies	Product manufacturers [#]

Business Models / Partnership Arrangements



* From NBFC partners | # In pipeline | As of Mar-2022

Digital Lending: Scaling-up partnerships with Fintech and Consumer Tech firms

Overview of Digital Lending Business

As of Jun-2022

16

Programs launched

10,353

Pin-codes Serviced

93%

contribution to customers
acquired in Q1 FY23

23%

contribution to disbursements
in Q1 FY23

36 seconds

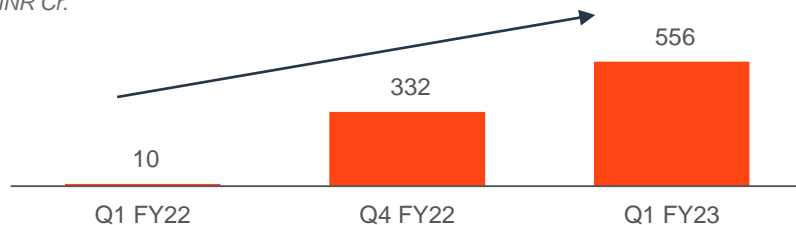
least time taken for
disbursed loan

98%

of loans provided with
zero-manual intervention

Quarterly Disbursements

In INR Cr.



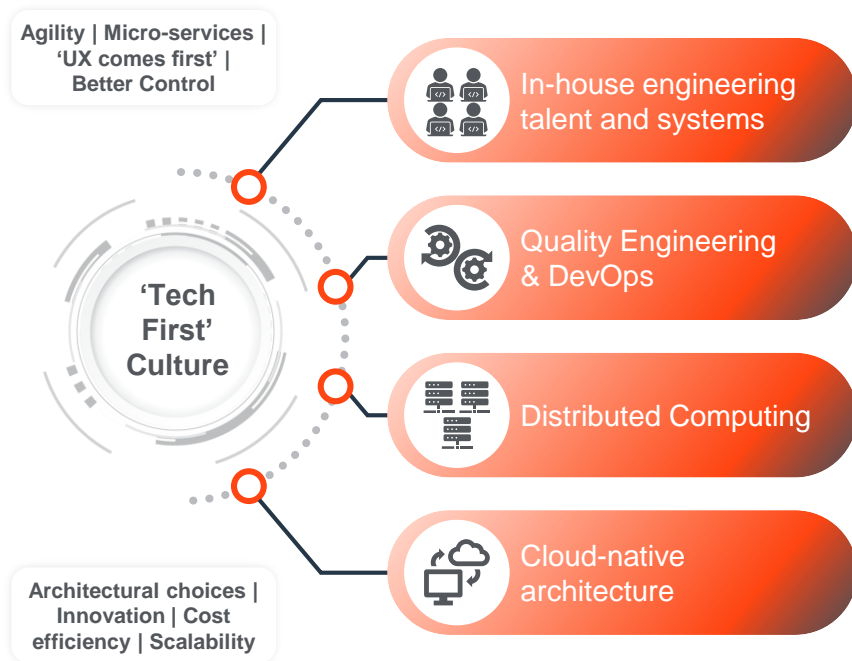
Key Capabilities

- ✓ **Highly modular, in-house developed** loan origination & rule engine
- ✓ **Generic API stack** for easy integration
- ✓ **Agile squads** for rapid go-to-market and scale up
- ✓ **Proprietary fraud and underwriting models**
- ✓ **Deep in-house collections capabilities**

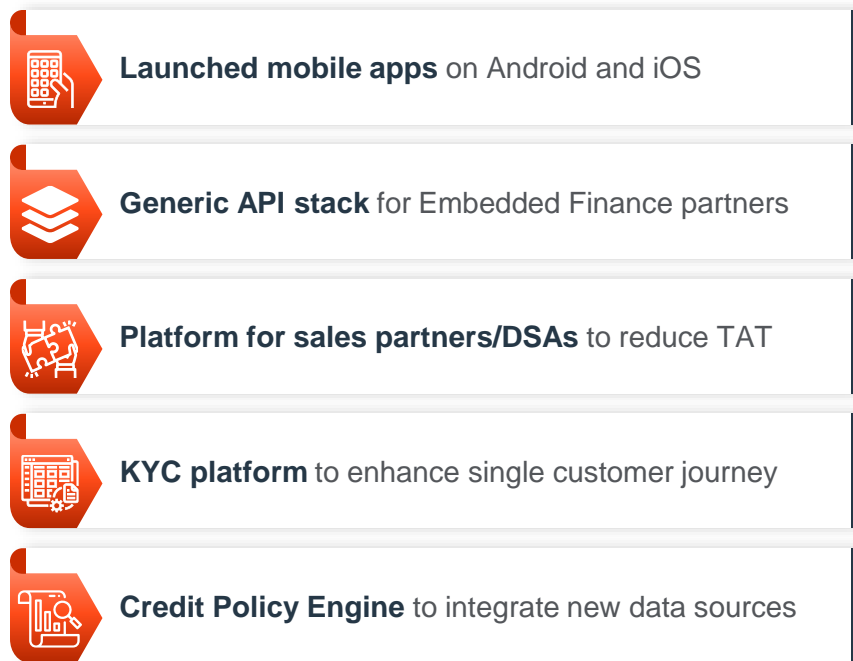
Continue to leverage partnerships to acquire customers at scale by embedding digital lending as part of customer journeys

Cutting Edge Technology At the Core

Our Tech Strategy and Choices



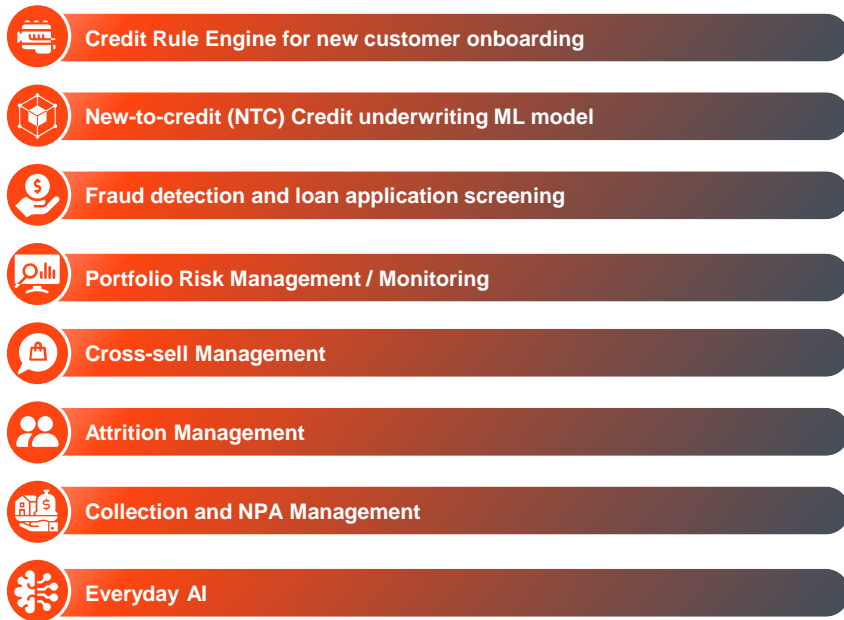
Digital Assets Created / Launched During FY2022



Extensively Leveraging AI/ML

AI/ML: Key aspect every step of the way

Extensive use of AI/ML, Decision Sciences and automated Business Intelligence (BI) in almost every aspect to re-imagine the entire customer journey



Leveraging Data Science / AI in Retail Lending *(As of March 2022)*

AI/ML Risk Models for Acquisition

70,000

Applications processed

DHFL Acquisition

Developed proprietary AI/ML models to predict default risk in the acquired portfolio – portfolio performance in line with expectations

AI/ML Models for NPA Recovery

30,000

Customers queued

Real-time visualization dashboard

80+ KPIs tracked

- Real-time
- Deep drill-down functionality
- One information platform

AI/ML Models for Retention

19,000

Cases processed

Risk Monitoring Platform

Monitoring key risk indicators such as:

Early Warning

Delinquency

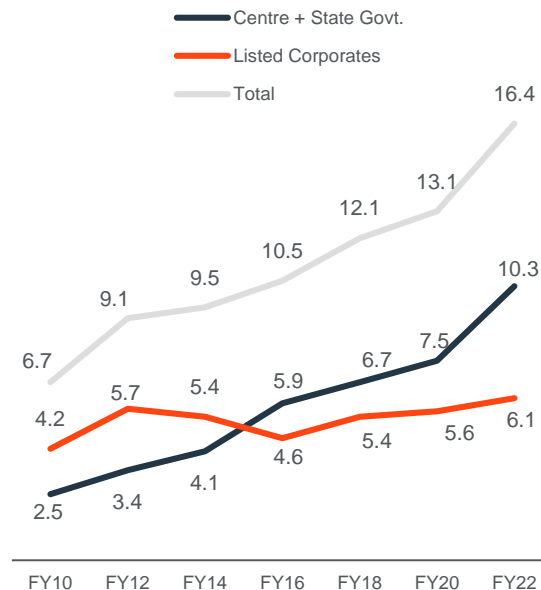
Bounce

NPA

Wholesale Portfolio – Witnessing a Recovery in the Capex Cycle and Revival in Real Estate Sector

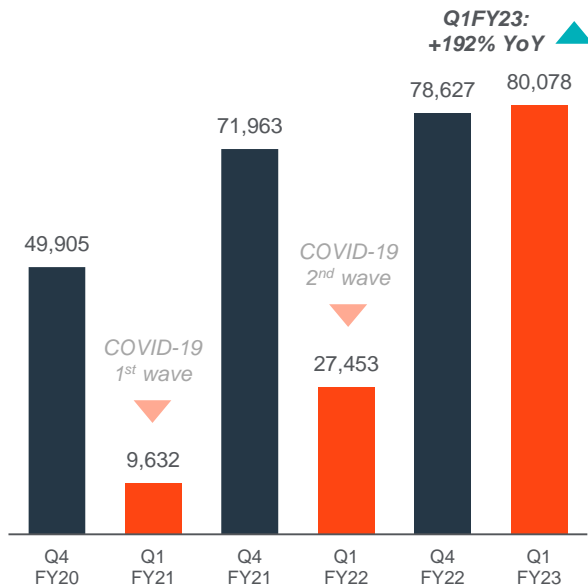
Rejuvenating Capex Cycle

Capex¹, INR Lakh Crore

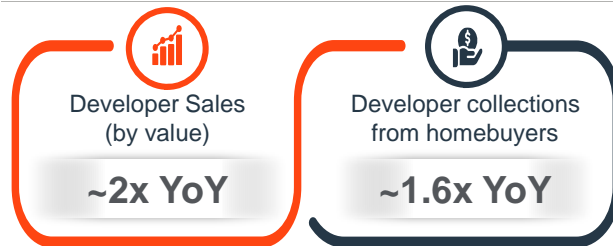


Revival in Residential RE Industry

Housing Units Sold in Top-8 cities



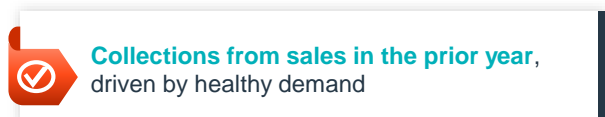
Performance of Developer Clients in Q1 FY23



Developer Sales:



Developer collections from homebuyers:



Sources: Knight Frank Research.

Note (1) YTD data for FY2022, as of Nov-2021

Large, Diversified,
Growing, Retail Focus

Strong Balance
Sheet

Twin Engine
Strategy

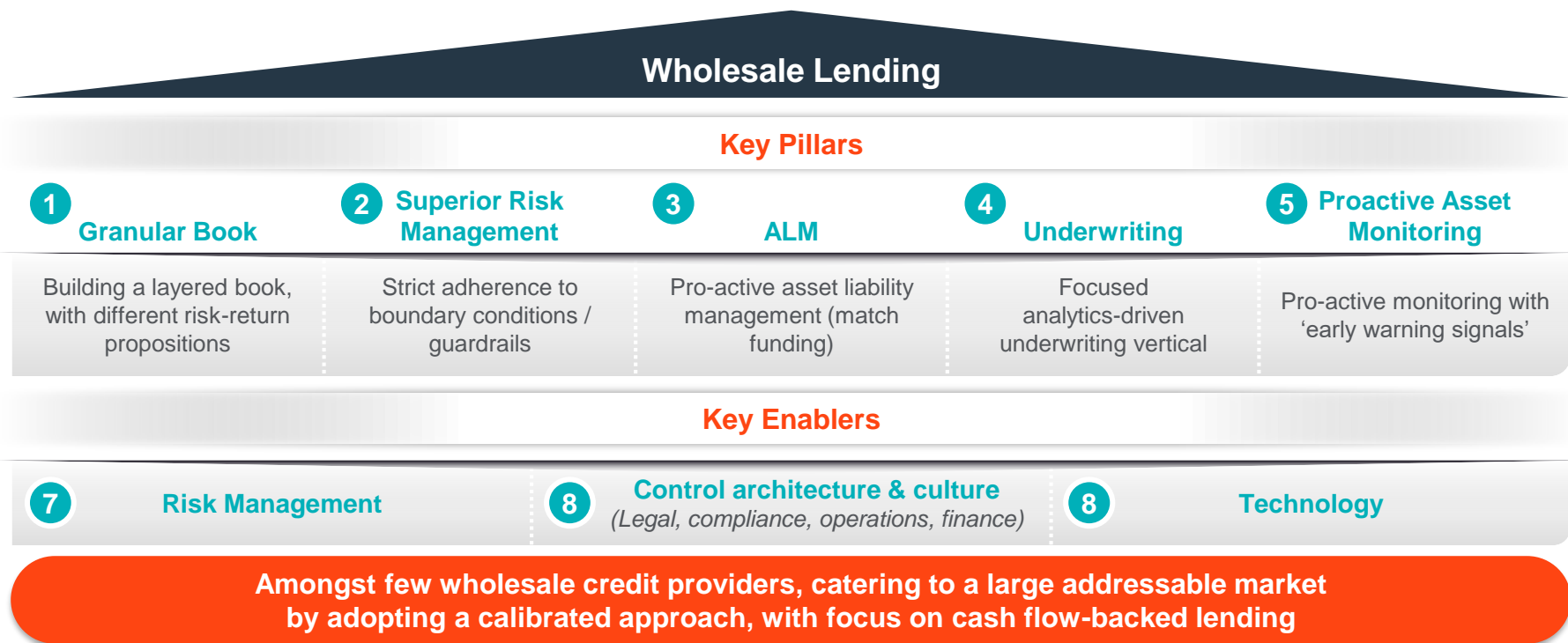
Wholesale
Lending 2.0

De-risking/ Granularizing
Wholesale

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Wholesale Lending 2.0: Key Pillars In Place



Executing on Wholesale Lending 2.0 Strategy

Real Estate Lending

✓ Primarily focus on **mid-market residential projects in tier-1 cities**

✓ **Focus on top 15-20 tier 2/3 markets**, backed by strong local developers; **exposure of INR 20-50 Cr. per developer**

✓ **2-3 deals under execution worth INR 575 Cr.**

Corporate Mid-Market Lending (CMML)

✓ **Smaller ticket** corporate non-real estate loans at the OpCo-level

✓ **Built a book of INR 669 Cr. as of Jun-2022**, with ticket sizes of up to INR 100 Cr.

Team

- Appointed CEO and hired Head of Credit
- Strengthening Mumbai, Delhi, Bangalore, Pune coverage and credit teams

Technology/ Analytics

- Transitioned to a fully-integrated proprietary developed digital platform
- Leveraging analytics to analyze past deals to further strengthen underwriting

Risk/ Governance

- Strengthen asset monitoring and management
- Dedicated / separate Investment Committees for Real Estate and CMML deals
- Boundary conditions in place for growing the book

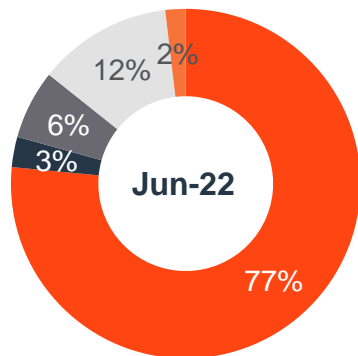


Healthy deal pipeline

Build an ecosystem to provide comprehensive capital solutions to customer needs through a one firm approach

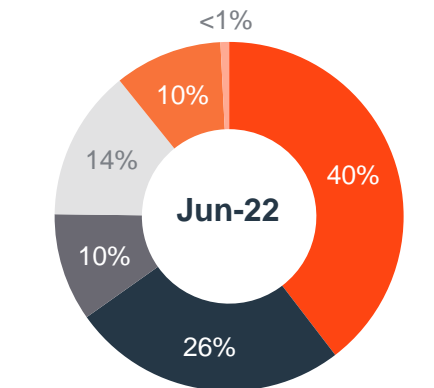
Composition of Existing Wholesale Portfolio

Wholesale loans by product segment 1,2,3



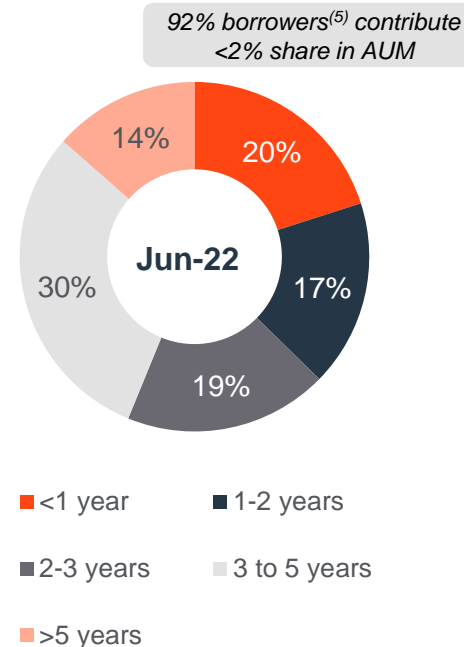
- Real Estate (RE)
- LAP / LRD
- Hospitality
- Corporate (non-RE)
- Corporate Mid-Market Loans (NEW)

Wholesale RE exposure by cities 1,2,3



- MMR
- Bengaluru
- Pune
- NCR
- Chennai
- Others

Wholesale loans by tenure 4



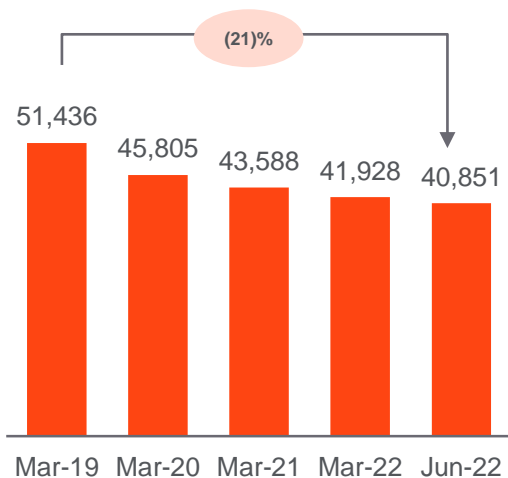
- <1 year
- 1-2 years
- 2-3 years
- 3 to 5 years
- >5 years

Notes: (1) Based on value of loans. (2) Excludes DHFL's wholesale loan book worth INR 1,472 Cr. (valued at INR 1,943 Cr. at the time of acquisition). (3) Excludes PEL's share in AIFs & investments worth INR 5,141 Cr. as of Jun-2022. (4) Excluding NPA accounts (5) Represents total number of individual borrowers; multiple loan facilities extended to a single borrower are combined to determine the share of an individual borrower in the overall AUM.

De-risking and Granularizing Existing Wholesale Portfolio

Granularizing Wholesale Loan Book¹...

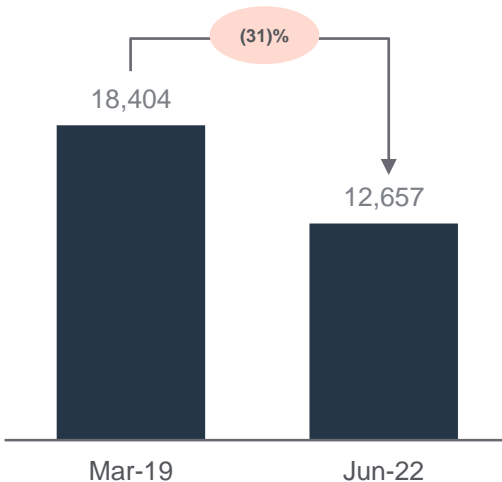
(INR Crores)



- 21% reduction since Mar-2019, which includes real estate and corporate loans

...Reducing exposure to top 10 accounts

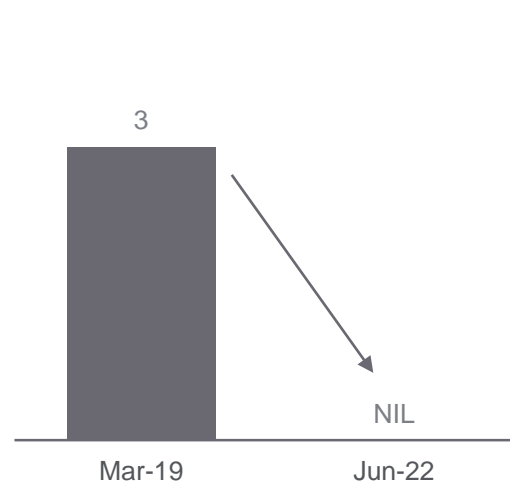
(INR Crores)



- Exposure to top-10 accounts reduced 31% since Mar-2019 (by INR 5,747 Cr.)

...Eliminating Large Single Borrower Exposures

(No. of accounts >15% of net worth)



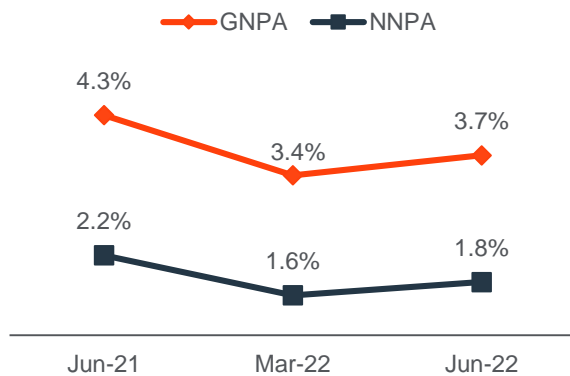
- No account² exceeds 10% of Financial Services net worth, as of June-2022

Note: (1) Includes PEL's share in AIFs & investments for the periods Mar-2021, Mar-2022, Jun-2022; excludes INR 1,472 Cr. of wholesale loans acquired through the DHFL acquisition as of Jun-2022; (2) Net of provisioning.

PEL FS: Steady Asset Quality and Conservative Provisioning Policy

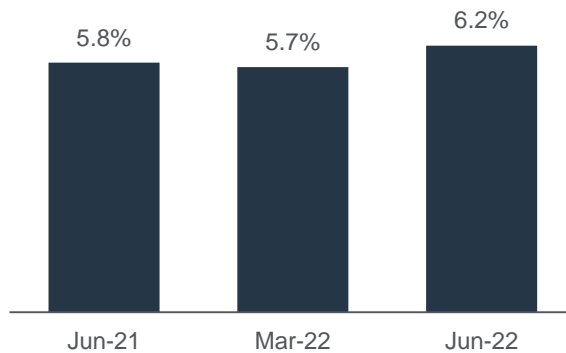
GNPA and NNPA Ratios

In %



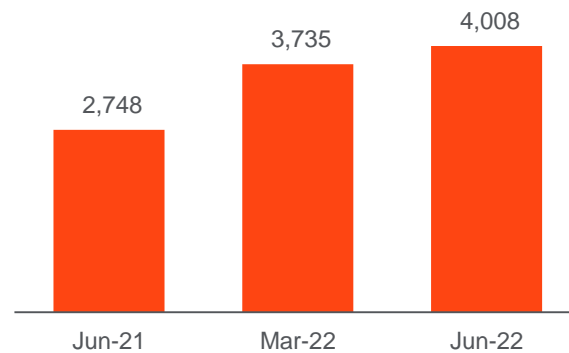
Provisioning as a % of AUM

In %



Overall Provisions

In INR Cr.

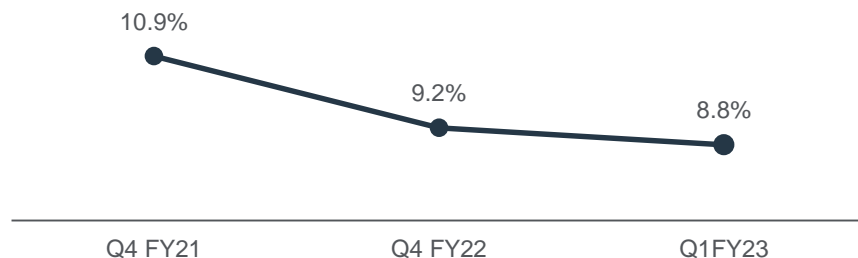


- **Re-evaluated the wholesale portfolio in Q4 FY22**, for any lasting impacts on our clients of the pandemic or recent stresses in the macro economy
- **Total provisions increased to 6.2% of overall AUM** as of Jun-2022, on account of:
 - Progressing towards monetization of few wholesale exposures, in line with our strategy to make our book more retail-oriented
 - Higher ECL provisioning in line with retail loan book growth

Robust Liability Management with Higher Proportion of Long-term Borrowings

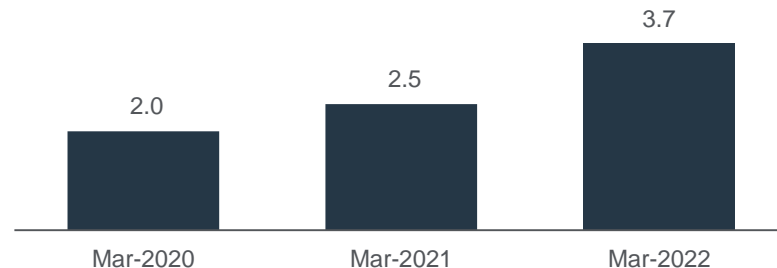
Average Cost of Borrowings

In %, for PEL Financial Services



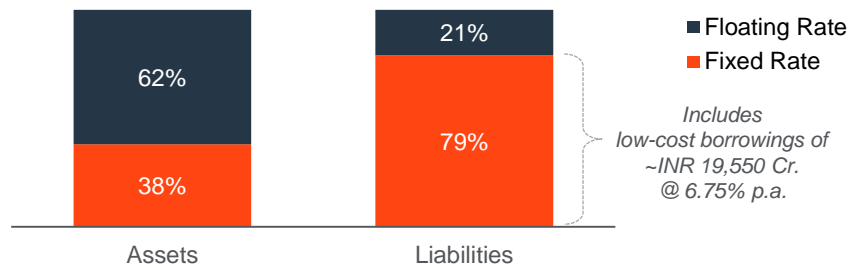
Average Maturity of Borrowings

In years, weighted average on a residual basis



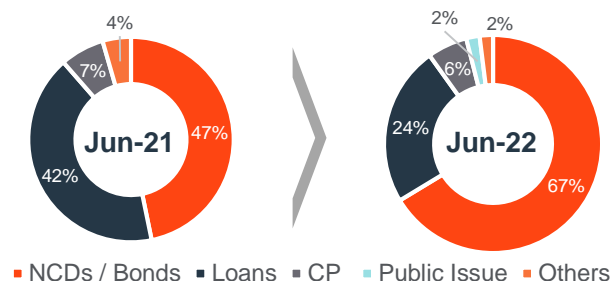
Fixed : Floating Rate Mix

As of June-2022



Higher Proportion of Longer Tenor NCDs/Bonds

In %





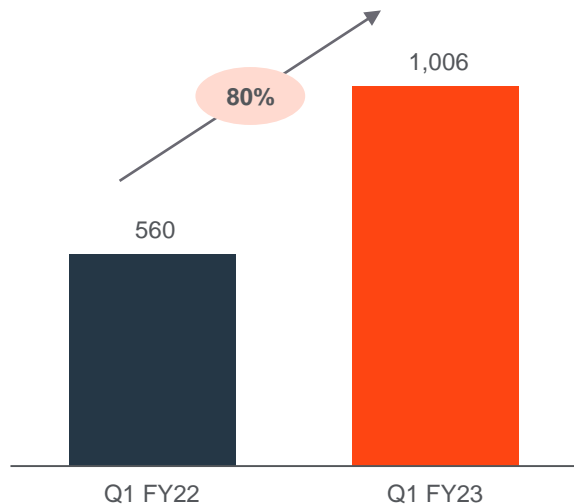
3. Key Financials

Lending Business

Improving Performance of Lending Business

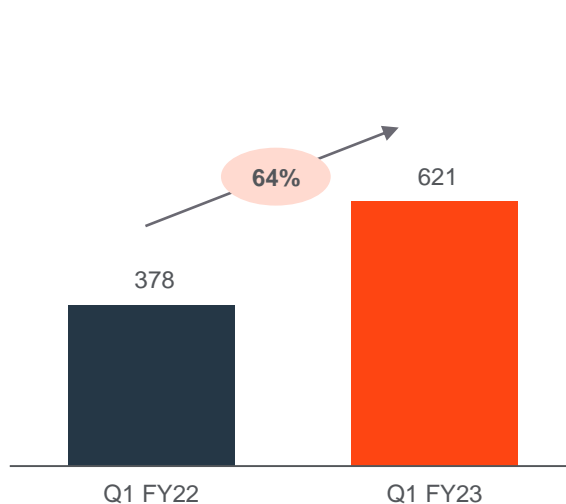
Total Income, Net of Interest Expenses

In INR Cr



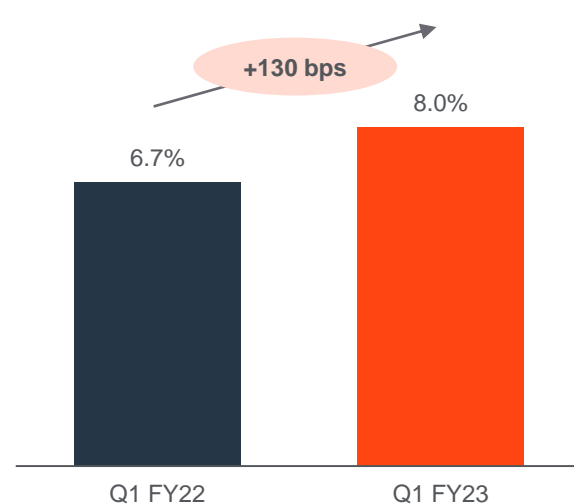
Pre-Provision Operating Profit (PPOP)

In INR Cr



Return on Equity

In %



ROA Tree – Financial Services (Lending Business)

KPIs (as a % of assets)	Q1 FY23	Q1 FY22	FY 2022
Interest Income	11.7%	12.5%	11.7%
Interest Expenses	7.1%	8.4%	8.1%
Net Interest Income	4.6%	4.1%	3.6%
Fees & Other Income	0.7%	0.6%	0.6%
Total Income	5.3%	4.7%	4.2%
Operating Costs	2.4%	1.5%	1.9%
Pre-Provision Operating Profit	2.9%	3.2%	2.4%
Credit Cost, Net of Recoveries (Annualized)	1.0%	-0.4%	1.2%
Credit Cost (Annualized)	2.1%	-0.4%	1.6%
Recoveries from the POCI ¹ Book (Annualized)	-1.1%	-	-0.4%
Profit Before Tax	1.9%	3.6%	1.1%
ROA (Profit After Tax)	2.1%	2.6%	1.3%
Assets-to-equity	3.8x	2.6x	3.1x
ROE (Profit After Tax)	8.0%	6.7%	4.1%



(1) POCI: Purchased or Originated Credit Impaired



4. Brief Overview

Non-Lending Business

Alternatives: Fund Management with Marquee Investors; ~USD 1 billion of Committed Funds

Fund	Partner/Co-sponsor	Committed/Deployed Capital	Investment Strategy
Piramal 'Performing Credit' Fund	 Caisse de dépôt et placement du Québec	~USD 1 billion Funds committed; >50% deployed	<i>Performing credit mandate across mid sized corporates</i>
IndiaRF (Stressed Asset Fund)	 BainCapital CREDIT		<i>Leverage the opportunity to invest in distressed assets</i>

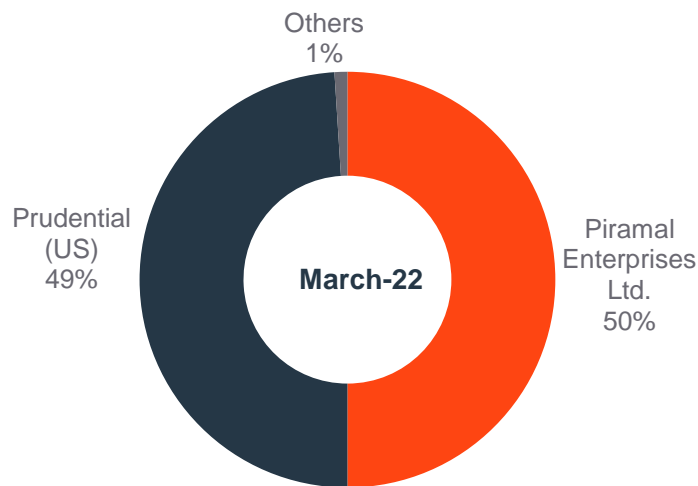
Return on sponsor commitments as well as income (in the form of both fee and carry) are likely to further improve, as we scale up existing funds and expand the product suite

Data as of March-2022 or for FY22

Life Insurance: JV with Prudential International Insurance Holdings

Shareholding Pattern of Pramerica Life Insurance (PLI)

(in %)



Customer Base

2.5 million

Embedded Value

INR 1,802 Cr.

Gross Written Premium

INR 1,099 Cr.

Solvency Ratio

404%

13th Month
Persistency Ratio

78%

Claims Paid Ratio

98%

Branches

134 branches

Presence

28 States
/ 2 UTs

Agent Network

15,000+

(as of FY22)

Strong foundation in place for next phase of growth

Data as of March-2022 or for FY22

Piramal Financial Services – Key Strategic Priorities

1 Aim to achieve a loan book mix of 2/3rd retail and 1/3rd wholesale in 5 years

2 Lower cost of borrowings, driven by diversification of loan book and funding sources

3 Further optimize capital utilization through loan book growth and inorganic initiatives

4 Maintaining adequate provision to manage future contingencies

5 Improve returns through growth, lower borrowing costs, change in product mix within retail and higher capital utilization



Appendix







Listing of PPL and Simplification of Corporate Structure on track for Q3 FY2023

Key Milestones	Status / Expected Timeline
Board Approval	✓
Filing of Application with Stock Exchanges	✓
RBI Consent (on Scheme of Arrangement)	✓
Consent from the Financial creditors	✓
Consent from SEBI / Stock Exchanges	✓
Approval from shareholders	✓
RBI Approval (for NBFC license to PEL)	✓
NCLT Approval	✓
Listing of PPL on Stock Exchanges	Q3 FY2023 (expected)

Listing of PPL on the Stock Exchanges is expected to get completed by Q3 FY2023¹

Note: (1) Subject to regulatory approvals.

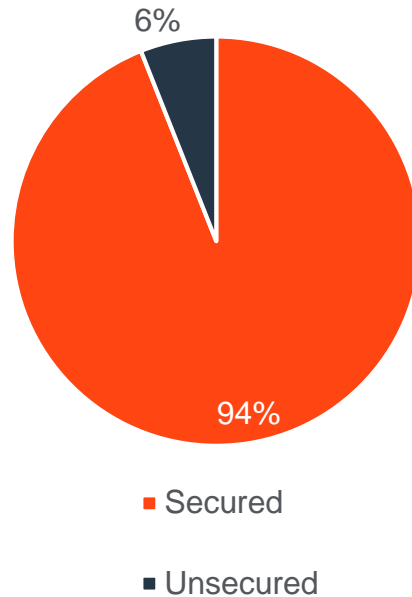
Retail Lending: A Multi-Product Platform across the Risk-Reward Spectrum

Product Segments		Key Products		Avg. disbursement ticket size (INR lacs- Q1FY23)	Disbursement Yield % (Q1FY23)	Loan Book % (Q1FY23)
'Phygital' Lending ➔	 Housing	Affordable Housing	Mass Affluent Housing	17	11.3%	66%
	 MSME Secured	Secured Business Loans	Loan Against Property	21	12.0%	27%
	 Microfinance	Microfinance Loans (Launched in Q1 FY23)		0.3	25.0%	2.2%
	 Used Car Loans	Pre-owned Car Loans		4	14.3%	0.8%
Digital Lending ➔	 MSME Unsecured	Unsecured Business Loans	Merchant BNPL	6	19.6%	1.5%
	 Digital Embedded Finance	Digital Purchase Finance	Digital Personal Loans	1.4	14.3%	2.4%
Weighted Average / Total				12.5	13.1%	100%

Largely Secured Retail Loan Book with Significant Proportion of Housing and MSME Lending

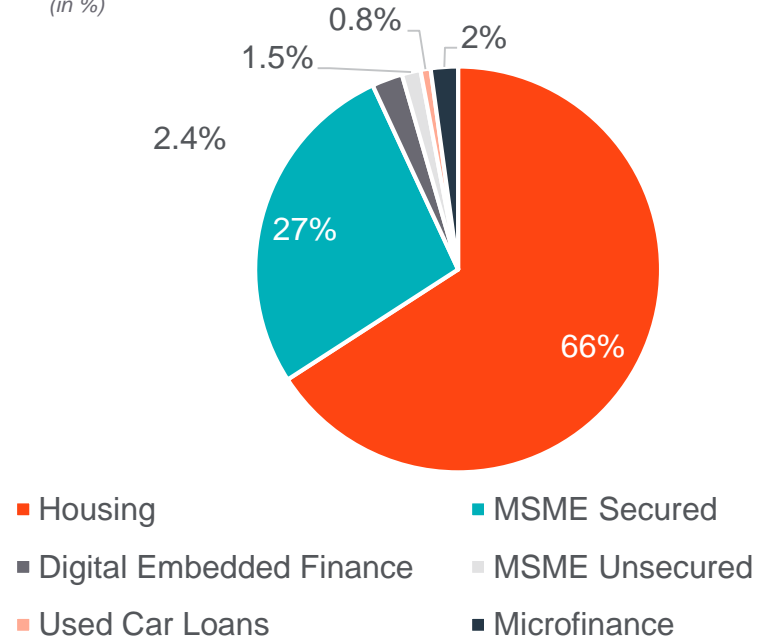
Breakdown of the Retail book by product type

(in %)



Breakdown of the Retail book by product segment

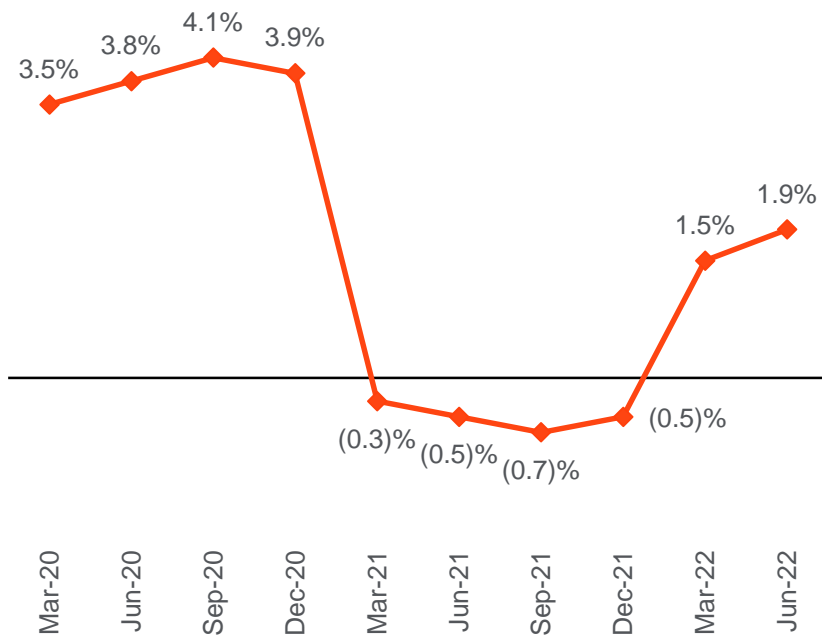
(in %)



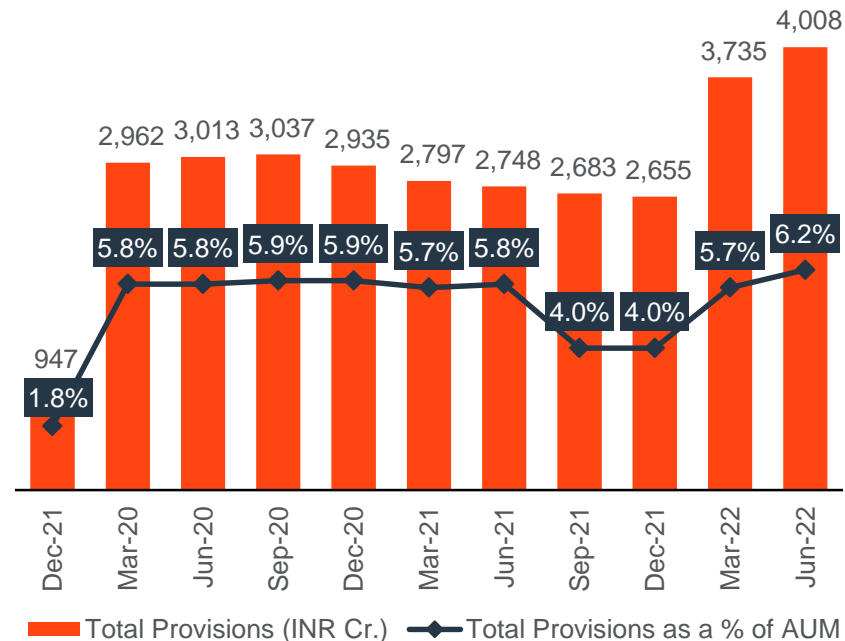
Credit Cost and Provisioning Trends

TTM credit costs¹ (Overall FS – Lending)

In % p.a.



Total Provisions (on Balance Sheet)



Note: (1) Trailing 12-month (TTM) credit cost = Cumulative incremental provisions for trailing 12 months / Average AUM for trailing 12 months.

P&L Summary – Financial Services (Lending Business)

(in INR crores)

P&L Metrics	Q1 FY23	Q1 FY22	FY 2022
Interest Income	2,042	1,485	7,016
Less: Interest Expense	1,149	998	4,610
Net Interest Income	893	487	2,406
Fee & Other Income	113	73	362
Total Income, net of interest expenses	1,006	560	2,768
Less: Operating Expenses	360	174	1,020
Less: Depreciation	25	9	55
Pre-provision Operating Profit (PPOP)	621	378	1,694
Less: Loan Loss Provisions	161	-49	696
<i>Provisions during the period</i>	333	-49	957
<i>Recoveries from the POCI¹ book</i>	-172	-	-261
Profit Before Tax	460	427	998
Less: Tax Expenses	117	121	255
Profit After Tax	343	306	743

Notes: (1) POCI: Purchased or Originated Credit Impaired.

Stage-wise Breakdown of Assets and Provisioning

Stage-wise breakdown	Total Assets (INR Cr.)		
	Jun-2022	Mar-2022	Mar-2021
Stage-1	54,438	55,420	44,354
Stage-2	4,446	4,072	2,519
Stage-3	2,362	2,227	2,018
Sub-total	61,247	61,720	48,891
POCI ¹	3,344	3,465	0
Total	64,590	65,185	48,891

Stage-wise breakdown	Total Provisions (INR Cr.)		
	Jun-2022	Mar-2022	Mar-2021
Stage-1	1,059	1,126	1,192
Stage-2	1,667	1,380	575
Stage-3	1,282	1,229	1,031
Sub-total	4,008	3,735	2,797
POCI ¹	0	0	0
Total	4,008	3,735	2,797

Key parameters	Asset Quality Ratios (%)		
	Jun-2022	Mar-2022	Mar-2021
GNPA Ratio (% of total AUM in Stage-3)	3.7%	3.4%	4.1%
<i>Provision Coverage Ratio – Stage 1</i>	<i>1.9%</i>	<i>2.0%</i>	<i>2.7%</i>
<i>Provision Coverage Ratio – Stage 2</i>	<i>37%</i>	<i>34%</i>	<i>23%</i>
<i>Provision Coverage Ratio – Stage 3</i>	<i>54%</i>	<i>55%</i>	<i>51%</i>
NNPA Ratio	1.8%	1.6%	2.1%
Total Provisions as a % of Total AUM	6.2%	5.7%	5.7%
Total Provision as a % of GNPA's	170%	168%	139%

Note: (1) 100% of DHFL's Stage-3 book and Stage-2 book (combined), as on merger date (together amounting to face value of INR 9,488 Cr.), has been classified as Purchased or Originated Credit Impaired (POCI). This book has been fair valued at INR 3,465 Cr. (fair value adjustment of 63%) as of Mar-2022, and this fair value is represented in PEL's Financial Statements. As of Jun-2022, this book is valued at INR 3,344 Cr.

Under IndAS 103, accounts classified as POCI will remain in POCI until closure. These accounts will not get reclassified as Stage-1 / 2 / 3 assets in their lifecycle.

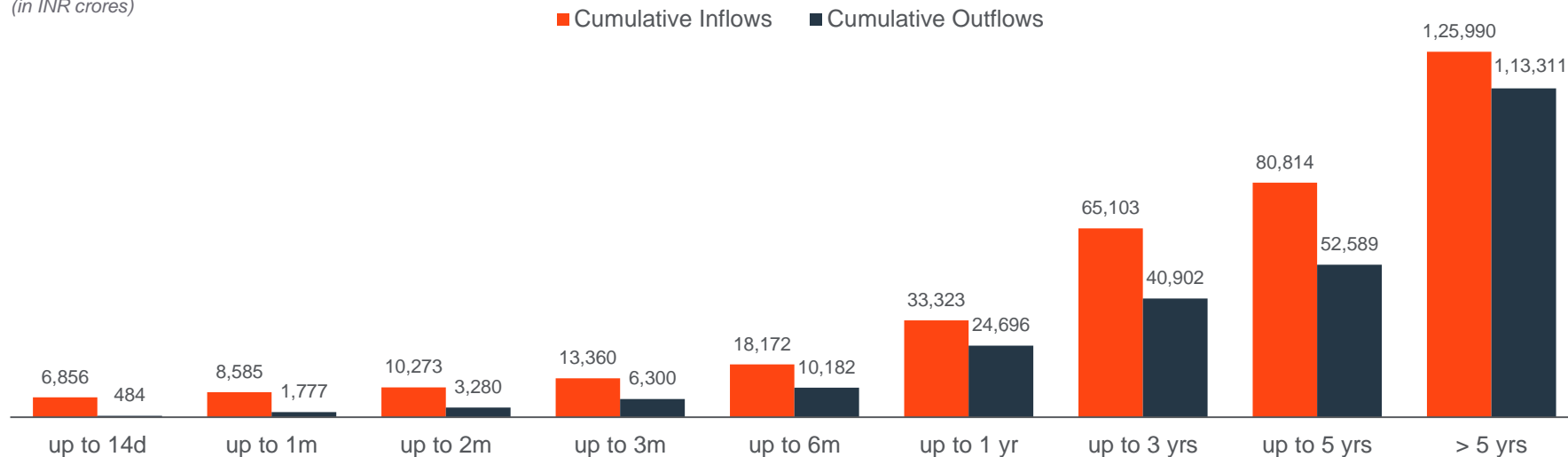
Any differences in cashflow in the POCI book (i.e. higher or lower than fair value adjustment) would be accounted through P&L.

The overall POCI book will shrink as cashflows are recovered from the book.

Asset-Liability Profile

ALM Profile - As on June 30th, 2022 ⁽¹⁾

(in INR crores)



Cumulative GAP² (%)



Notes: (1) ALM excluding Pharma Business and Shriram Investments. Based on static ALM for wholesale and behavioral ALM for the retail portfolio. (2) Cumulative GAP (%) = Net flows (i.e. cumulative inflows – cumulative outflows) as a % of cumulative outflows.



Piramal