



Piramal Enterprises Limited

Q4 & FY2023 Results Presentation

5th May 2023



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.

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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.

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1. Key Highlights

FY23 Performance...

AUM Diversification

Significantly improved Retail : Wholesale mix to 50 : 50 from 33 : 67 in FY22

Retail AUM Growth

Retail AUM¹ grew 49% YoY to INR 32,144 Cr vs INR 21,552 Cr in FY22

Wholesale 1.0* AUM Reduction

Wholesale 1.0* AUM reduced 33% YoY to INR 29,053 Cr vs INR 43,175 Cr in FY22

Wholesale Stage 2 + 3 Reduction

Stage 2+3 assets reduced 39% QoQ to INR 6,374 Cr vs INR 10,369 Cr in Q3FY23

Wholesale 2.0^ AUM Build-Up

Built a Wholesale 2.0^ AUM worth INR 2,792 Cr across Real Estate (RE) and Corporate Mid Market Loans (CMML)

GNPA Ratio

GNPA ratio reduced to 3.8% in Q4 FY23 vs 4% in Q3FY23

Notes: (1) Retail AUM includes Security Receipts (SRs) & Pass-through certificates (PTC) (INR 1,819 Cr for Q4FY23) and excludes acquired off-book assets (INR 13,433 Cr for Q4 FY23) in the nature of Direct Assignment (DA) & PTC as part of the DHFL acquisition

(^) Wholesale 2.0 refers to loans sanctioned under CMML and new RE loans from FY22 onwards (*) Wholesale 1.0 refers to wholesale loans excluding the loans sanctioned under Wholesale 2.0

...FY23 Performance

Profitability

PAT¹ for FY23 grew 5% YoY to INR 1,902 Cr
PAT for Q4FY23 stood at INR (196) Cr, led by MTM loss of INR 375 Cr on Shriram investments

Balance Sheet Strength

Maintained a strong consolidated net worth of INR 31,059 Cr for FY23,
Capital Adequacy Ratio of 31% on consolidated balance sheet

Liquidity

Cash and liquid investments of INR 7,430 Cr (9% of Total Assets)

Credit Cost

Annualized Credit Cost stood at 1.9% in Q4FY23 vs 10.3% in 9MFY23

Borrowing Cost

Average borrowing cost for FY23 reduced to 8.6% vs 9.6% in FY22

Operating Cost

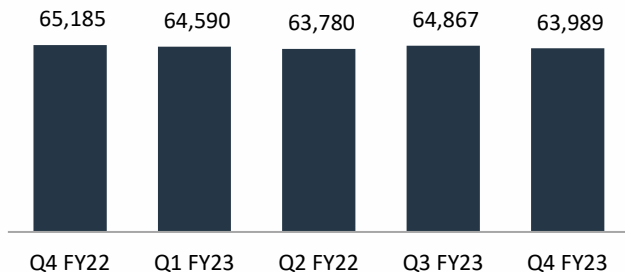
Annualized Cost-to-AUM ratio increased to 3.1% vs 1.9% in FY22 due to continued investments
in Retail Lending

Notes: (1) Excluding exceptional gain of INR 8,066 Cr in FY23 pertaining to demerger related transaction

Assets Under Management – Significant Improvement In Diversification

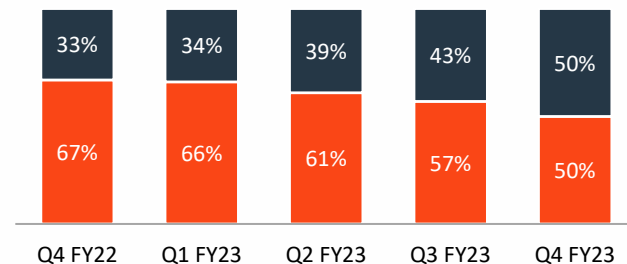
AUM remain stable despite changing AUM Mix

In INR Cr.



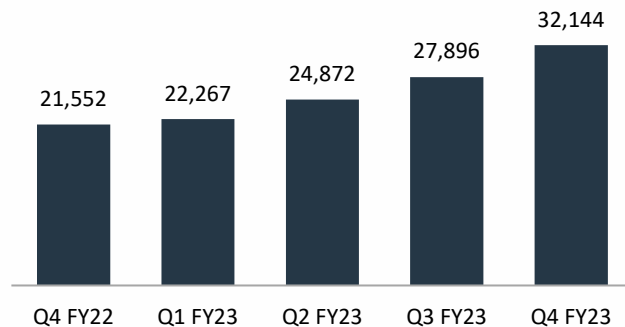
AUM Mix improved to 50 : 50

Wholesale Retail¹



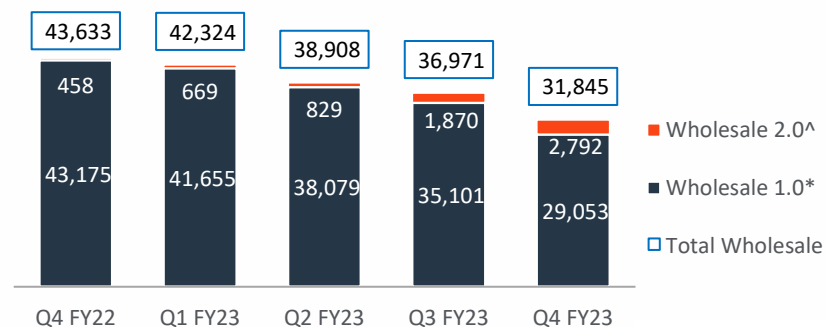
Retail AUM¹ grew by 49% YoY

In INR Cr.



Wholesale 1.0* AUM reduced by 33% YoY

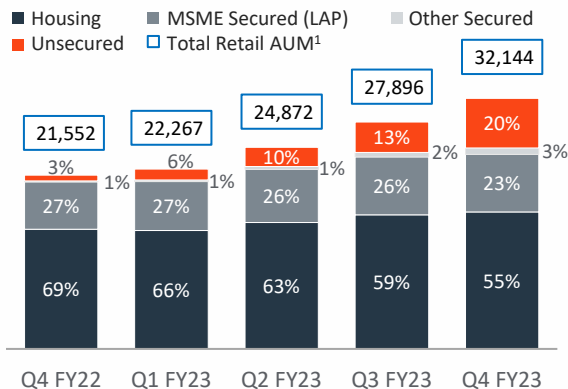
In INR Cr.



Notes: (^) Wholesale 2.0 refers to loans sanctioned under CMML and new RE loans from FY22 onwards (*) Wholesale 1.0 refers to wholesale loans excluding the loans sanctioned under Wholesale 2.0
 (1) Retail AUM includes Security Receipts (SRs) & Pass-through certificates (PTC) and excludes acquired off-book assets in the nature of Direct Assignment (DA) & PTC as part of the DHFL acquisition

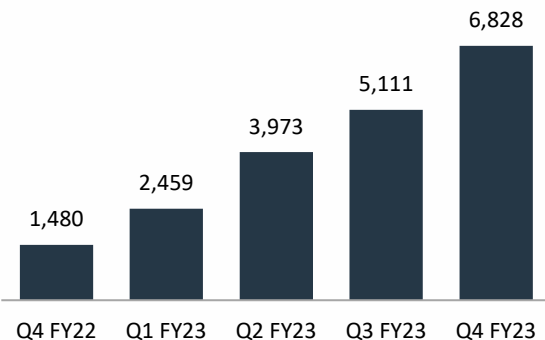
Retail Lending – Growing Across Business Verticals

Retail AUM¹ grew by 49% YoY



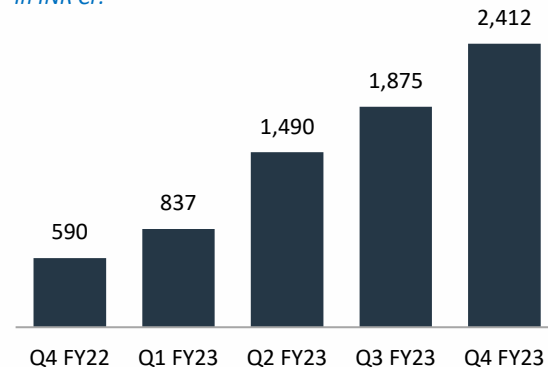
Quarterly disbursements grew by 361% YoY

In INR Cr.



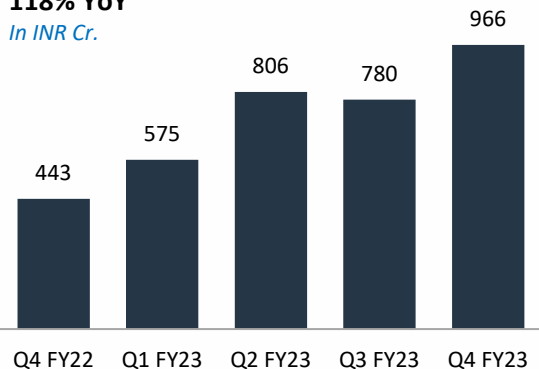
Housing disbursements grew by 309% YoY

In INR Cr.



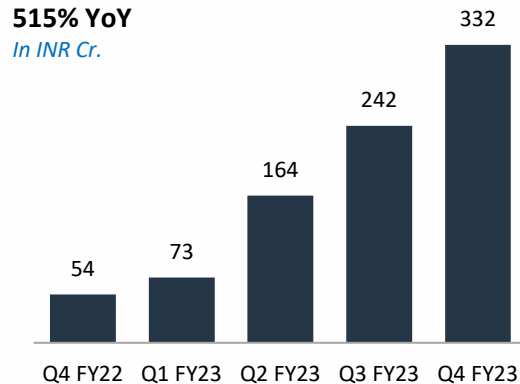
Secured MSME (LAP) disbursements grew by 118% YoY

In INR Cr.



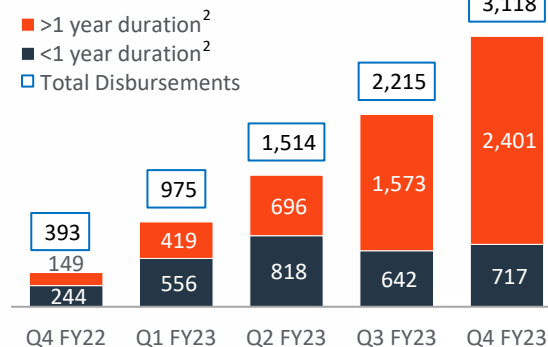
Other Secured disbursements grew by 515% YoY

In INR Cr.



Unsecured disbursements grew by 693% YoY

In INR Cr.



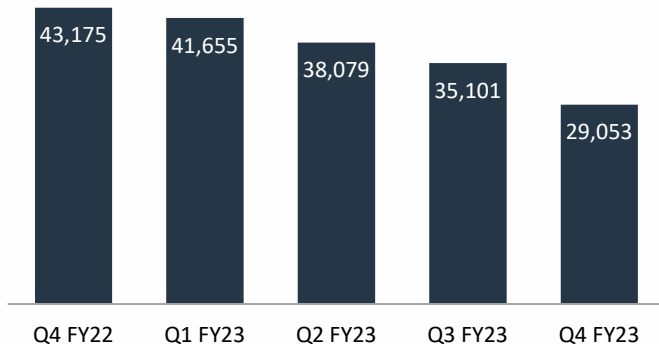
Notes: (1) Retail AUM includes Security Receipts (SRs) & Pass-through certificates (PTC) and excludes acquired off-book assets in the nature of Direct Assignment (DA) & PTC as part of the DHFL acquisition

(2) Duration refers to Disbursal / Sanctioned Tenure

Wholesale Lending – Rationalizing Existing Portfolio; Growing New Book

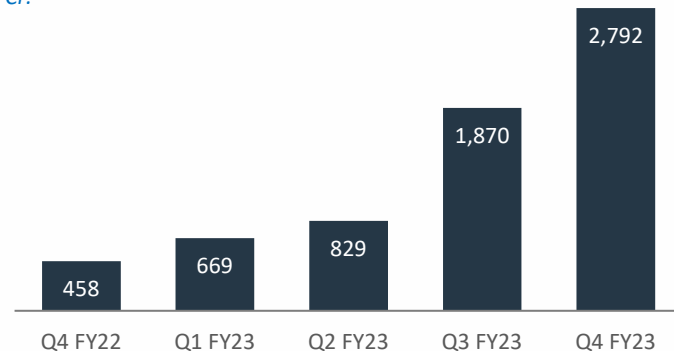
Wholesale 1.0* AUM reduced by 33% YoY

In INR Cr.



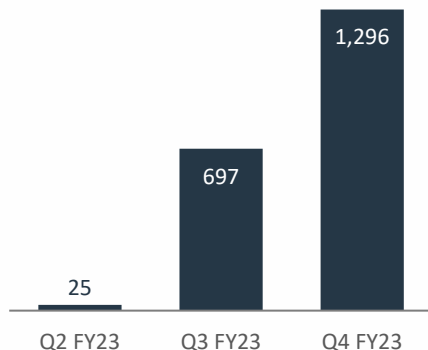
Wholesale 2.0^ AUM grew by 510% YoY

In INR Cr.



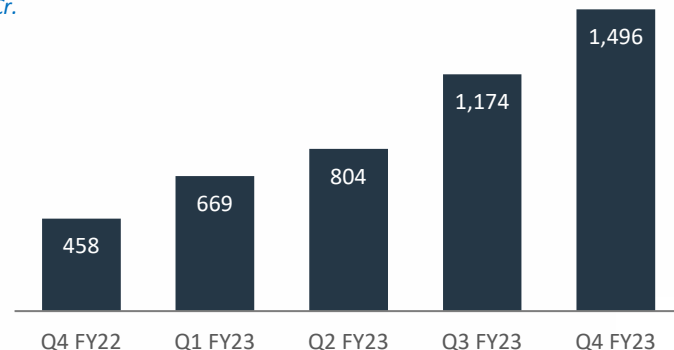
New RE AUM grew by 86% QoQ

In INR Cr.



New CMML AUM grew by 227% YoY

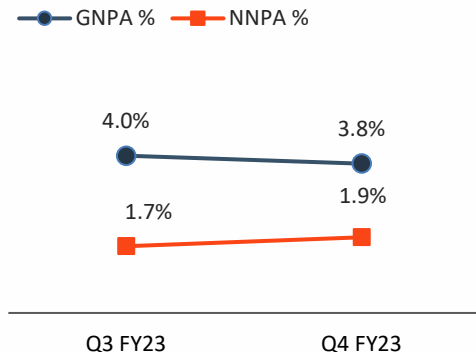
In INR Cr.



Note: (^) Wholesale 2.0 refers to loans sanctioned under CMML and new RE loans from FY22 onwards (*) Wholesale 1.0 refers to wholesale loans excluding the loans sanctioned under Wholesale 2.0

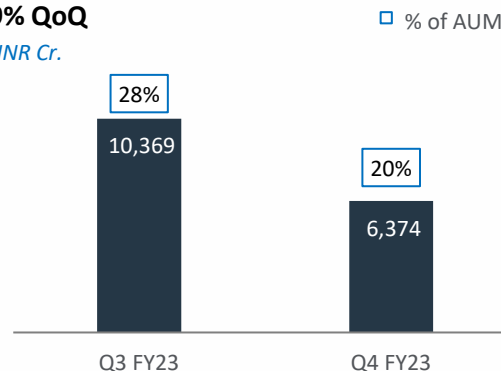
Improving Asset Quality And Provisioning Trends

Overall GNPA and NNPA Ratio



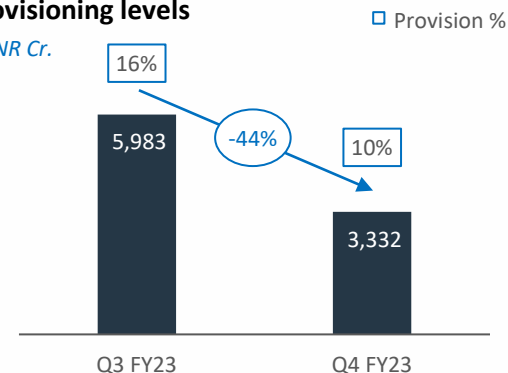
Stage 2+3 Wholesale assets reduced by 39% QoQ

In INR Cr.



Gradually normalizing Wholesale provisioning levels

In INR Cr.



- GNPA and NNPA Ratios remain largely stable
- Provision Coverage Ratio of Wholesale AUM reduced to 10% vs 16% in Q3FY23, resulting from resolution of few stressed loans
 - Wholesale provisions reduced by 44% to INR 3,332 Cr vs INR 5,983 Cr in Q3FY23
- Stage 2 + 3 Wholesale AUM reduced by 39% to INR 6,374 Cr vs INR 10,369 Cr in Q3FY23
 - Stage 2 + 3 assets as a % Wholesale AUM reduced from 20% vs 28% in Q3FY23

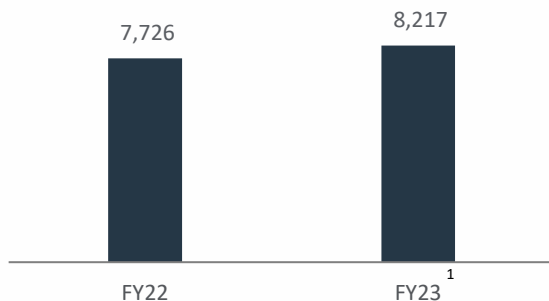
Concluded 4 stressed asset monetization transactions in Q4FY23, through a combination of asset sale and ARC deals

- ✓ Exited a large Holdco loan namely Mytrah, thereby achieving a reduction of INR 1,908 Cr in a single transaction
- ✓ Concluded sale of an NPA portfolio in cash
- ✓ Concluded sale of certain stressed assets through 2 separate ARC transactions under 15:85 structure

FY23 P&L Performance – Steady Profitability In A Year Of Significant Provisioning

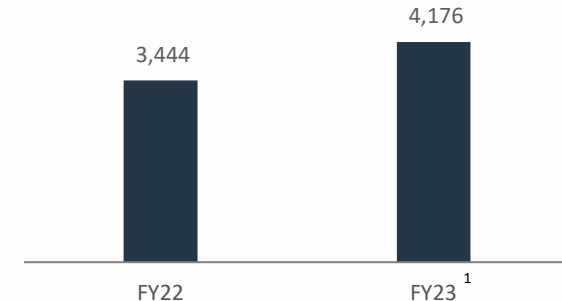
Operating Income¹ grew by 6% YoY

In INR Cr.



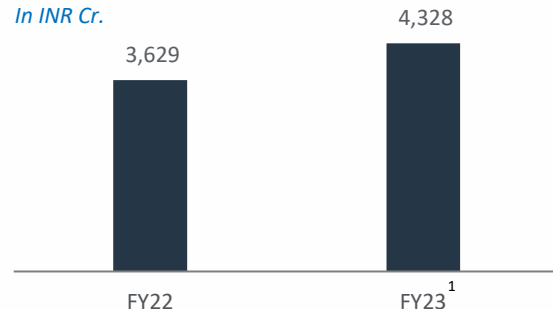
Net Interest Income¹ grew by 21% YoY

In INR Cr.



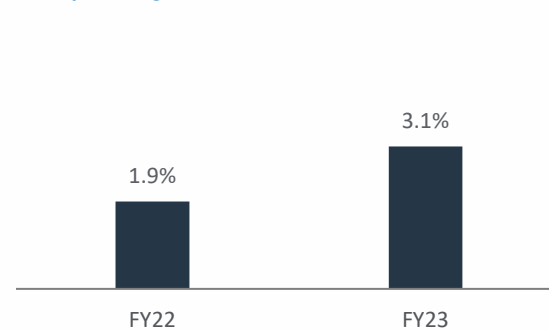
Total income¹, net of interest expenses grew by 19% YoY

In INR Cr.



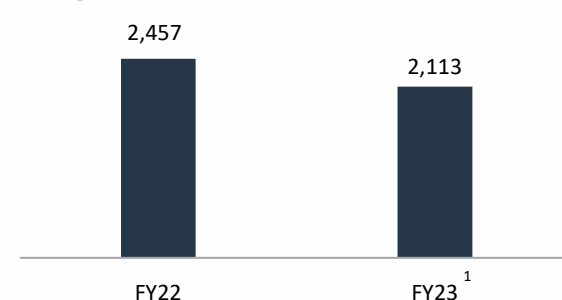
Annualised Cost-to-AUM Ratio

As % of Lending AUM



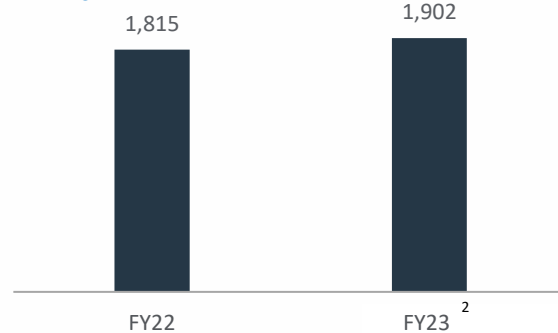
Pre-Provisioning Operating Profit¹ (PPOP) reduced by 14% YoY

In INR Cr.



Profit After Tax² grew by 5% YoY

In INR Cr.



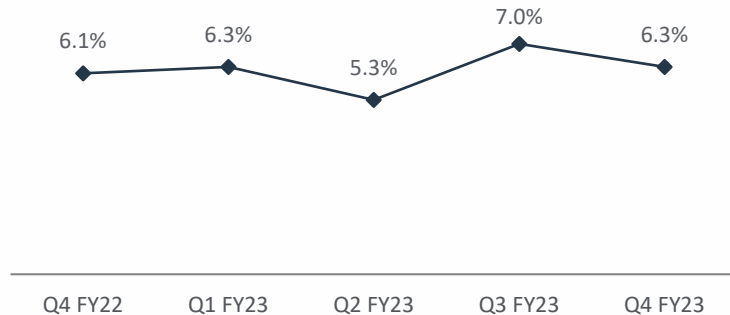
Notes: (1) Excluding INR 717 Cr of gains on account of restructuring of Shriram Investments

(2) Excluding exceptional gain of INR 8,066 Cr in FY23 pertaining to demerger related transaction

Q4 FY23 P&L Performance for Lending Business

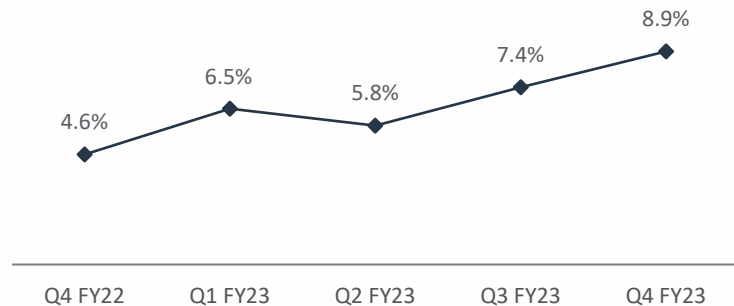
Net Operating Income¹

% of AUM



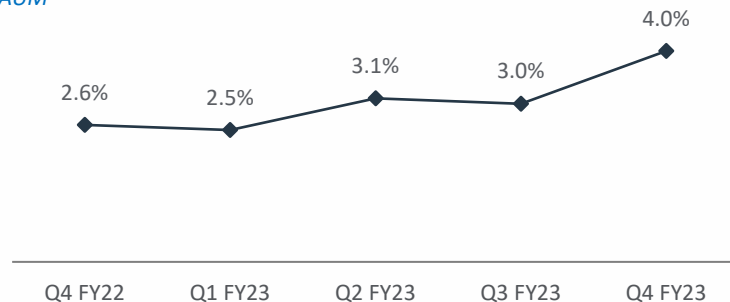
Fee Income²

% of Total Income



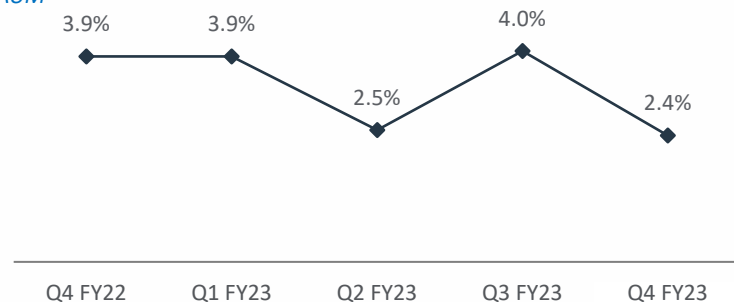
Annualised Cost-to-AUM

% of AUM



Pre-Provisioning Operating Profit (PPOP)

% of AUM



Note: (1) Net Operating Income = Net Interest Income + Fee Income

(2) Fee Income as a % of Total Income = Fee Income / Net Operating Income



Robust Liability Management

Average Cost of Borrowings improved during the year

In %



FY22

FY23

Maturity of Borrowings remain above 3 years

In years, weighted average on a residual basis

3.7

3.1

FY22

FY23

Maintaining healthy Cumulative ALM GAP¹ (up to 1 year)

In INR Cr, period-end

□ GAP %²

36%

7,854

Q4 FY22

27%

6,906

Q4 FY23

Balanced Fixed : Floating Rate Mix in current rate environment

As of Mar-2023

■ Fixed Rate ■ Floating Rate

68%

32%

Assets

41%

59%

Liabilities

Includes
fixed rate borrowings
of INR 17,097 Cr

Note: (1) Cumulative GAP = Cumulative inflows up to 1-year – Cumulative outflows up to 1-year; (2) GAP% = Net flows (i.e., cumulative inflows – cumulative outflows) as a % of cumulative outflows

Medium Term Strategic Priorities

1 Mid to high teens AUM growth



2 AUM mix of 2/3rd Retail and 1/3rd Wholesale



3 Lending to 'Bharat' markets in Retail lending



4 Building a new granular Wholesale lending



5 Tech and Analytics at the core of lending



6 Conservative liabilities mix



7 Opportunistic inorganic plays



8 3% ROA, Mid teens ROE





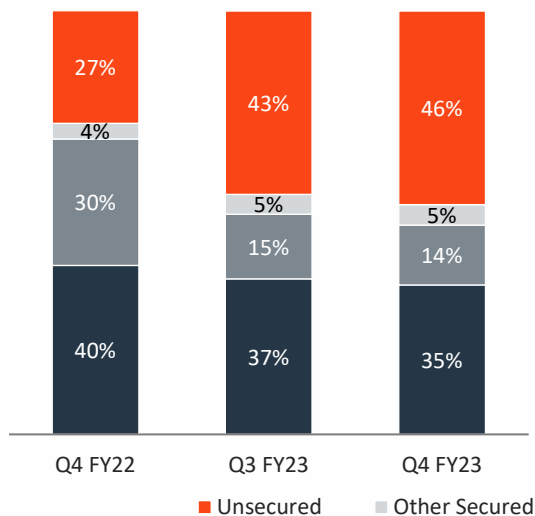
2. Retail Lending



Moving Towards Target Product Mix, Improving Yields

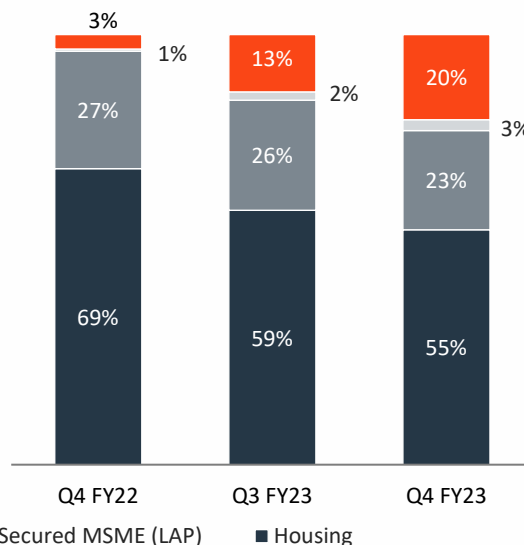
Disbursements by product family

%, based on value for retail loans



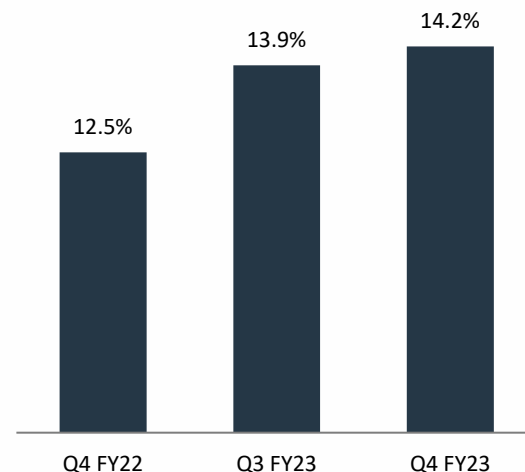
Retail AUM¹ by product family

%, based on value for retail loans



Disbursement yields

%, for retail loans (loans >1 year duration)



Disbursements by duration²

%, based on value for retail loans



Retail AUM¹ by duration²

%, based on value for retail loans



Notes: (1) Retail AUM excludes Security Receipts (SRs) & Pass-through certificates (PTC)

(2) Duration refers to Contractual Tenure

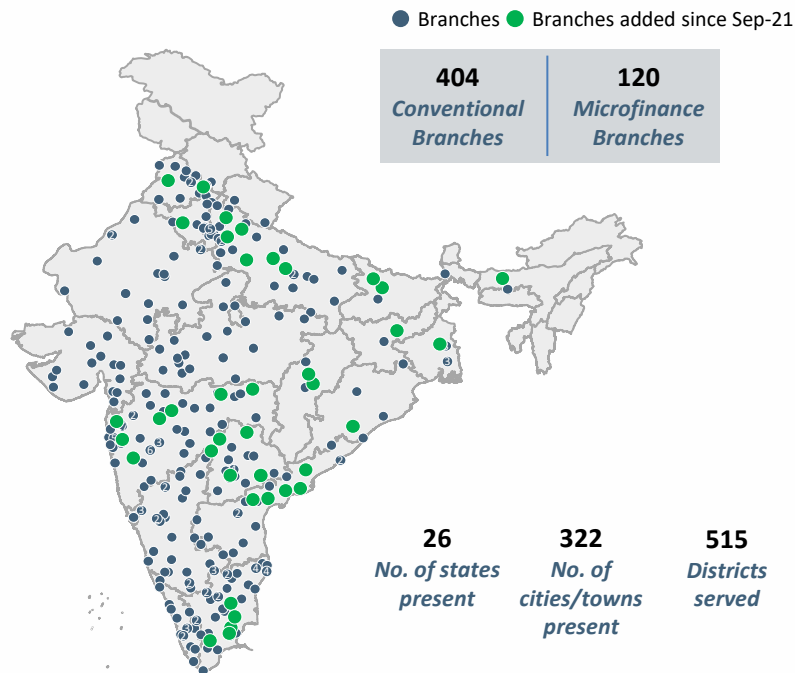


Improvement in disbursement yield driven by change in product mix



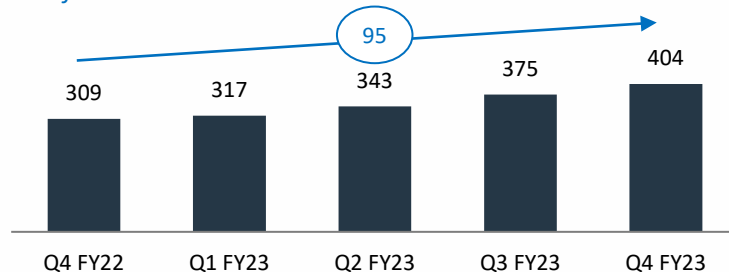
Added 95 New Branches (Net) During FY23

Plan to expand to 500-600 branches



404 disbursement active branches

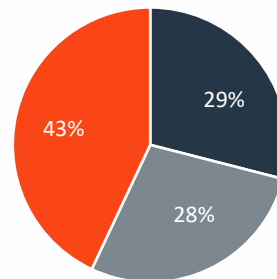
No. of conventional branches



Retail AUM¹ split

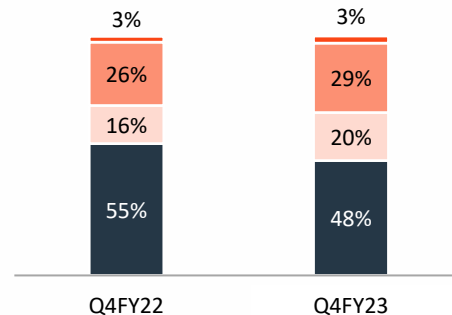
By Geographic Concentration

■ North & East ■ South ■ West



By Metro Adjacent, Tier 1, 2 & 3 cities²

■ Metro Adjacent ■ Tier-1 ■ Tier-2 ■ Tier-3



Notes: (1) Retail AUM excludes Security Receipts (SRs) & Pass-through certificates (PTC)

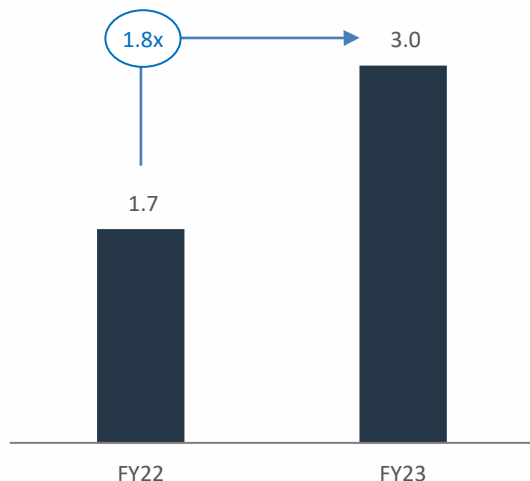
(2) Population Considered Tier 1: 40+ lacs, Tier2: 10-40 lacs, Tier3: <10 lacs



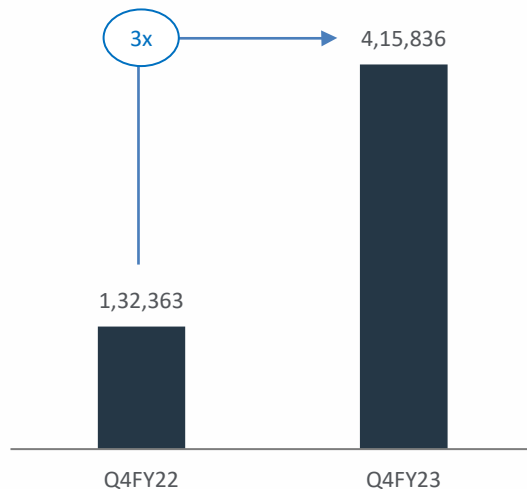
Expanded Customer Franchise To 3.0 Mn

Customer franchise¹

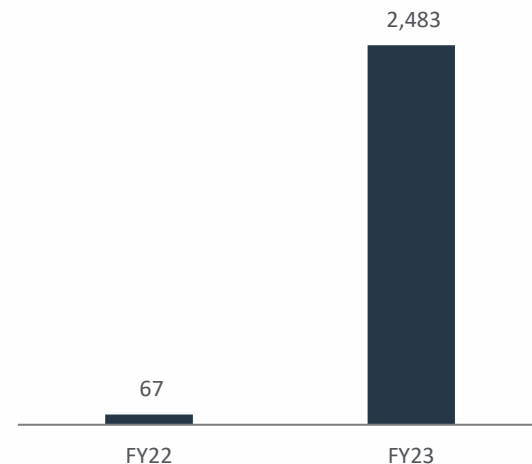
Mn



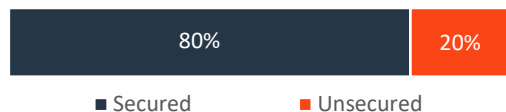
New customers acquired



Cross-sell disbursements

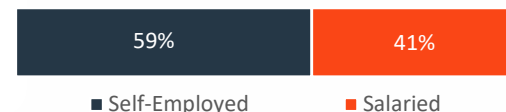


Breakup of Retail AUM² by category



- We continue to grow our customer franchise
- Active customers crossed 1 Mn

Breakup of Retail AUM² by customer type



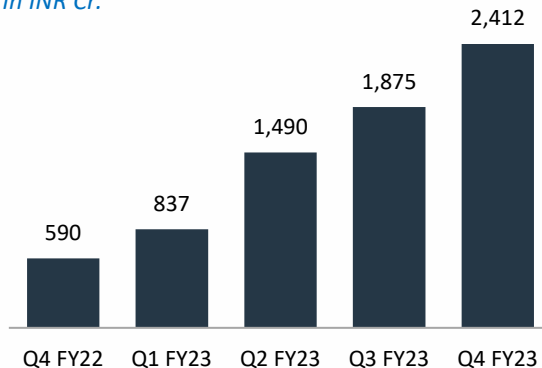
Notes: (1) Customer Franchise includes existing / past borrowers as well as co-borrowers

(2) Retail AUM excludes Security Receipts (SRs) & Pass-through certificates (PTC)

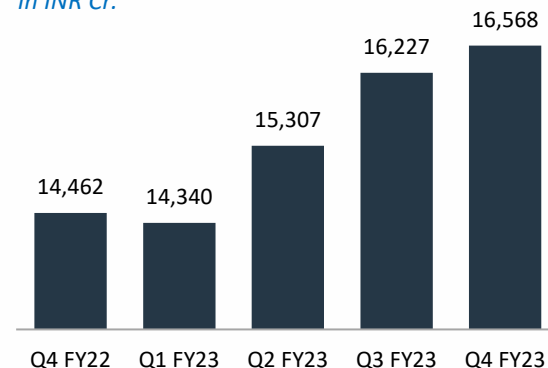
Housing Loans: *Fast growing, at-scale lender in Affordable Housing*



Quarterly disbursements
In INR Cr.



AUM growth
In INR Cr.



67%

Lending in Tier
2/3 cities



18 Lac

Avg. Ticket Size



61%

Avg. LTV



748

Avg. CIBIL Score



0.59%

90+ DPD
Delinquency¹

Breakup of AUM by customer type



Breakup of AUM by stage of construction



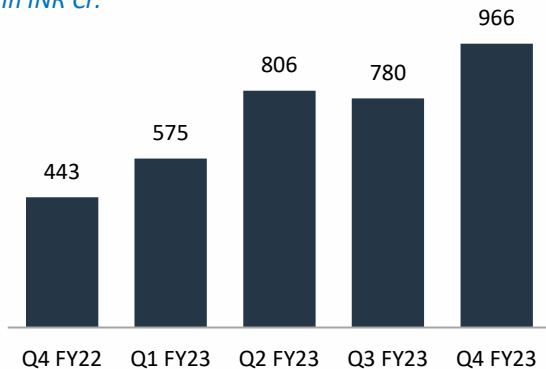
Notes: (1) 90+ DPD Delinquency = 90 days DPD to 179 days DPD



Secured MSME (LAP) Loans: 120% YoY growth in disbursements

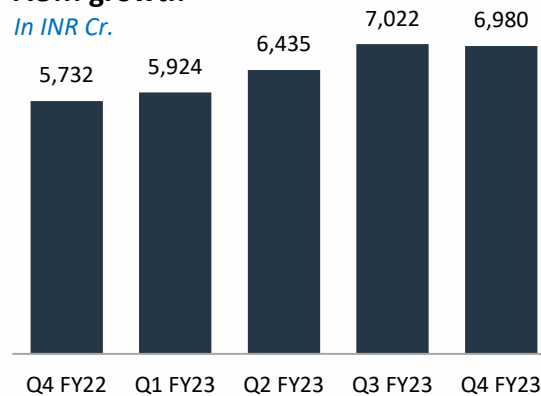
Quarterly disbursements

In INR Cr.



AUM growth

In INR Cr.



67%

Lending in Tier
2/3 cities



21 Lac

Avg. Ticket Size



46%

Avg. LTV



745

Avg. CIBIL Score



0.53%

90+ DPD
Delinquency



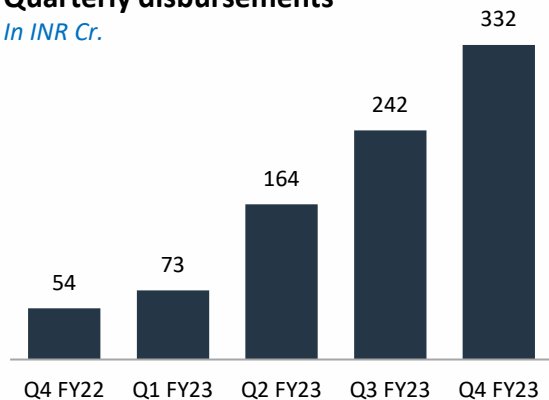
Notes: (1) 90+ DPD Delinquency = 90 days DPD to 179 days DPD



Other Secured Loans: *Steep growth trajectory in Used Car Loans*

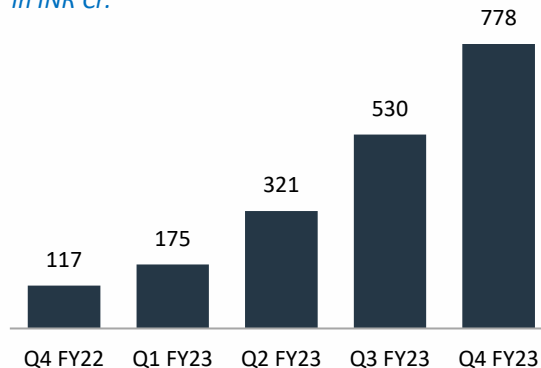
Quarterly disbursements

In INR Cr.



AUM growth

In INR Cr.



51%

Lending in Tier
2/3 cities



6 Lac

Avg. Ticket Size



77%

Avg. LTV



737

Avg. CIBIL Score



0.85%

90+ DPD
Delinquency



Notes: (1) 90+ DPD Delinquency = 90 days DPD to 179 days DPD

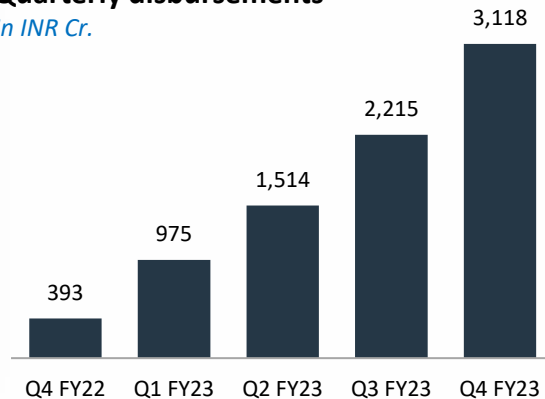


Unsecured Loans: *Strong growth, from multiple form factors and channels*



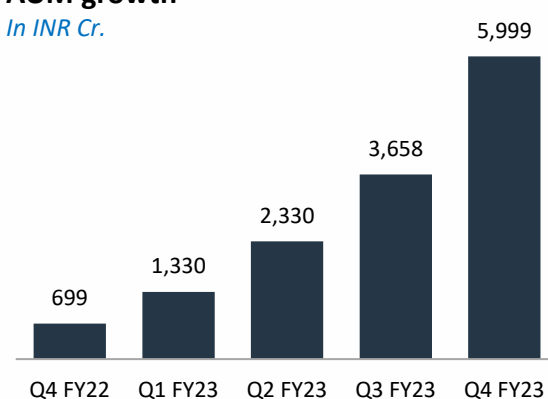
Quarterly disbursements

In INR Cr.

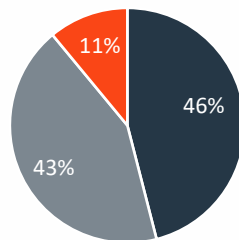


AUM growth

In INR Cr.

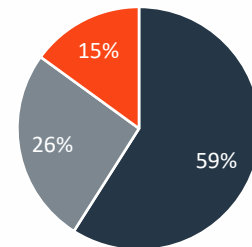


Unsecured AUM by channel



■ Partnerships ■ Branch ■ Pool purchase

Unsecured AUM by product



■ Personal Loan ■ Unsecured MSME ■ Microfinance



8,80,000

Customers
Served



753

Avg. CIBIL Score



1.10%

90+ DPD
Delinquency

Notes: (1) 90+ DPD Delinquency = 90 days DPD to 179 days DPD



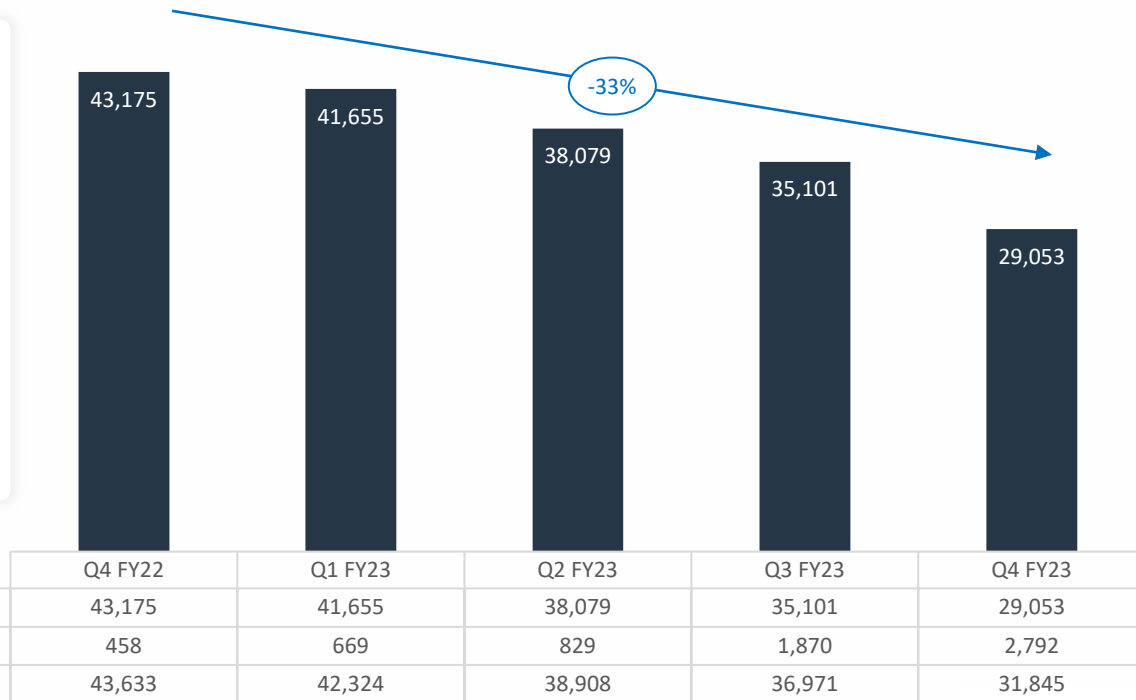
3. Wholesale Lending

Continue To Reduce Wholesale 1.0* AUM While Building A Granular Wholesale 2.0^ AUM

Wholesale AUM¹

In INR Cr.

- Wholesale 1.0* AUM reduced by INR 14,122 Cr (down by 33%) since Mar-2022
 - Concluded 4 stressed asset monetization transactions during the quarter, through a combination of asset sale and ARC deals
 - Generated over INR 12,500 Cr of cash realisation through accelerated repayments and resolution proceeds of Wholesale 1.0* portfolio in line with the provisions on these assets
- Built a Wholesale 2.0^ AUM worth INR 2,792 Cr as of Mar-2023.



Notes: (^) Wholesale 2.0 refers to loans sanctioned under CMML and new RE loans from FY22 onwards (*) Wholesale 1.0 refers to wholesale loans excluding the loans sanctioned under Wholesale 2.0.

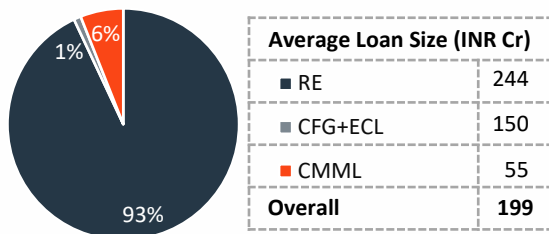
(1) Includes loan book, PEL's share in AIFs and investments



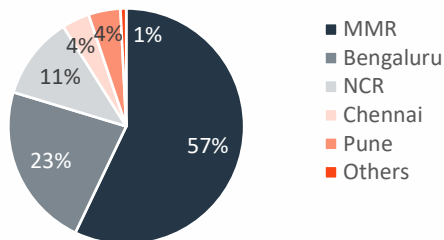
Stage 1 Composition

Total Stage 1 AUM of INR 25,471 Cr with an average yield of 10.3%

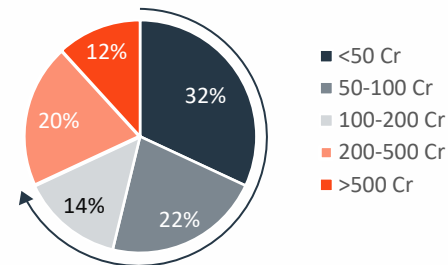
Sector Composition¹ - Over 90% of the book is into Real Estate lending; largely excludes promoter holdco corporate lending



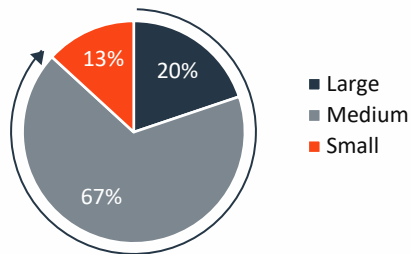
Geographical Exposure¹ - Diversified across multiple geographies



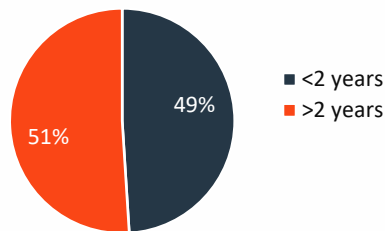
Granularity¹ - 68% of the number of loans are below INR 200 Cr



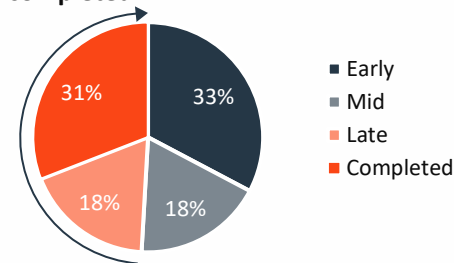
Developer Categorisation² - 87% of the book is large and medium developers



Contractual Repayments¹ - 49% of stage 1 repayments expected in less than 2 years



Stage of Construction² - 49% of the book is late stage or completed



Notes: (1) Excludes development rights of Rs.1,335 Cr and DHFL book of INR 653 Cr; includes Wholesale 2.0 AUM of INR 2,792 Cr

(2) For RE book only

CFG: Corporate Finance; ECL: Emerging Corporate Lending



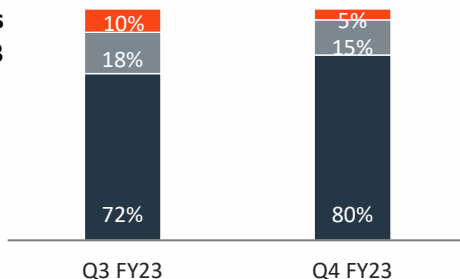
Stage 2 + 3 Assets: Recoveries And Resolution Plan

Stage 2 + 3 AUM reduced by 39% to INR 6,374 Cr vs INR 10,369 Cr in Q3FY23

Stage-wise breakup of Wholesale AUM -

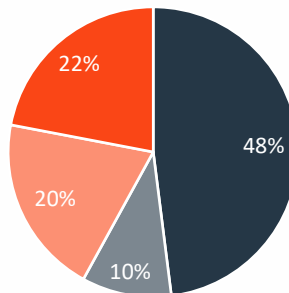
Significant reduction in Stage 2 + 3 assets as a % of Wholesale AUM to 20% in Q4FY23 from 28% in Q3FY23

- Stage 3
- Stage 2
- Stage 1



Stage 2 + 3 AUM reduction - Reduced by INR 3,995 Cr (down 39% QoQ), led by resolution of stressed assets

- Exit of a large Holdco loan
- Sale of NPA portfolio
- Sale to ARCs under 15:85 structure
- Others



Concluded 4 stressed asset monetization transactions during Q4FY23 - Through a combination of asset sale and ARC deals

- Exited a large Holdco loan namely Mytrah, thereby achieving a reduction of INR 1,908 Cr in a single transaction
- Concluded sale of an NPA portfolio in cash
- Concluded sale of certain stressed assets through 2 separate ARC transactions under 15:85 structure



A focused professional team is involved in monitoring and executing the resolution strategy for complex recoveries and enforcement, aimed to improve recoveries and monetization of assets

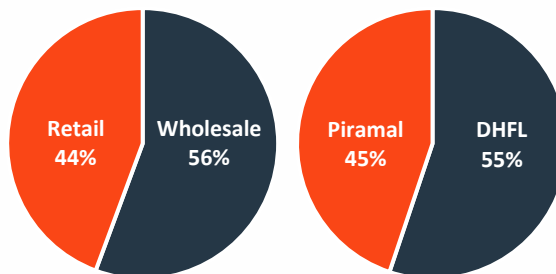
Security Receipts Portfolio

Outstanding SRs

In INR Cr.



Composition of SRs portfolio



- We are deploying the following tools for resolution of stressed assets:
 - (a) Monetization of underlying assets
 - (b) One-time settlements
 - (c) Enforcement via IBC / other means
 - (d) Portfolio sales to ARCs in cash and / or SRs
- **ARC sales are being undertaken at post-provisioning valuations**
- 44% of the outstanding SRs have Retail loans as underlying assets

Movement in SRs (including transactions of FY23)



- SRs were issued at 63% mark down to face value of underlying assets sold in FY23.
- Post the transactions, we received INR 1,364 Cr (11% of FV) through Cash Receipts & SRs Recovery.

As resolution processes continue, we expect more ARC sales over the next two quarters and related continued enforcement

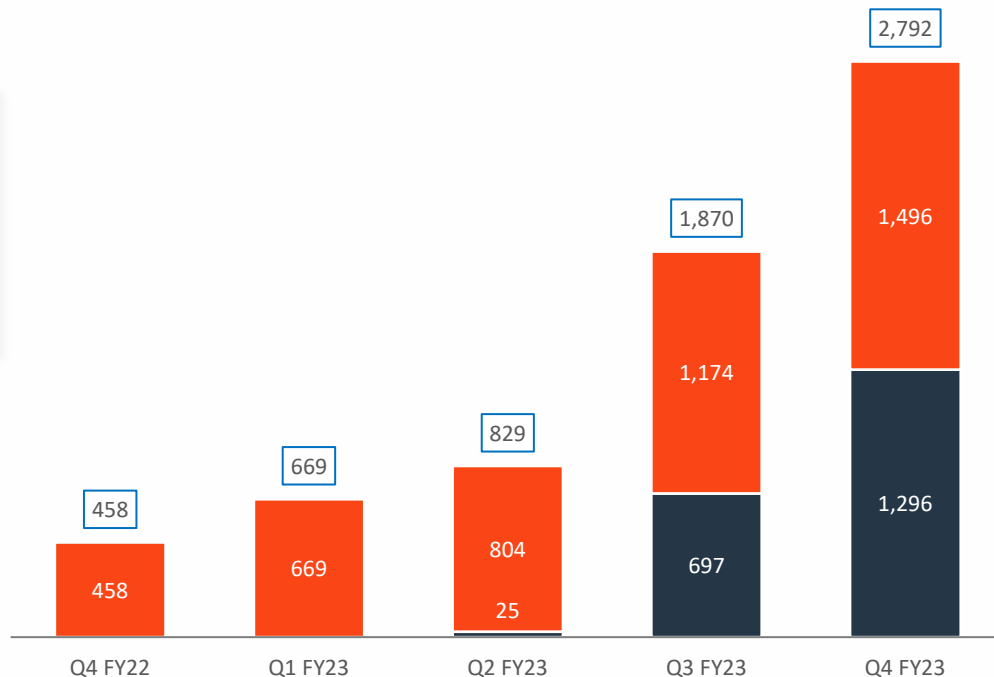
Building A Diversified And Granular Book Backed By Cash Flows And Assets

Wholesale 2.0^ AUM

INR Cr.

- Built a Wholesale 2.0^ AUM across Real Estate and Corporate Mid Market Loans worth INR 2,792 Cr as of Mar-2023
- Added new loans worth INR 922 Cr, leading to a growth of 49% QoQ

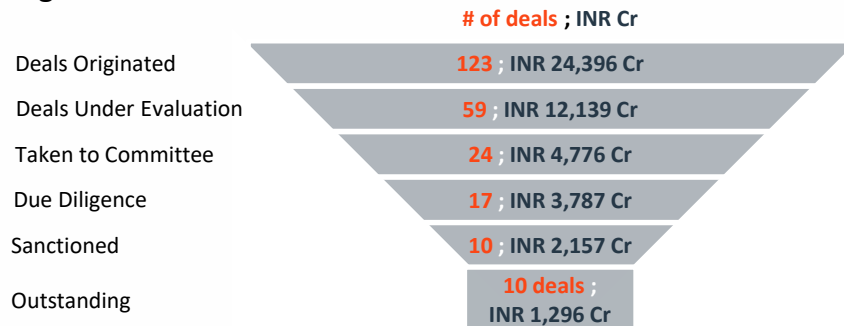
- New CMML
- New RE
- Wholesale 2.0^ AUM



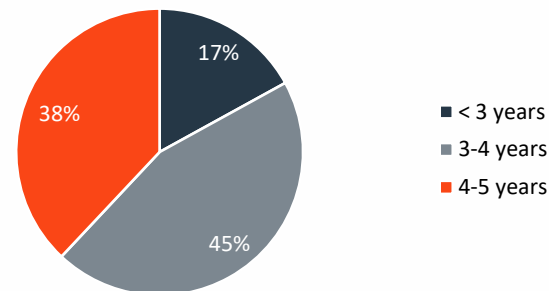
Note: (^) Wholesale 2.0 refers to loans sanctioned under CMML and new RE loans from FY22 onwards

New Real Estate Loans: Capitalizing On The Market Gap And Leveraging Our Strengths

Origination Funnel



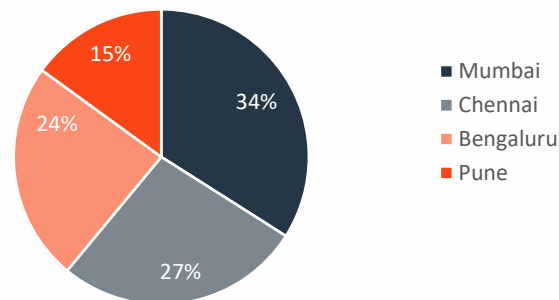
By Original Tenor



Progressing to rebuild our Real Estate Developer Finance book

- Deals worth INR 1,296 Cr outstanding as on Mar-2023
- Granular and diversified Real Estate developer finance book
- To build exposure in select markets across Tier 1, 2, and 3 cities
- Best in class governance and risk management

By Geographic Exposure



Average Ticket Size / Loan
INR 216 Cr

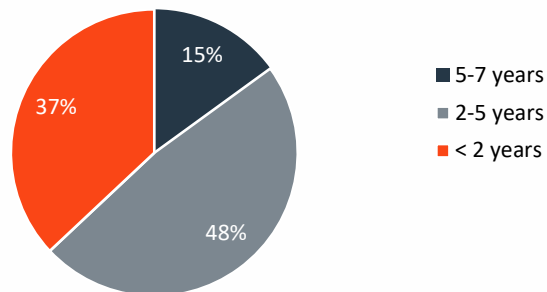
Average Yield % ¹
14.9%

Average Loan Tenor
4.1 years

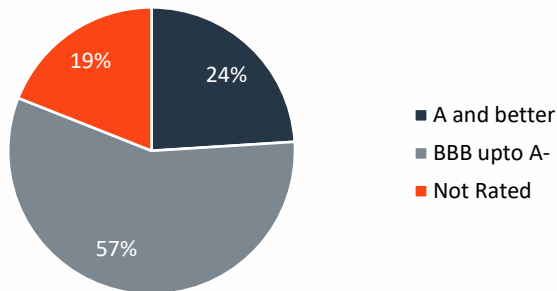
Note: (1) Average Yield % includes fee income

Corporate Mid Market Lending: *Building a granular book backed by cash flows*

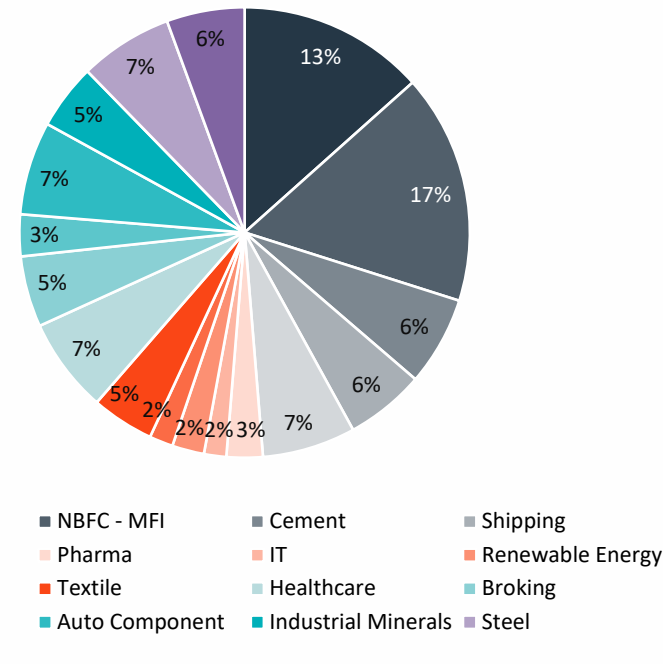
By Original Tenor



By Ratings



By Industry



Average Ticket Size / Loan
INR 55 Cr

Average Yield %¹
12.3%

Average Loan Tenor
3.5 years

Note: (1) Average Yield % includes fee income



4. Financial Performance

Profit and Loss Statement

In INR Cr.

Consolidated Income Statement	Q4 FY23	Q3 FY23	QoQ%	Q4 FY22	YoY %	FY23	FY22	YoY %
Interest Income	1,921	2,006	(4%)	2,292	(16%)	7,799	7,523	4%
Other Operating Income	211	805 ¹	(74%)	54	288%	1,136	203	460%
Operating Income	2,132	2,811	(24%)	2,347	(9%)	8,934	7,726	16%
Less: Interest Expense	1,004	973	3%	1,175	(15%)	4,041	4,282	(6%)
Net Interest Income	1,128	1,838	(39%)	1,172	(4%)	4,893	3,444	42%
Other Income	11	55	(80%)	92	(88%)	152	185	(18%)
Total Income, Net Of Interest Expenses	1,140	1,893	(40%)	1,263	(10%)	5,045	3,629	39%
Less: Operating Expenses	674	559	21%	443	52%	2,215	1,172	89%
Pre-provision Operating Profit (PPOP)	466	1,335	(65%)	820	(43%)	2,830	2,457	15%
Less: Loan Loss Provisions & FV Loss / (Gain)	298	1,535	(81%)	1,071	(72%)	5,179	830	524%
Less: Shriram FV Loss / (Gain) ²	375	(260)	(244%)	-	-	115	-	-
Profit Before Tax	(207)	59	(448%)	(251)	(18%)	(2,464)	1,628	(251%)
Less: Current & Deferred Tax	2	(3,432) ³	(100%)	(37)	(106%)	(3,978)	406	(1,079%)
Profit After Tax (PAT)	(209)	3,491	(106%)	(214)	(2%)	1,514	1,221	24%
Associate Income	13	54	(76%)	169	(92%)	389	594	(35%)
PAT Before Exceptional Gain	(196)	3,545	(106%)	(45)	335%	1,902	1,815	5%
Exceptional (Expense) / Gain	-	-	-	-	-	8,066 ⁴	(153)	(5,375%)
PAT After Exceptional Gain	(196)	3,545	(106%)	(45)	335%	9,969	1,662	500%
Profit From Discontinuing Operation	-	-	-	196	(100%)	-	337	(100%)
Reported Net Profit / Loss After Tax	(196)	3,545	(106%)	151	(230%)	9,969	1,999	399%

Notes: (1) Includes INR 717 Cr of gains on account of initial recognition wrt restructuring of Shriram Investments

(2) Refers to subsequent mark to market (MTM) loss / gain on Shriram investments

(3) INR 3,328 Cr of reversal of income tax provision

(4) Exceptional gain of INR 8,066 Cr in FY23 pertaining to demerger related transaction



Balance Sheet and Key Ratios

Consolidated Balance Sheet

(INR Cr.)

Particulars	FY23	FY22
<u>Assets</u>		
Cash & Liquid Investments	7,430	8,815
Gross Asset Under Management	63,989	66,119
ECL Provision	3,964	3,584
Net Assets Under Management	60,025	62,534
Investments in Shriram Group	6,211	5,094
Investments in Alternatives and Others	2,361	2,607
Fixed Assets / Intangibles	1,934	875
Net Assets / (Liability)	1,920	(876)
Total Assets	79,882	79,050
<u>Liabilities</u>		
Net Worth	31,059	30,120
Gross Debt	48,823	48,930
Total Liabilities	79,882	79,050

Key Ratios

Ratios	FY23	FY22
Yield (% of AUM)	12.0%	12.9%
Cost of Borrowing (%)	8.6%	9.6%
NIM (% of AUM)	5.8%	5.3%
Cost to Assets (% of AUM)	3.1%	1.9%
Gross Debt to Equity (x)	1.6	1.6
Net Debt to Equity (x)	1.3	1.3

Equity Profile

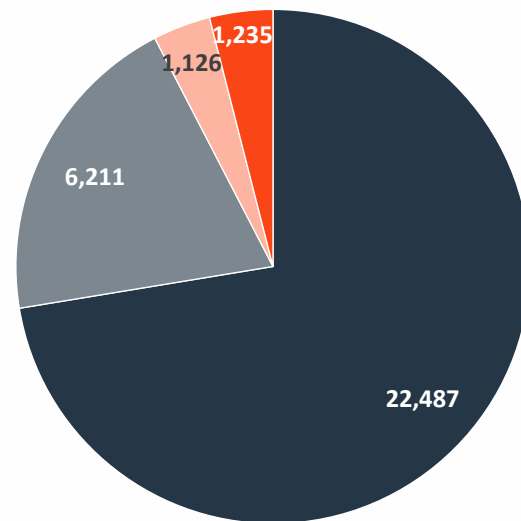
Equity Movement

(INR Cr.)

Particulars	FY23
Opening Equity ¹	30,120
Net Profit	9,969
Pharma Demerger Impact	(8,372)
Dividend Payout	(788)
Movement in Other Comprehensive Income (OCI)	131
Closing Equity	31,059

Equity Break-up

(INR Cr.)



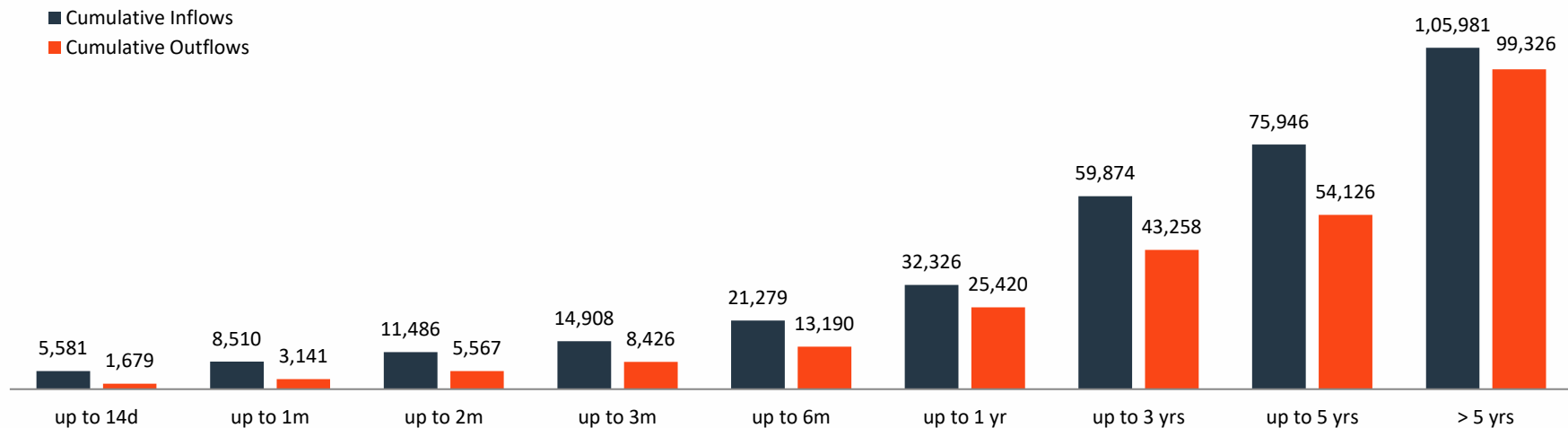
■ Lending ■ Shriram ■ Alternatives ■ Insurance and Others

Note: (1) Opening Equity is excluding Pharma business

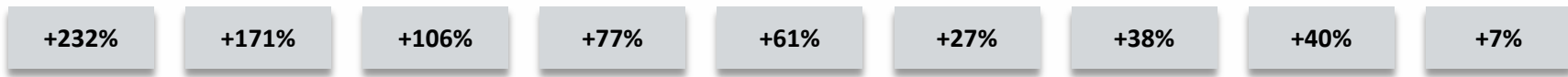
Asset-Liability Profile

In INR Cr.

As on Mar 31, 2023¹



Cumulative GAP² (%)



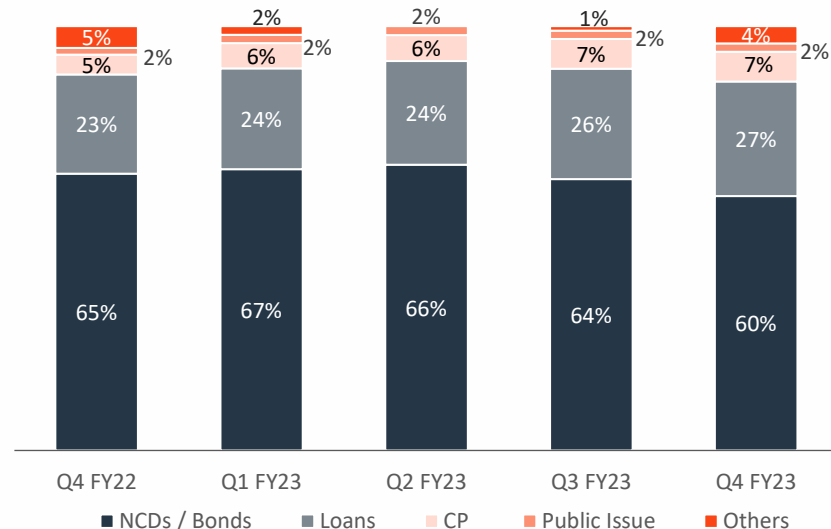
Notes: (1) Based on static ALM for wholesale and behavioral ALM for the retail portfolio

(2) Cumulative GAP (%) = Net flows (i.e., cumulative inflows – cumulative outflows) as a % of cumulative outflows

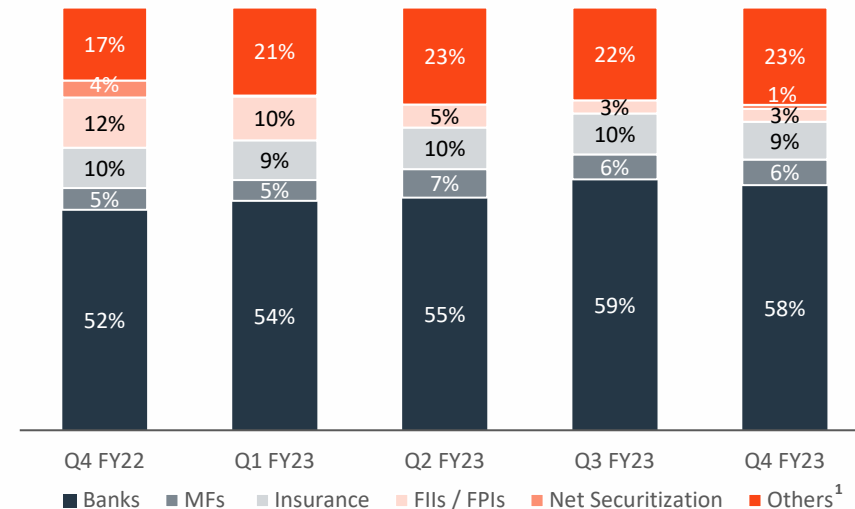


Diversifying The Borrowing Mix

Breakdown of Borrowing Mix by Type of Instruments



Breakdown of Borrowing Mix by Type of Lender



Ratings Update

Long Term Ratings

ICRA & CARE: AA

Outlook Stable

Short Term Ratings

CRISIL, ICRA, CARE: A1+

Note: (1) 'Others' include employee benefit funds, financial institutions (incl. NHB) and Individuals/HUFs/Corporates and CROMS etc., which contribute 5%, 6%, 12% and 2% respectively, to overall borrowings.



5. Appendix

Total Assets: Asset Classification

Total Assets (INR Cr.)	Q4 FY23	Q3 FY23	Q4 FY22
Stage-1	54,956	49,725	55,420
Stage-2	5,553	7,741	4,072
Stage-3	2,055	4,264 ¹	2,227
Sub-Total	62,564	61,730	61,720
POCI	1,425	3,137	3,465
Total AUM	63,989	64,867	65,185
Total Provisions (INR Cr.)	Q4 FY23	Q3 FY23	Q4 FY22
Stage-1	1,571	1,659	1,126
Stage-2	1,375	1,960	1,380
Stage-3	1,017	2,867 ¹	1,229
Total	3,964	6,485	3,735
Asset Quality Ratios (%)	Q4 FY23	Q3 FY23	Q4 FY22
Provision Coverage Ratio - Stage 1	2.9%	3.3%	2.0%
Provision Coverage Ratio - Stage 2	25%	25%	34%
Provision Coverage Ratio - Stage 3	50%	67%	55%
Total Provisions as a % of Total AUM	6.2%	10.0%	5.7%
GNPA Ratio (%)²	3.8%	4.0%	3.4%
NNPA Ratio (%)²	1.9%	1.7%	1.6%

Notes: Prudential write-off of INR 644 Cr undertaken during Q4FY23 and INR 771 Cr during Q3FY23

(1) Stage 3 of Q3FY23 includes a client group from a non-RE sector which was credit impaired, having an aggregate outstanding exposure of INR 1,908 Cr with a total provision of INR 1,483 Cr. We exited the said exposure in Q4FY23, thereby achieving a reduction of INR 1908 Cr in a single transaction.

(2) GNPA and NNPA ratio for Q4FY23 & Q3FY23 are disclosed basis the regulatory reporting.

Wholesale Assets: Asset Classification

Total Assets (INR Cr.)	Q4 FY23	Q3 FY23	Q4 FY22
Stage-1	25,471	26,603	38,098
Stage-2	4,844	6,598	3,542
Stage-3	1,530	3,770 ¹	1,993
Total AUM	31,845	36,971	43,633
Total Provisions (INR Cr.)	Q4 FY23	Q3 FY23	Q4 FY22
Stage-1	1,143	1,346	949
Stage-2	1,341	1,915	1,351
Stage-3	847	2,722 ¹	1,158
Total	3,332	5,983	3,457
Asset Quality Ratios (%)	Q4 FY23	Q3 FY23	Q4 FY22
Provision Coverage Ratio - Stage 1	4.5%	5.1%	2.5%
Provision Coverage Ratio - Stage 2	28%	29%	38%
Provision Coverage Ratio - Stage 3	55%	72%	58%
Total Provisions as a % of Total AUM	10.5%	16.2%	7.9%

Notes: Prudential write-off of INR 644 Cr undertaken during Q4FY23 and INR 771 Cr during Q3FY23

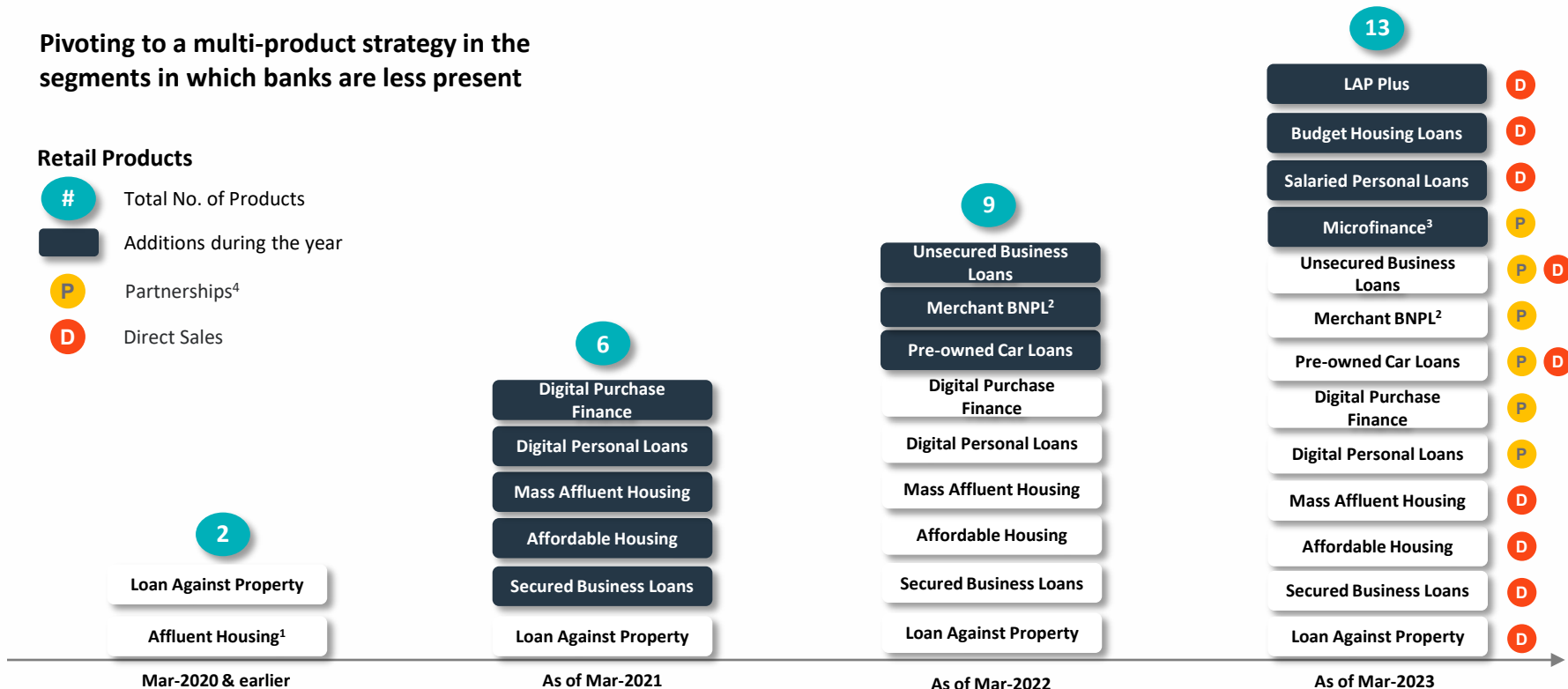
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Expanding Retail Product Offerings Across The Spectrum

Pivoting to a multi-product strategy in the segments in which banks are less present

Retail Products

- # Total No. of Products
- Additions during the year
- P Partnerships⁴
- D Direct Sales







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) BNPL: Buy now, pay later

(3) Launched Micro-finance through the Business Correspondent (BC) model in Q1 FY2023

(4) Launched in partnership with leading FinTech and Consumer Tech firms

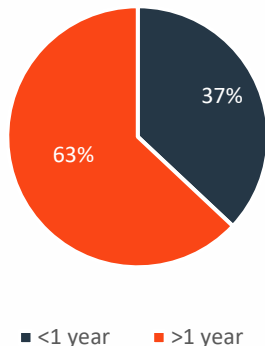
Multi-Product Retail Lending Platform Across The Risk-Reward Spectrum – Q4FY23

Product Segments	Products	Avg. Disbursement Ticket Size (INR Lakh)	Disbursement Yield (%)	Share in Disbursements (%)	AUM ¹ Yield (%)	Share in AUM ¹ (%)
 Housing	Affordable Housing	18.3	10.9%	35.3%	11.2%	54.6%
	Mass Affluent Housing					
	Budget Housing					
 Secured MSME (LAP)	Secured Business Loan	20.9	12.5%	14.1%	12.5%	23.0%
	Loan Against Property (LAP)					
	LAP Plus					
 Other Secured	Pre-owned Car Loans	6.0	16.1%	4.9%	15.9%	2.6%
 Unsecured	Salaried Personal Loans	4.5	17.6%	5.9%	18.2%	2.7%
	Microfinance Loans	0.3	18.8%	6.3%	18.8%	2.9%
	Unsecured Business Loans	6.2	19.3%	7.6%	19.4%	5.2%
	Merchant BNPL					
	Digital Purchase Finance	0.9	19.3%	25.9%	18.2%	9.0%
	Digital Personal Loans					
Weighted Avg. / Total		11.1	14.7%	100%	12.8%	100%

Note: (1) Retail AUM excludes Security Receipts (SRs) & Pass-through certificates (PTC)

Digital Embedded Finance: Scaling-up Partnerships With Fintech And Consumer Tech Firms

Digital Loans Duration
% AUM



Key Highlights:

20
programs launched

~880,000
customers served

36 seconds
least time taken for
disbursed loan

98%
loans with zero-manual
intervention

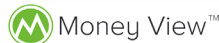
Key Capabilities:

- ✓ **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**

20 programs live across 18 partners

Fintech NBFCs	Transaction Platforms	Service Providers	Edtechs / Education Institutes
MSME Platforms	OEMs	Gold Collateral Companies	Product Manufacturers

Our Partners



Dial-in Details For Q4 and Annual FY23 Earnings Conference Call

Event	Location & Time	Telephone Numbers
Conference call on 5 th May, 2023	India – 5:00 PM IST	Primary Number +91 22 6280 1264 / +91 22 7115 8165
		Toll free number 1800 120 1221
	USA – 7:30 AM (Eastern Time – New York)	Toll free number 1866 746 2133
	UK – 12:30 PM (London Time)	Toll free number 0808 101 1573
	Singapore – 7:30 PM (Singapore Time)	Toll free number 8001 012 045
	Hong Kong – 7:30 PM (Hong Kong Time)	Toll free number 8009 644 48
For online registration	Please use this link for prior registration to reduce wait time at the time of joining the call: https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=3667741&linkSecurityString=12c08db88b	

Thank You

For Investors:

investor.relations@piramal.com

