

Piramal Enterprises Limited

Investor Presentation

August 2019



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.

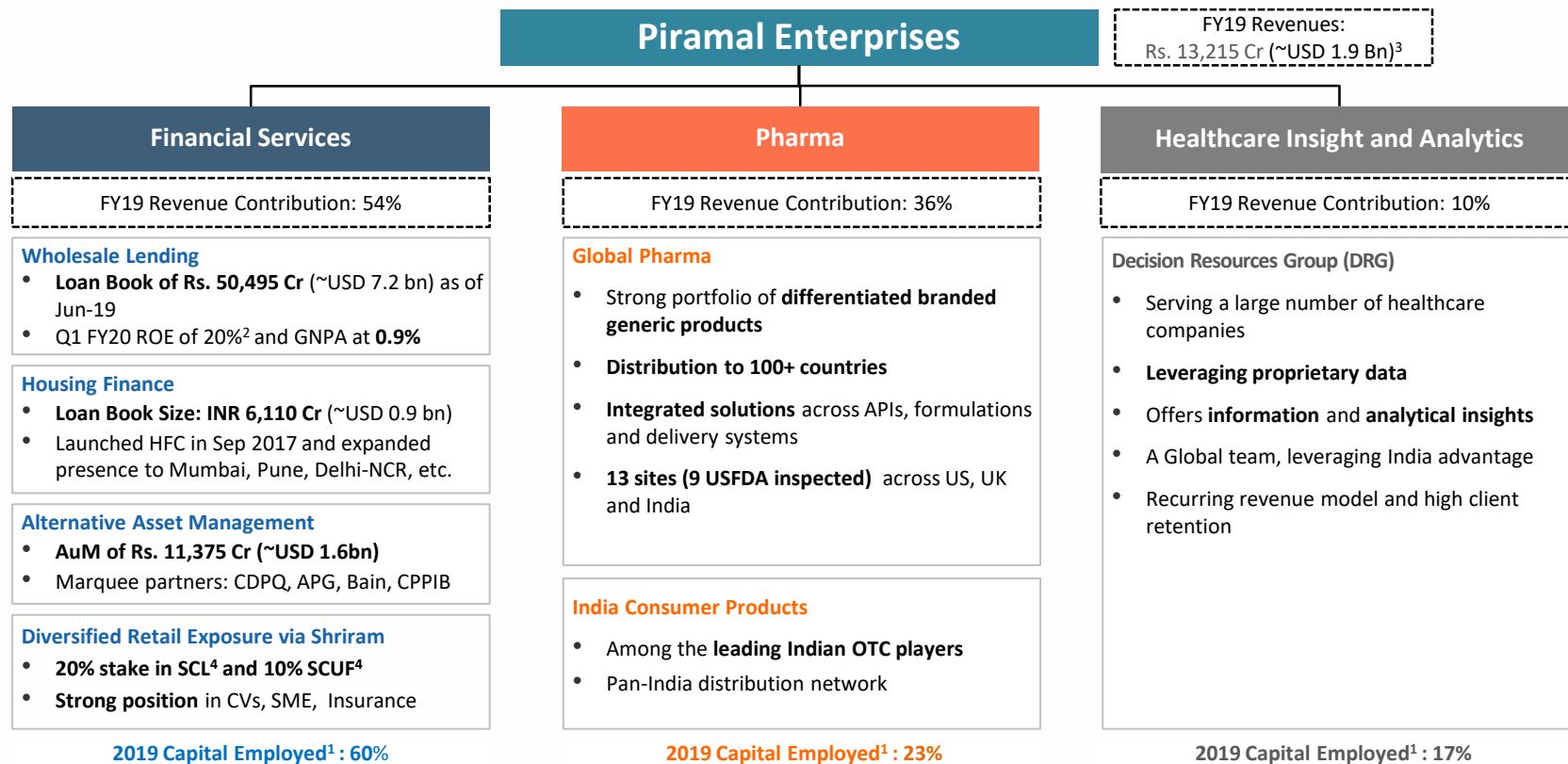
These risks and uncertainties include, but are not limited to Piramal Enterprise Limited's ability to successfully implement its strategy, the Company's growth and expansion plans, obtain regulatory approvals, provisioning policies, technological changes, investment and business income, cash flow projections,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



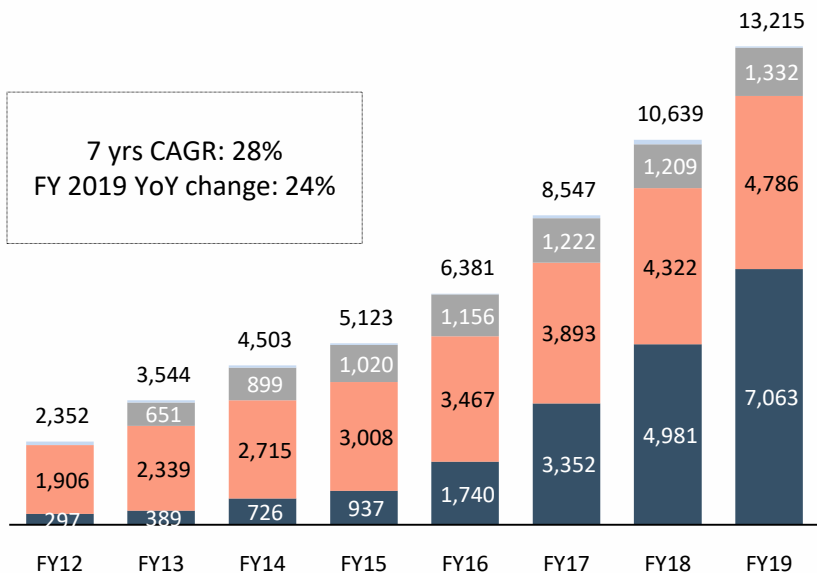
Notes: 1) As per books. Excludes unallocated portion of capital employed to various business segments; 2) ROE for current reported period Q1FY20 is considering Cash Tax and other synergies from merger;

3) Exchange rate for revenues and Loan book is Rs. 70/ USD 4) SCL: Shriram Capital Limited and SCUF: Shriram City Union Finance

Delivering robust growth

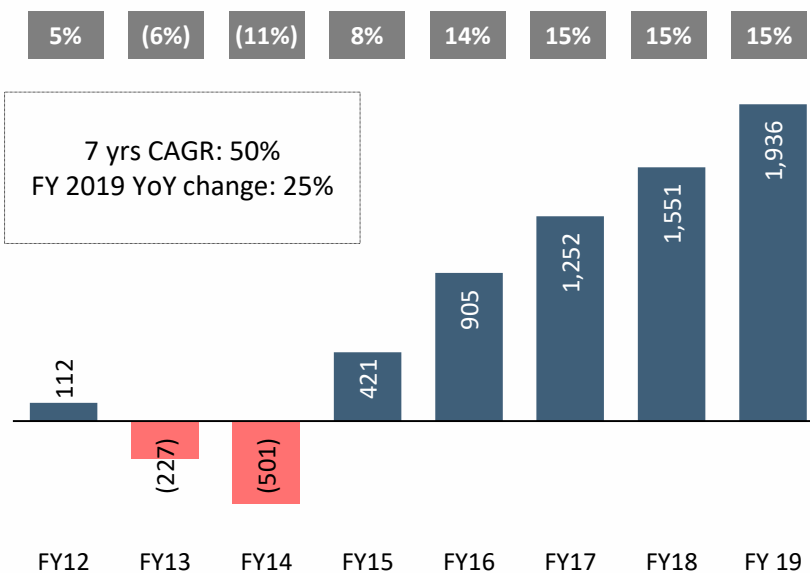
(In INR Crores)

Business-wise Revenue Trend

FS Pharma⁴ HIA Others


Net Profit ^{1,2,3}

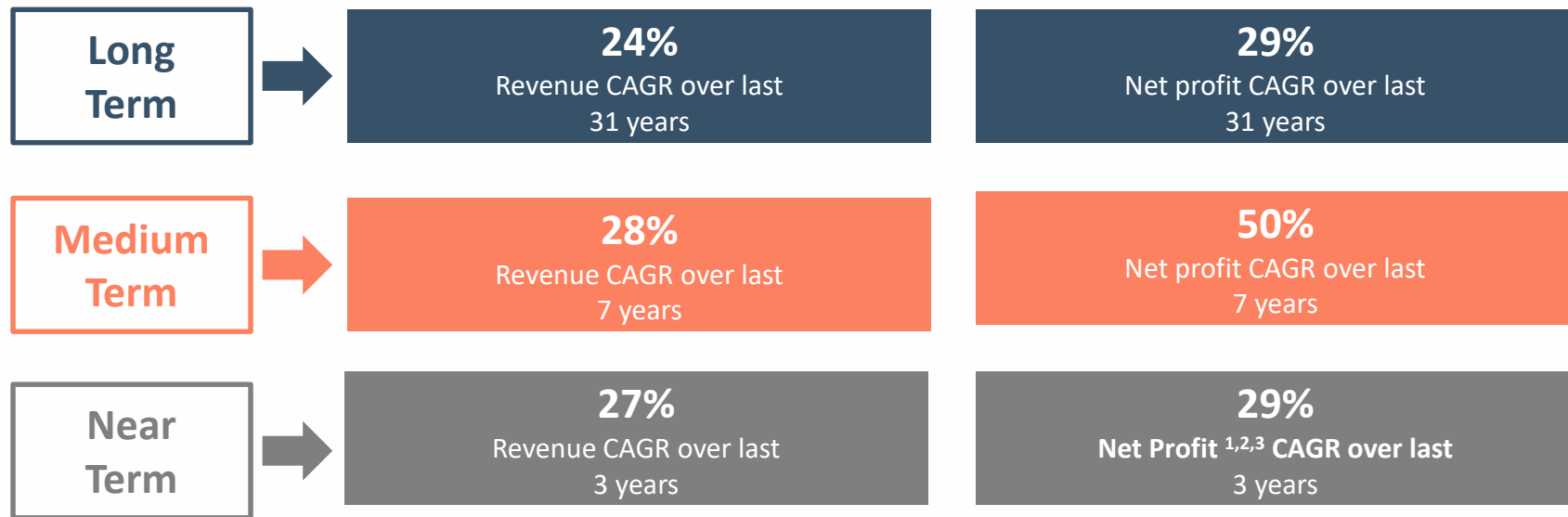
Net Profit Net Profit Margin %



Notes:

1. FY2016 - FY 2019 results have been prepared based on IND AS, prior periods are IND GAAP; 2) 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) FY2019 normalised net profit excludes non-recurring and non-cash accounting charge towards imaging assets in Q1 FY2019 and non-recurring exceptional item in Q4 FY2019; 4) Pharma includes Global Pharma Services, Global Pharma Products, and India Consumer Products revenues

Consistently delivering strong performance across various periods



Note :

1) FY2016 - FY2019 results have been prepared based on IND AS, prior periods are IGAAP; 2) Q4FY2018 normalised net profit excludes synergies from reverse merger of subsidiaries in Financial services segment; 3)) FY2019 normalised net profit excludes non-recurring and non-cash accounting charge towards imaging assets in Q1 FY2019 and non-recurring exceptional item in Q4 FY2019

Consistent performance quarter after quarter

(In INR Crores)

Period	Revenues			Net Profits		
	Reported Period	Previous Period	% YoY Change	Reported Period	Previous Period	% YoY Change
Q2FY16	1,504	1,243	+21%	235	41	+473%
Q3FY16	1,786	1,400	+28%	307	224	+37%
Q4FY16	1,691	1,298	+30%	193	100	+93%
Q1FY17	1,776	1,401	+27%	231	169	+36%
Q2FY17	1,966	1,504	+31%	306	235	+30%
Q3FY17	2,342	1,786	+31%	404	307	+32%
Q4FY17	2,463	1,691	+46%	311	193	+61%
Q1FY18	2,254	1,776	+27%	302	231	+31%
Q2FY18	2,536	1,966	+29%	384	306	+25%
Q3FY18	2,858	2,342	+22%	490	404	+21%
Q4FY18 ¹	2,991	2,463	+21%	375	311	+21%
Q1FY19 ²	2,902	2,254	+29%	382	302	+27%
Q2FY19	3,144	2,536	+24%	480	384	+25%
Q3FY19	3,489	2858	+22%	603	490	+23%
Q4FY19 ³	3,680	2,991	+23%	470	375	+25%
Q1FY20 ³	3,506	2,902	21%	461	382	21%

16 consecutive quarters of delivering 20%+ revenue growth

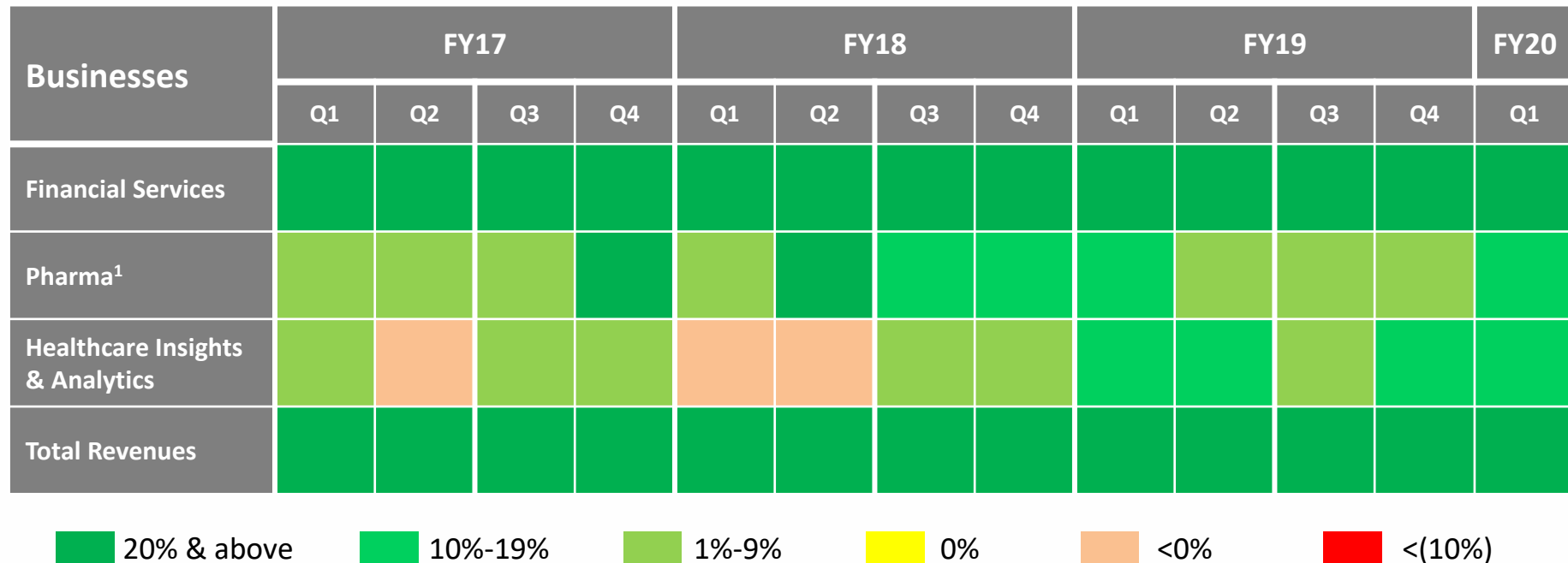
16 consecutive quarters of delivering 20%+ Net Profit growth

Note: 1) Q4FY2018 net profit excludes synergies from reverse merger of subsidiaries in Financial services segment; imaging assets 3) Q4 FY2019 and Q1 FY2020 net profit excludes exceptional item

2) Q1FY2019 net profit excludes non-recurring and non-cash accounting charge towards

Various business segments growing consistently over years

YoY revenue growth

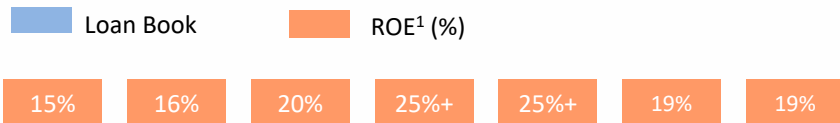


Note: (1) Pharma revenues include Global Pharma Services, Global Pharma Products, and India Consumer Products revenues

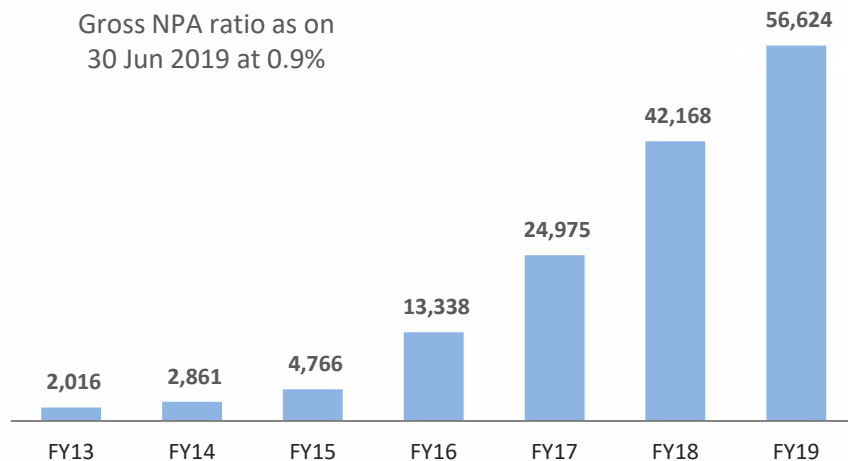
Strong performance trend in Financial Services

Financial Services Performance

(in INR Cr)



Gross NPA ratio as on
30 Jun 2019 at 0.9%



Performance Highlights

Asset Quality

- Consistently maintained healthy asset quality; GNPA below 1% since last 13 quarters

ROE

- Continue to maintain healthy ROE, even after the fund raise
 - Q1FY2020 ROE of 20%²

Portfolio Diversification

- Housing finance loan book grew 4 times to INR 6,110 Crores, despite the volatile environment.
 - The business constitutes ~11% of overall loan book in June 2019 vs. 3% in June 2018

Improving borrowing mix

- Raised ~INR 18,500 Crores of long term debt between Sep-2018 and Jun-2019
 - CP exposure reduced to ~INR 7,300 Crores currently from ~INR 18,000 Crores as of Sep-2018

*Notes: 1) ROE for past periods are reported for full year 2) ROE for current reported period FY2019 considers Cash Tax and other synergies from reverse merger

3) FY2016 - FY2019 results have been prepared based on IND AS, prior periods are IGAAP

Financial Services: Performing better than peers, despite volatile environment

PEL's relative position vs. median for peers



Above



In-line



Below

Particulars	PEL	PEL's relative position	Median – Peers	P1	P2	P3	P4	P5
Loan book growth – YoY (%)	20%		17%	16%	17%	26%	29%	16%
NIM (%)	5.7%		3.3%	2.4%	3.3%	6.7%	3.1%	5.5%
Gross NPA ratio (%)	0.9%		2.0%	2.0%	1.3%	3.0%	0.8%	5.7%
Debt-to-equity (D/E) ¹ (x)	3.7x		7.6x	10.7x	4.6x	7.6x	9.0x	6.2x
ROE ² (%)	20%		15%	15%	14%	20%	15%	16%

Note: Peer data as reported for June 30, 2019. Peer set includes (not necessarily in the same order): LIC Housing Finance, Cholamandalam Finance, HDFC Ltd., L&T Finance and PNB Housing Finance.

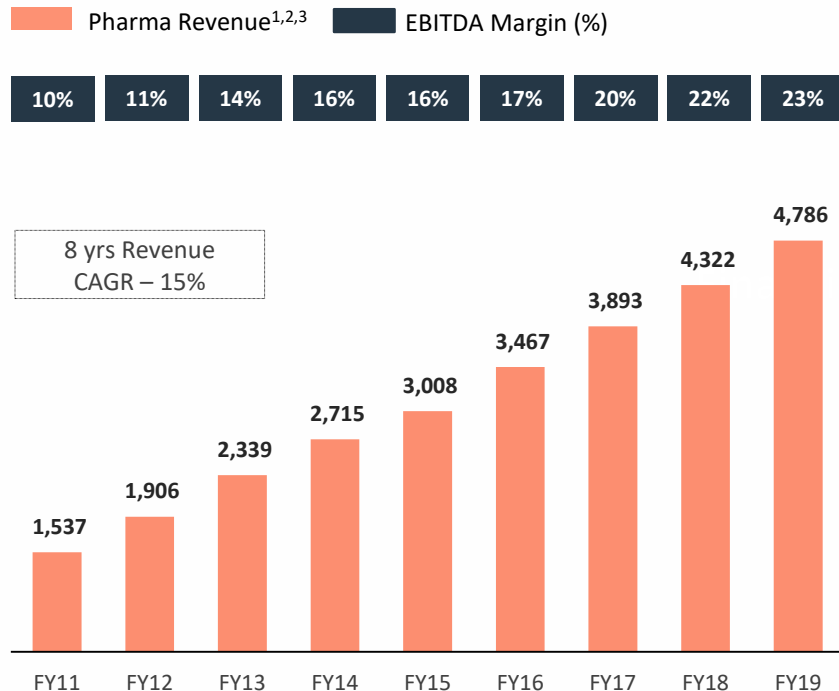
(1) D/E multiple for PEL's lending business only, excludes investments in Shriram companies, DTA benefit from reverse merger and equity allocated to the Alternate AUM business. (2) ROE for PEL on a cash-tax basis (considering the capital allocation from the fund raise); Operating Return on Embedded Value for HDFC

Source: Company filings / disclosures, Bloomberg

Consistent performance trend: Pharma

Pharma Performance

(in INR crores)



Performance Highlights

Growth

- PEL's Pharma revenue has grown at a CAGR of 15% over last 8 years

Profitability

- Global Pharma (accounts for 93% of Pharma revenues¹) has delivered a strong growth in EBITDA margins from 10% in FY11 to 23% in FY19

Quality & Compliance

- Successfully cleared 35 USFDA inspections, 148 other regulatory audits and 1030 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) Pharma revenue includes Global Pharma Services, Global Pharma Products, and India Consumer Products revenues

Pharma: Our differentiated business model enabling better performance vs. peers

PEL's relative position vs. median for peers

 Above
  In-line
  Below

Particulars		PEL - Overall Pharma	PEL's relative position	Median - Peers	Peer 1	Peer 2	Peer 3	Peer 4	Peer 5
Revenue growth – YoY (%)	FY16	16%		12%	12%	4%	5%	22%	15%
	FY17	12%		8%	23%	11%	(9%)	6%	8%
	FY18	11%		1%	(9%)	(14%)	1%	3%	9%
	FY 19	11%		8%	5%	10%	8%	8%	19%
EBITDA margin ¹ – FY19 (%)		23%		20%	20%	21%	22%	19%	20%

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)

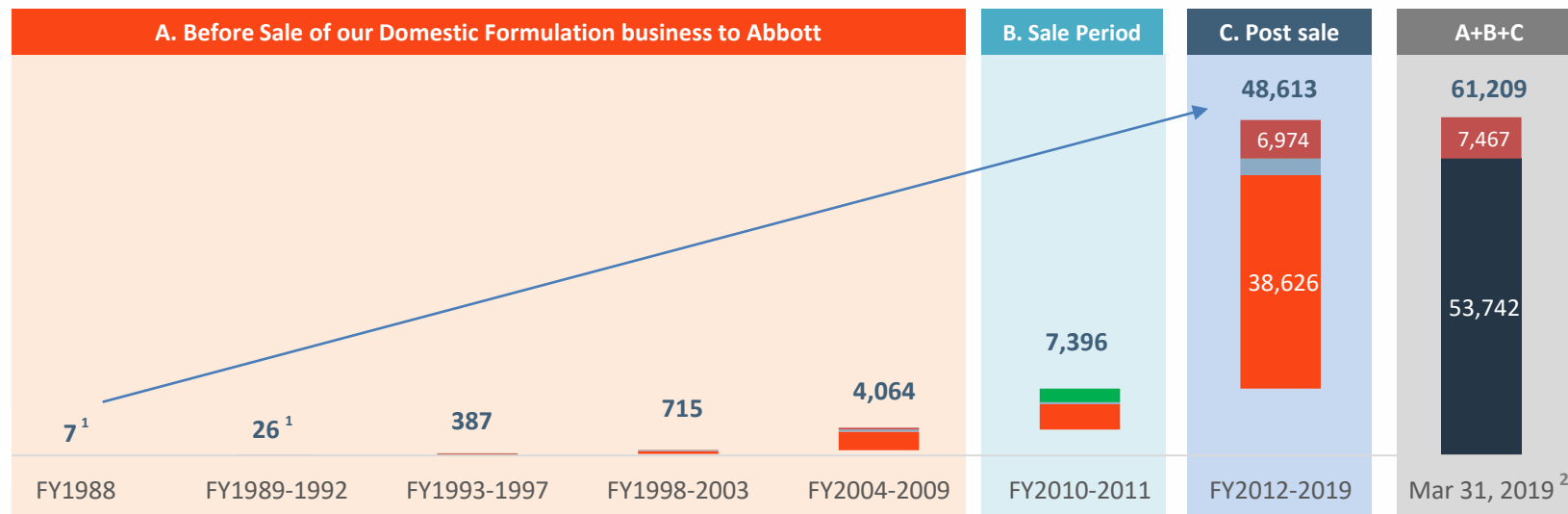
Source : Companies reported numbers, Stock Exchange Filings, Reuters



Creating significant value for shareholders

(In INR Crores)

■ Incremental Market cap
 ■ Dividend Paid ³
 ■ Capital Returned through Buyback
 ■ Capital Raised
 ■ Value Created



- Note:
1. All numbers till 1992 represents book value
 2. Analysis carried out based on market information till 31 March 2019
 3. Dividend for FY 2019 is not included in Total Dividend paid

24%

Revenue CAGR for last 31 years

29%

Net Profit CAGR for last 31 years

28%*

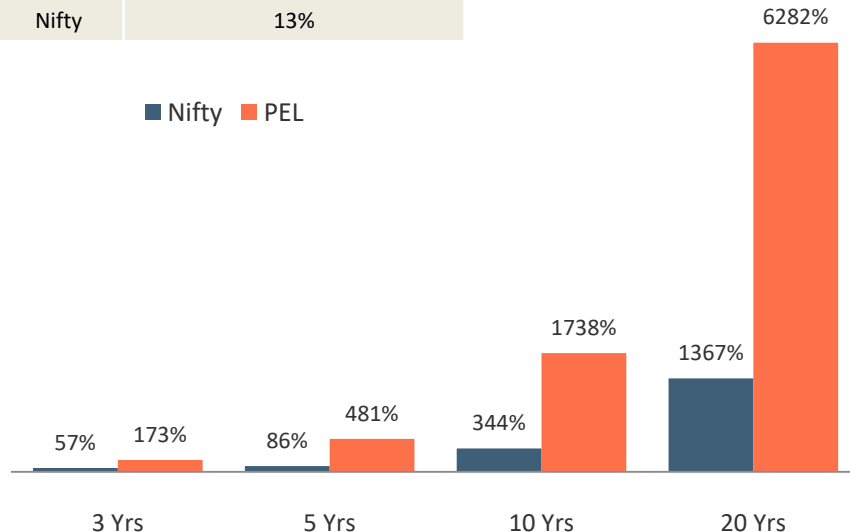
Annualized return to shareholders over last 31 years

* Assumed dividend reinvested in the stock

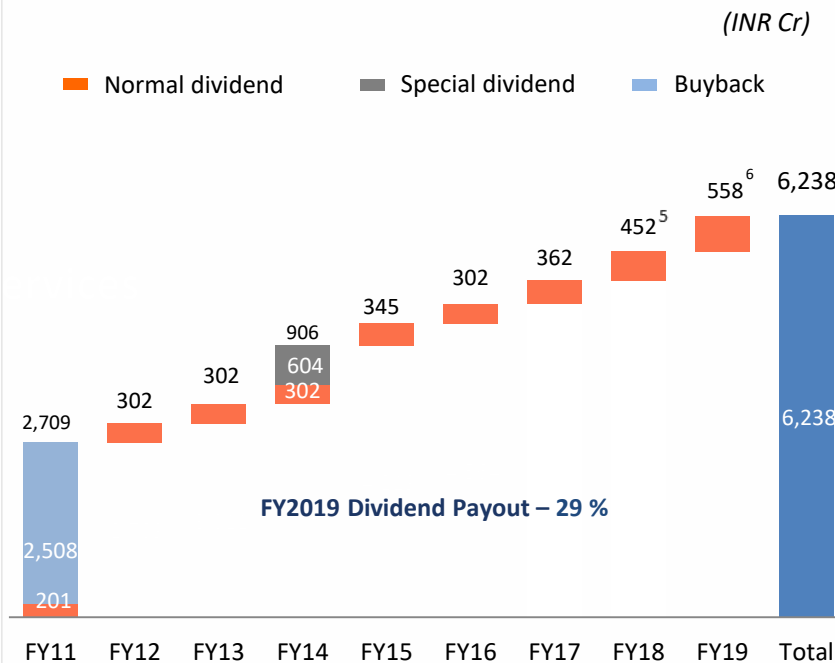
Long-term returns to shareholders consistently outperforming benchmarks

Consistently delivered strong shareholder returns – significantly higher than benchmarked indices¹

	5 year Annualized Return ²
PEL	42%
Nifty	13%



INR 6,238 Cr^{3,4,5,6} returned to shareholders since sale of Domestic Formulations business in 2010



Notes:

1) Total shareholder returns are as on 31 Mar 2019. Assumes re-investment of dividend in the stock (Source : Bloomberg); 2) Annualized returns are as on 31 March 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) FY18 Excludes any dividend payout upon conversions of CCDs & related Rights till book closure date 6) FY 19 includes any dividend payout upon conversion of CCDs & Rights till book closure date for FY 19

Board of Directors



AJAY PIRAMAL

CHAIRMAN

AWARDED “ASIA BUSINESS LEADER OF THE YEAR” BY CNBC ASIA

NON - EXECUTIVE DIRECTOR, TATA SONS

CHAIRMAN, SHRIRAM CAPITAL LIMITED

CO – CHAIR, UK-INDIA CEO FORUM

DIRECTORS



DR. SWATI PIRAMAL

VICE-CHAIRPERSON
EMINENT SCIENTIST
AWARDED PADMA SHRI



NANDINI PIRAMAL

EXECUTIVE DIRECTOR,
OTC, HR, QUALITY & RISK
MBA, STANFORD



ANAND PIRAMAL

NON-EXECUTIVE DIRECTOR,
HEADS PIRAMAL REALTY
MBA, HARVARD



VIJAY SHAH

EXECUTIVE DIRECTOR,
25+ YEARS WITH GROUP
TURNAROUND BUSINESSES

INDEPENDENT DIRECTORS



N VAGHUL

FORMER CHAIRMAN,
ICICI BANK



GAUTAM BANERJEE

SENIOR MD & Co-CHAIRMAN,
ASIA OPERATING COMMITTEE,
BLACKSTONE, SINGAPORE



ARUNDHATI BHATTACHARYA

FORMER CHAIRPERSON,
STATE BANK OF INDIA



DEEPAK M SATWALEKAR

FORMER MD & CEO,
HDFC STANDARD LIFE



SIDDHARTH (BOBBY) MEHTA

FORMER PRESIDENT & CEO
TRANSUNION



S RAMADORAI

FORMER VICE-CHAIRMAN,
TCS



PROF. GOVERDHAN MEHTA

EMINENT SCIENTIST
FORMER DIRECTOR - IISc
AWARDED PADMA SHRI



KEKI DADISETH

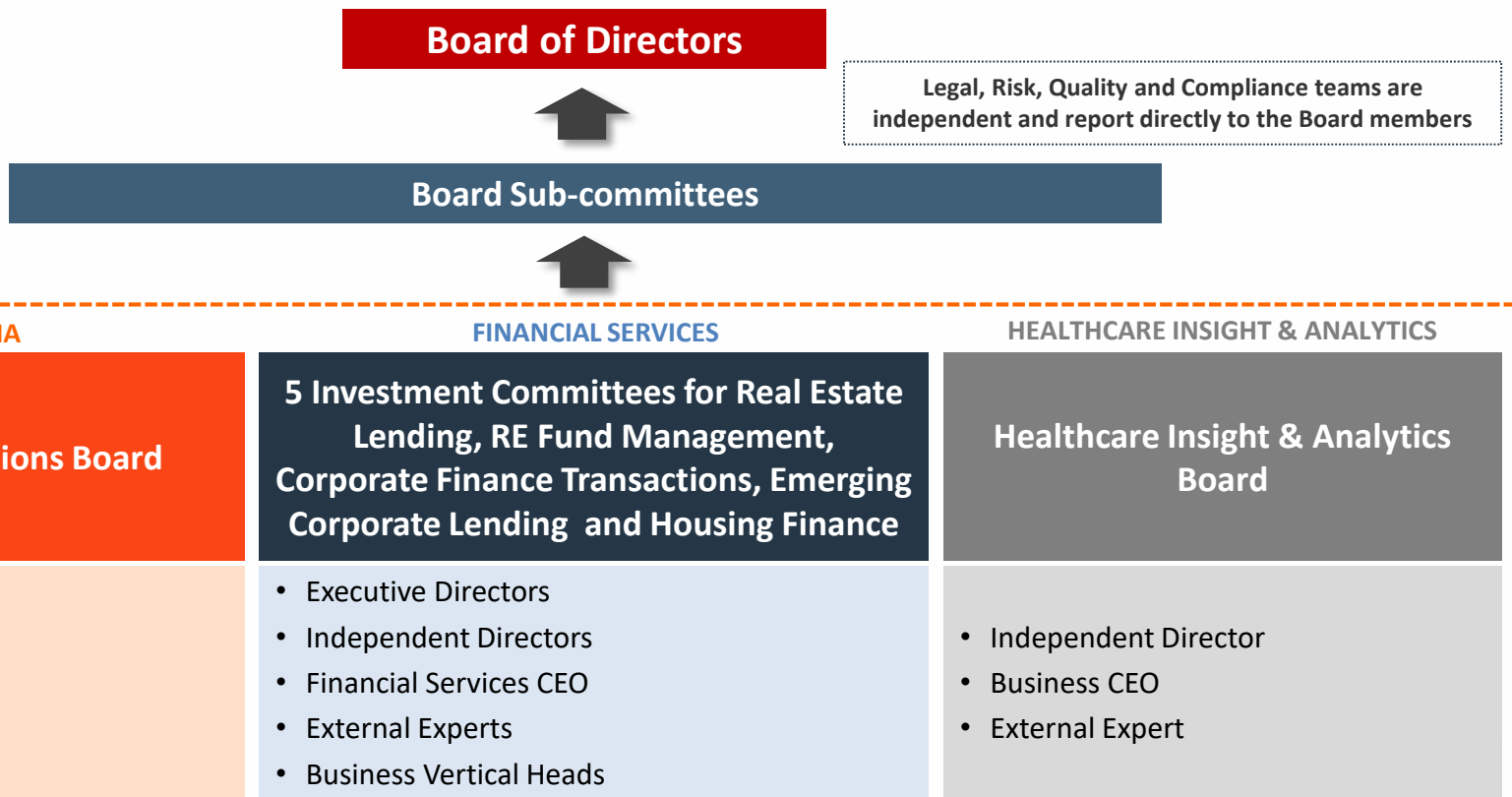
FORMER CHAIRMAN,
HINDUSTAN UNILEVER LTD



DR. R MASHELKAR

EMINENT SCIENTIST
FORMER DG, CSIR
AWARDED PADMA VIBHUSHAN

Robust Governance Mechanism



Trusted Partnerships

Our Strategic Partners



Our Top Investors

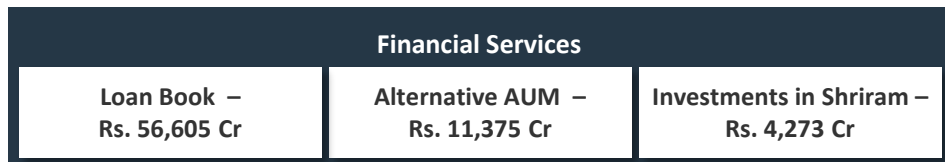




Financial Services

Diversified exposure across both wholesale and retail financing

As on Jun 30, 2019



Wholesale business

Lending

Loan Book –
Rs. 50,495 Cr

Real Estate

Loans -
Rs. 39,872 Cr

CFG

Loans –
Rs. 9,503 Cr

ECL

Loans –
Rs. 1,120 Cr

Alternative AUM

AUM –
Rs. 11,375 Cr

Real Estate

AUM –
Rs. 7,265 Cr

CFG

AUM –
Rs. 2,306 Cr

India RF

AUM –
INR 1,804 Cr

Retail business

Housing Finance

Loan Book –
Rs. 6,110 Cr

Investments in Shriram¹

Total Investments –
Rs. 4,273 Cr

SCL

20% stake

SCUF

10% Stake

CFG – Corporate Finance Group;
SCUF – Shriram City Union Finance

ECL – Emerging Corporate Lending;
India RF – India Resurgence Fund (our JV with Bain Capital Credit to invest in distressed assets in India)

HFC – Housing Finance Company;

SCL – Shriram Capital Limited;

Strong portfolio with total investments, loans and assets under management of ~INR 72,000 Crores

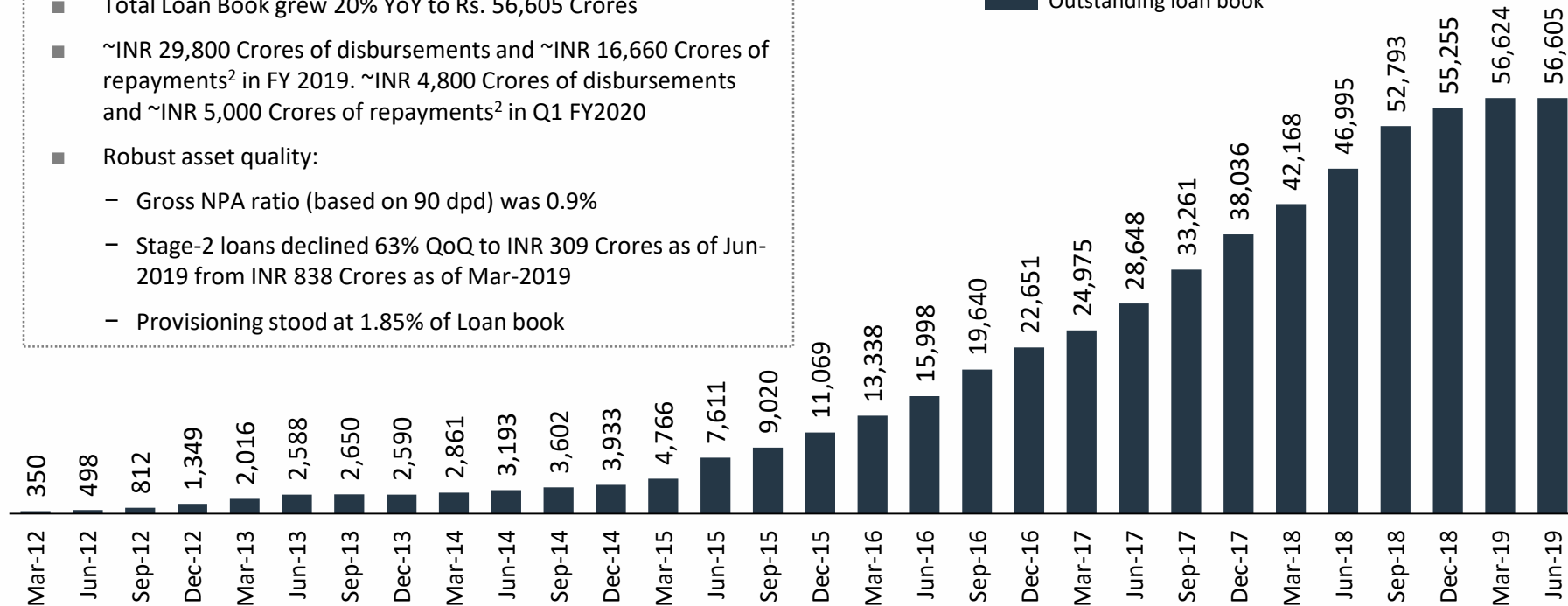
(1) Investments in Shriram: SCUF based on market value; SCL based on book value, including accumulated profits

Loan book growth

(in INR Crores)

- Total Loan Book grew 20% YoY to Rs. 56,605 Crores
- ~INR 29,800 Crores of disbursements and ~INR 16,660 Crores of repayments² in FY 2019. ~INR 4,800 Crores of disbursements and ~INR 5,000 Crores of repayments² in Q1 FY2020
- Robust asset quality:
 - Gross NPA ratio (based on 90 dpd) was 0.9%
 - Stage-2 loans declined 63% QoQ to INR 309 Crores as of Jun-2019 from INR 838 Crores as of Mar-2019
 - Provisioning stood at 1.85% of Loan book

■ Outstanding loan book



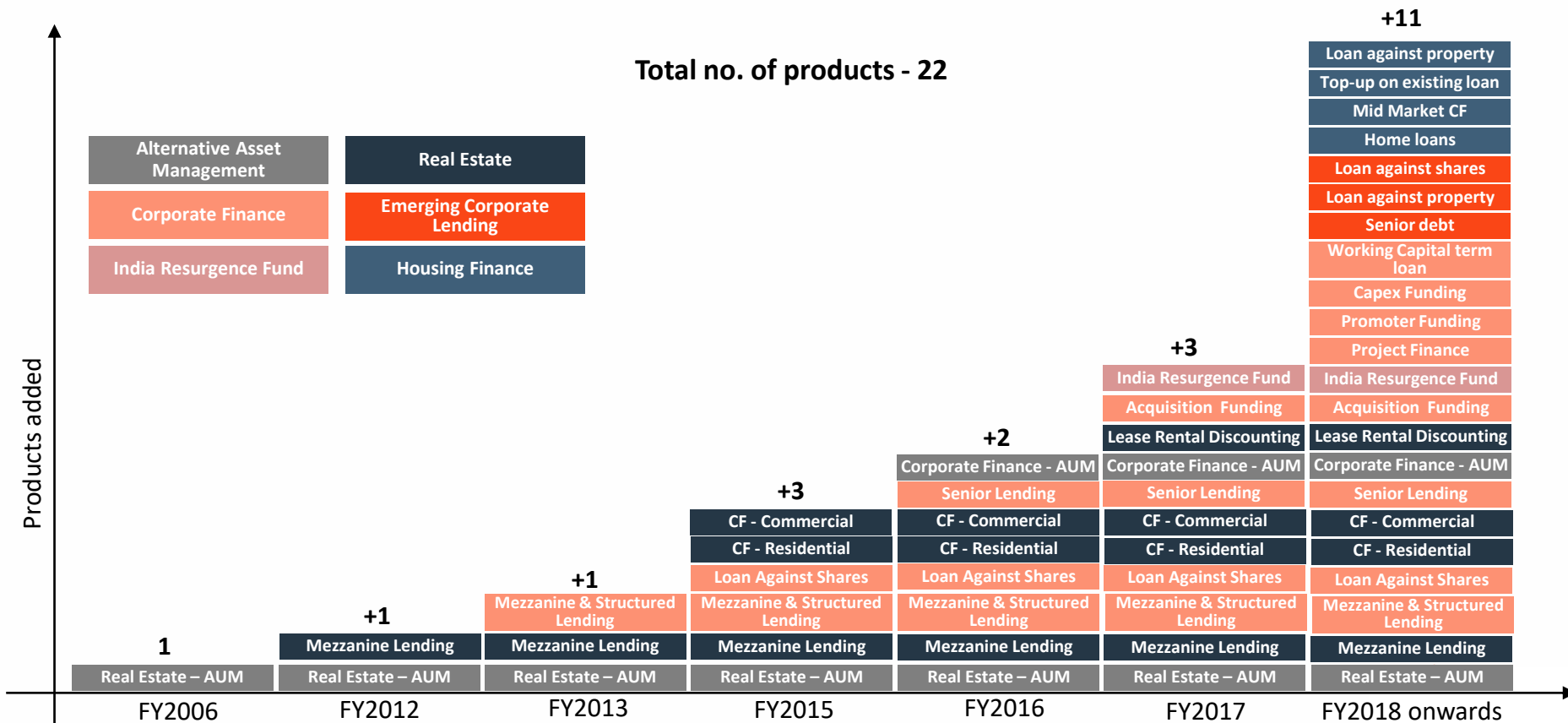
Alternative Assets Under Management was Rs. 9,571 Crores¹ as on 30 Jun 2019

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 1,804 Crores as on 30 Jun, 2019 (2) Includes down-selling

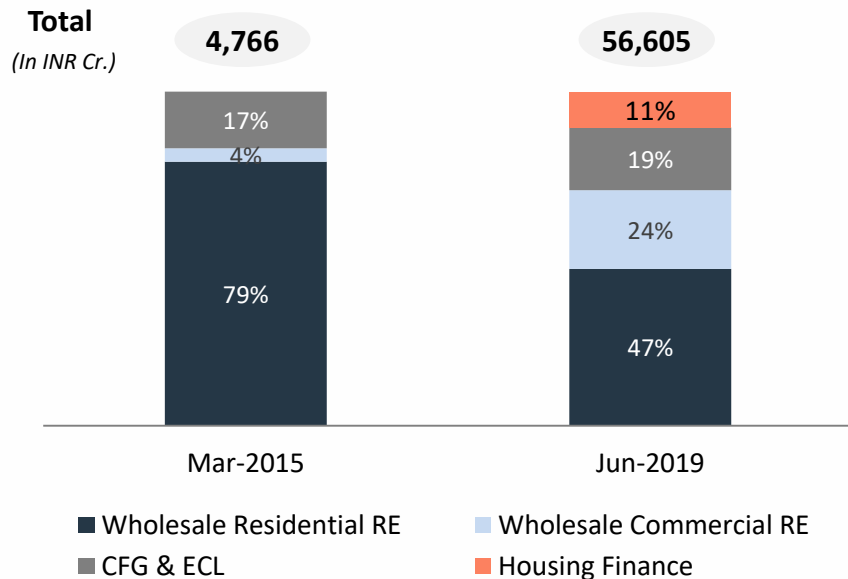


Consistently expanding product portfolio

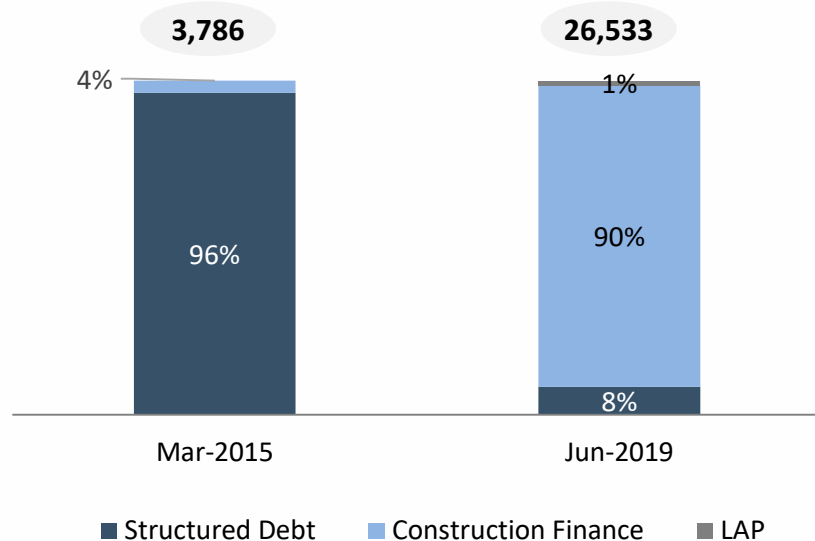


Improving loan book diversification with increased share of retail lending

Break down of overall loan book



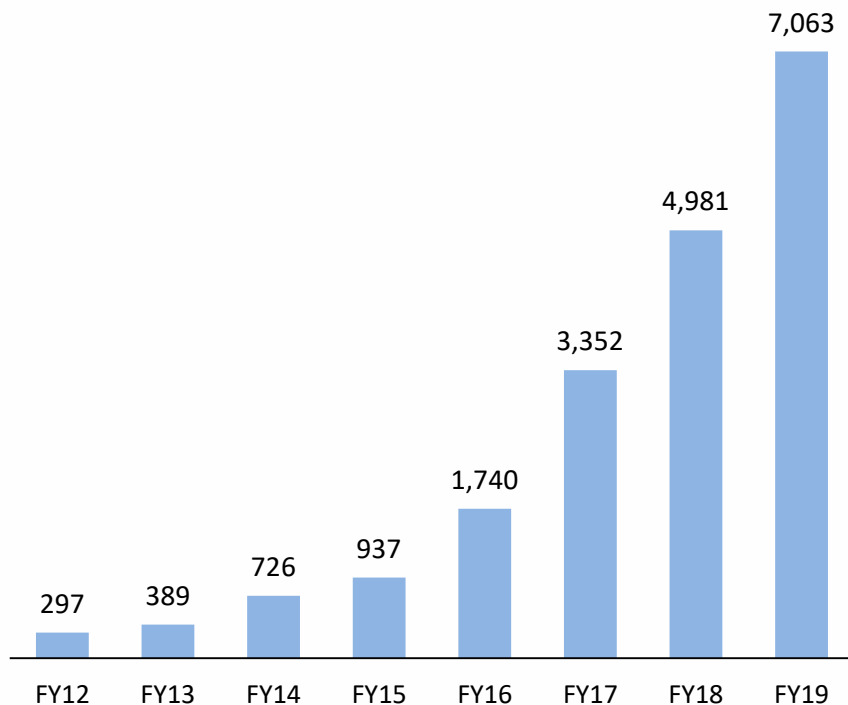
Breakdown of wholesale residential RE loans



- ✓ Share of wholesale residential RE loans reduced from 79% as of Mar-2015 to 47% as of Jun-2019
- ✓ Merely 8% of wholesale residential RE loans constituted structured debt as of Jun-2019 vs. 96% as of Mar-2015
- ✓ 66% of the wholesale residential RE exposure towards mid/late-stage/complete projects as of Jun-2019

Financial Services: Key Performance Metrics

Income from Financial Services (in INR Crores)

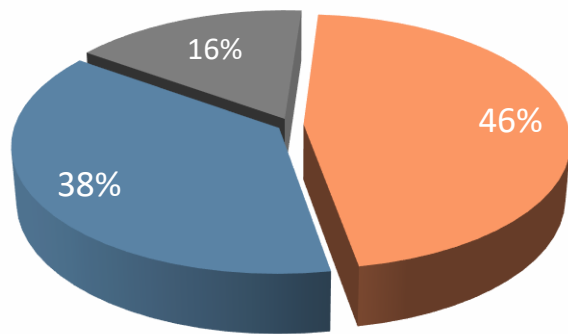


Key Performance Indicators: PEL Financial Services (excl. Shriram)

Particulars	Q1 FY2020
Total Loan Book size	56,605
Total Equity on Lending (utilized synergies from reverse merger)	12,010
Net Debt-to-Equity (for Lending business)	3.7x
Average Yield on Loans	14%
Average Cost of Borrowings	10.3%
Net Interest Margin	5.7%
Cost to Income Ratio	18.2%
Total Provisioning as on June 30, 2019	1.85%
Gross NPA ratio (based on 90 dpd)	0.9%
ROA	3.5%
ROA (considering Cash Tax and synergies from merger)	4.1%
ROE	17%
ROE (considering Cash Tax and synergies from merger)	20%

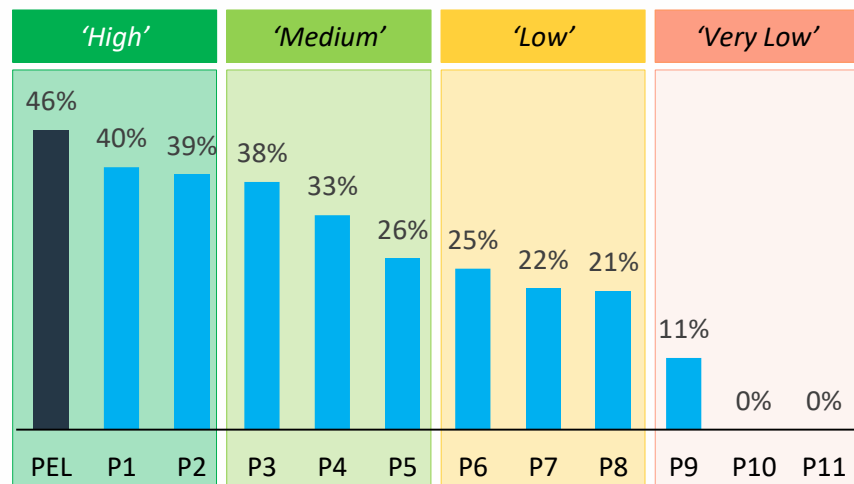
Strong commitment from the Promoter Group

**PEL Shareholding Mix
(As of June 2019)**



■ Promoter Group
 ■ Institutional Investors
 ■ Public & Others

**Comparison of Effective Promoter holding*
with large NBFCs / HFCs¹**



Largest effective promoter shareholding among major non-banking financial institutions of India

*Estimated based on available disclosures. Effective promoter shareholding is defined as the stake of the promoter group in the company, adjusted for any cross-holdings or indirect holdings through a holding company-subsidiary structure. In case of no single promoter/founder or promoter group it has been considered as zero.

Note: (1) P1 – P11 represents the peer set, which includes (not necessarily in the same order): HDFC Ltd., LIC Housing Finance, Bajaj Finance, Indiabulls Housing Finance, Dewan Housing Finance, Aditya Birla Capital, PNB Housing Finance, L&T Finance, Mahindra & Mahindra Financial Services, Edelweiss and Cholamandalam Finance. Data for peers as on March 31, 2019. Data for Aditya Birla Capital as on June 30, 2018

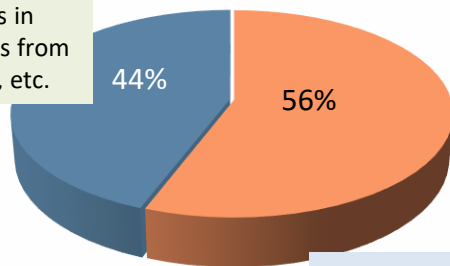


Amongst the least levered large non-banking financial institutions in India

**Total equity in the Financial Services (FS) Business of
~INR 21,500 Cr vs. loan book of ~INR 56,600 Cr**

Equity (Book Value) - % split

Includes ~INR 9,500 Cr
of investments in
Shriram, synergies from
reverse merger, etc.

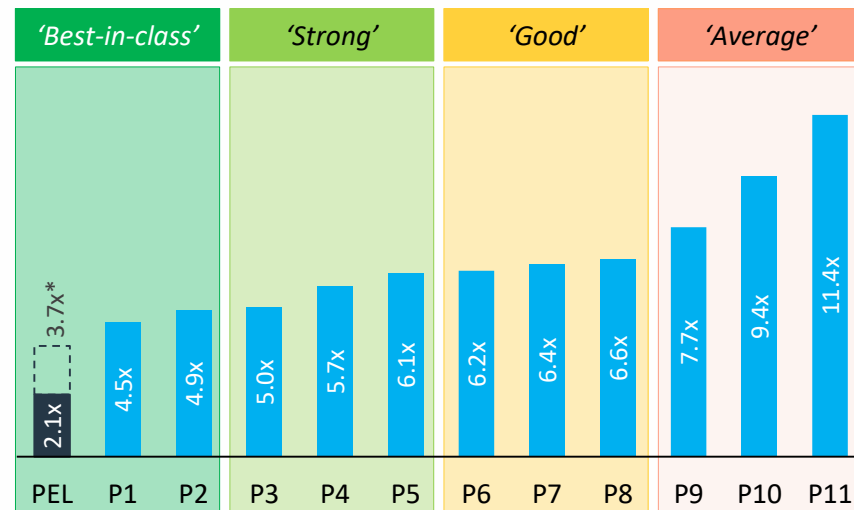


~INR 12,000 Cr invested in
the Lending business

■ Lending ■ Others (Shriram Investments, etc.)

Comparison of D/E multiple with large NBFCs / HFCs¹

■ Debt-to-Equity (x)



* D/E multiple of 3.7x for PEL's lending business only. Overall D/E multiple for PEL's Financial Services business is 2.1x, including investments in Shriram, synergies from reverse merger, etc.

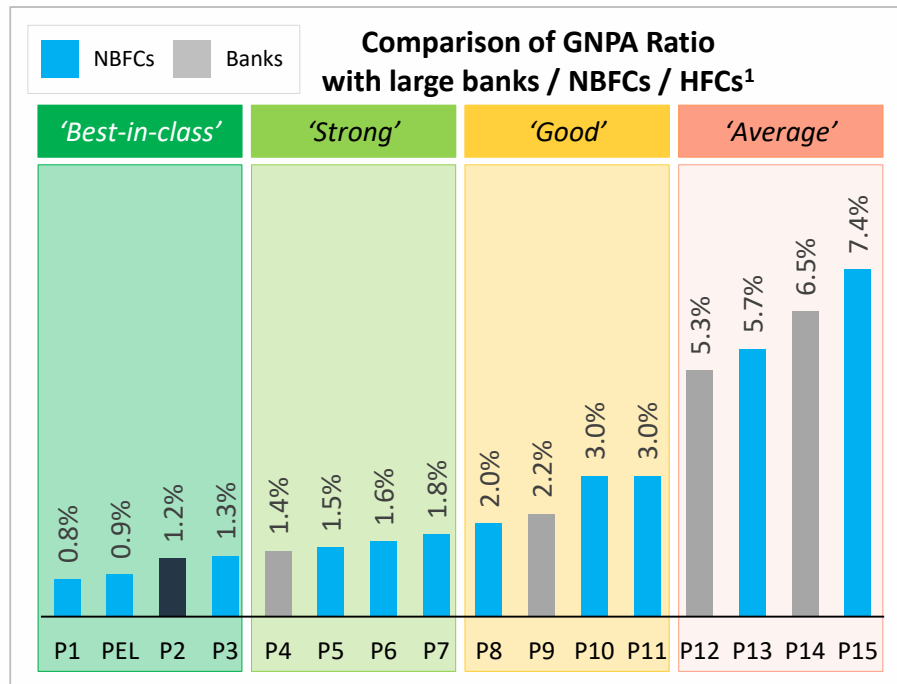
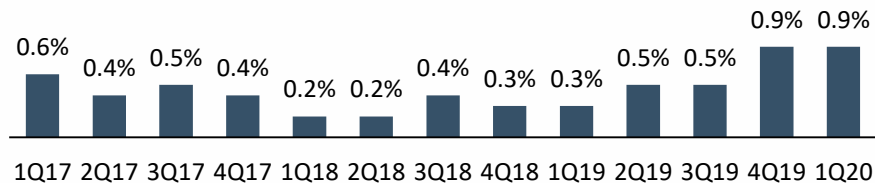
(1) P1 – P11 represents the peer set, which includes (not necessarily in the same order): HDFC Ltd., LIC Housing Finance, Bajaj Finance, Indiabulls Housing Finance, Aditya Birla Capital, PNB Housing Finance, L&T Finance, Mahindra & Mahindra Financial Services, Edelweiss, Repco Home Finance and Cholamandalam Finance. Figures for Edelweiss and Repco Home Finance as of March 31, 2019

‘Best-in-class’ asset quality as a result of robust risk management

As on Jun-2019

PEL's Financial Services GNPA Performance

GNPA ratio has been below 1% for the last 13 quarters



Note:

(1) P1 – P15 represents the peer set, which includes (not necessarily in the same order): HDFC Ltd., LIC Housing Finance, Bajaj Finance, Indiabulls Housing Finance, Edelweiss, Aditya Birla Capital, PNB Housing Finance, L&T Finance, Mahindra & Mahindra Financial Services, Repco Home Finance, Cholamandalam Finance, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, and Axis Bank. Figures for Edelweiss and Repco Home Finance as on March 31, 2019.

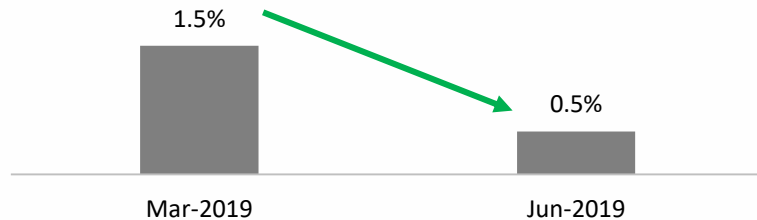


Conservative provisioning despite healthy asset quality; significant reduction in stage-2 loans

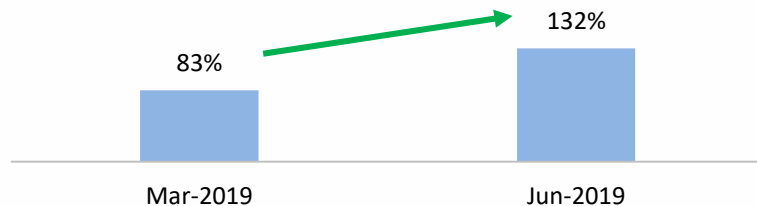
Conservative provisioning:

- Total provisions at 1.85% of loan book
- Total provisions at 216% of gross NPAs
- Provisioning at 132% of stage 2 & 3 loans as on Jun-2019 vs. 83% as on Mar-2019

Stage 2 loans as a % of loan book



Total provisions as a % of stage 2 and 3 loans

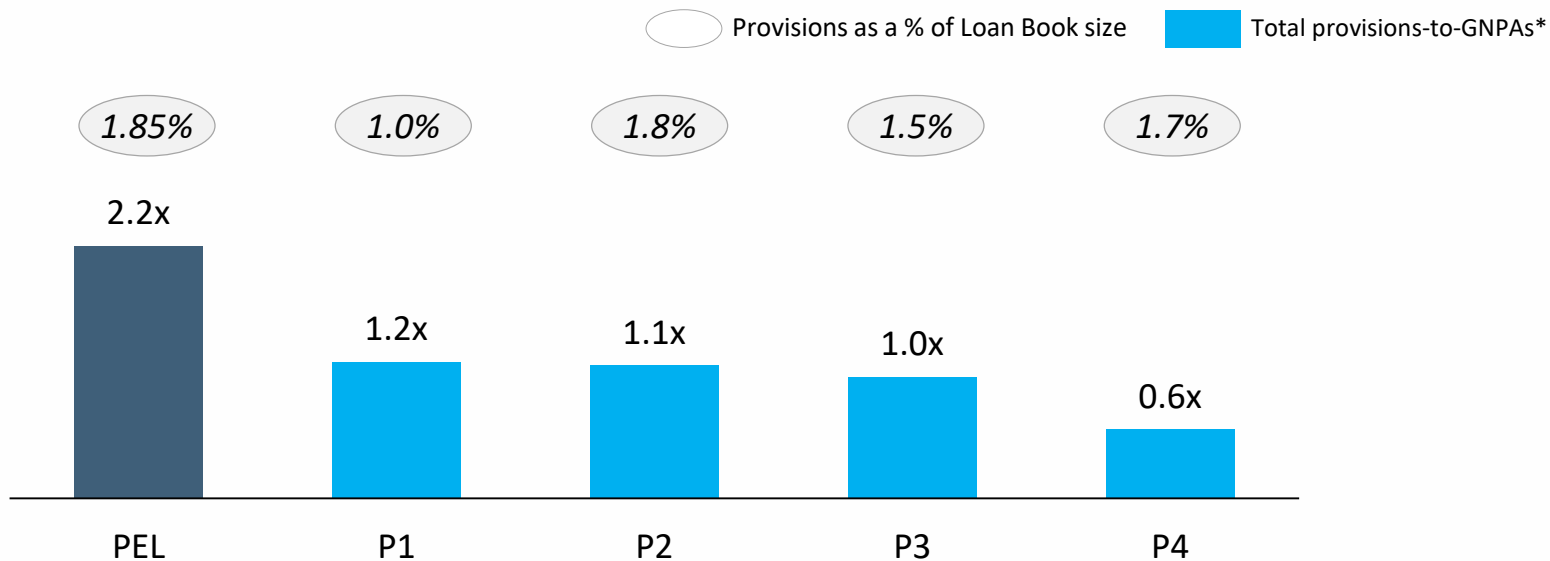


Stage-2 loans declined 63% QoQ to INR 309 Crores from INR 838 Crores as of Mar-2019

Higher provision coverage in comparison to sizeable HFCs in India

As on June-2019

Comparison of provision coverage with major NBFC / HFCs¹

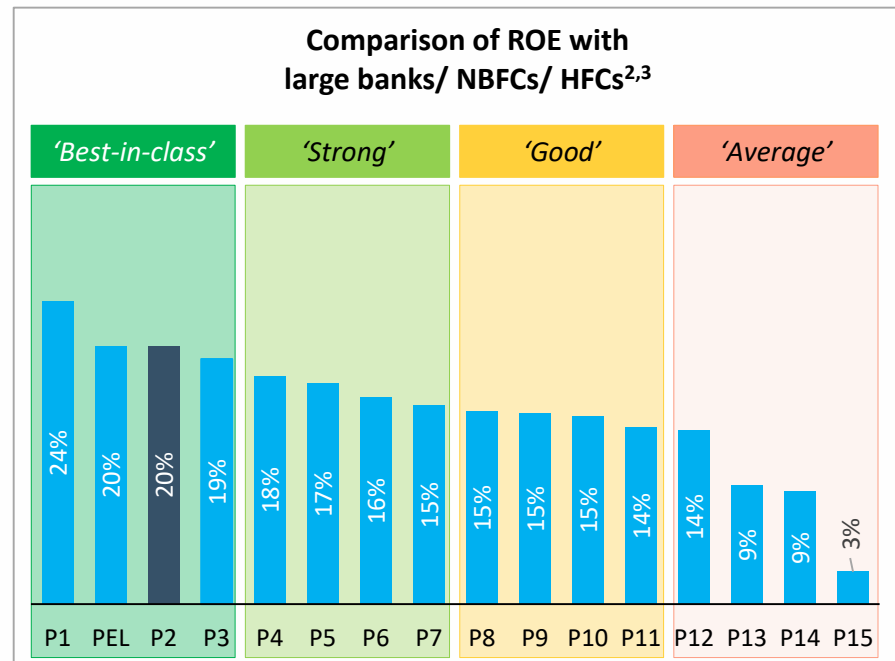
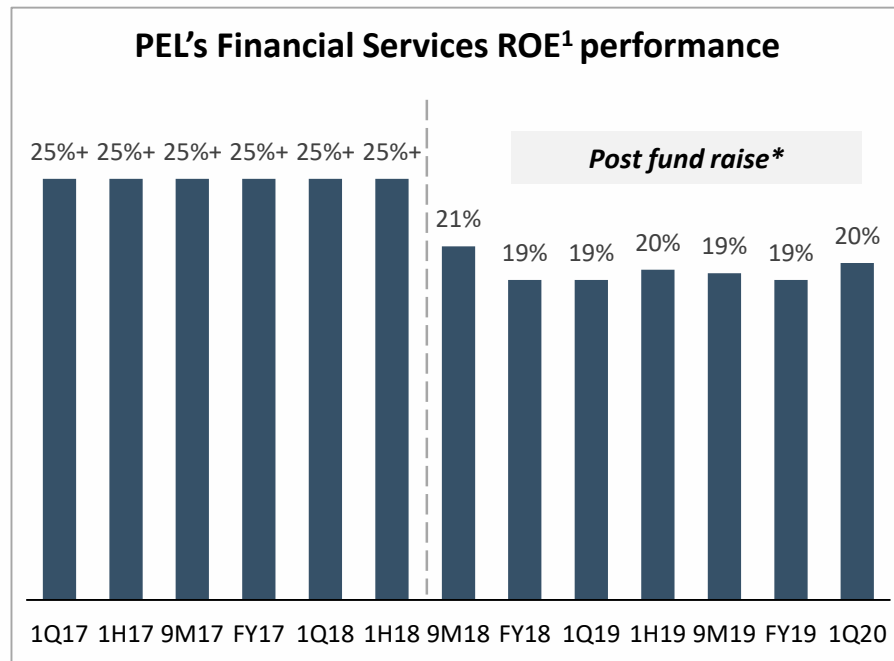


Total provisions at 1.85% of loan book size and relatively higher than peers

* Provisions-to-Gross NPAs based on total provisions for Stage 1, 2 and 3 assets (incl. any provisions retained from erstwhile provisions under the Indian GAAP regime)
 Note: (1) P1 – P4 represent the peer set, which includes (not necessarily in the same order): Bajaj Finance, Cholamandalam Finance, HDFC Ltd. and PNB Housing Finance



Deliver strong returns by tapping additional sources of fee income



Aim to deliver returns of 18-20% going forward

* 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.

Note: (1) ROE calculation for PEL on a cash tax basis, considering the capital allocation from the fund raise and as on June 30, 2019 (2) P1 – P15 represents the peer set, which includes (not necessarily in the same order): HDFC Ltd., LIC HF, Bajaj Finance, Indiabulls Housing Finance, Repco Home Finance, Aditya Birla Capital, PNB Housing Finance, L&T Finance, Mahindra & Mahindra Financial Services, Edelweiss, Cholamandalam Finance, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, and Axis Bank (3) Figures for Kotak, Repco Home Finance and Edelweiss are for the period ending March 31, 2019.

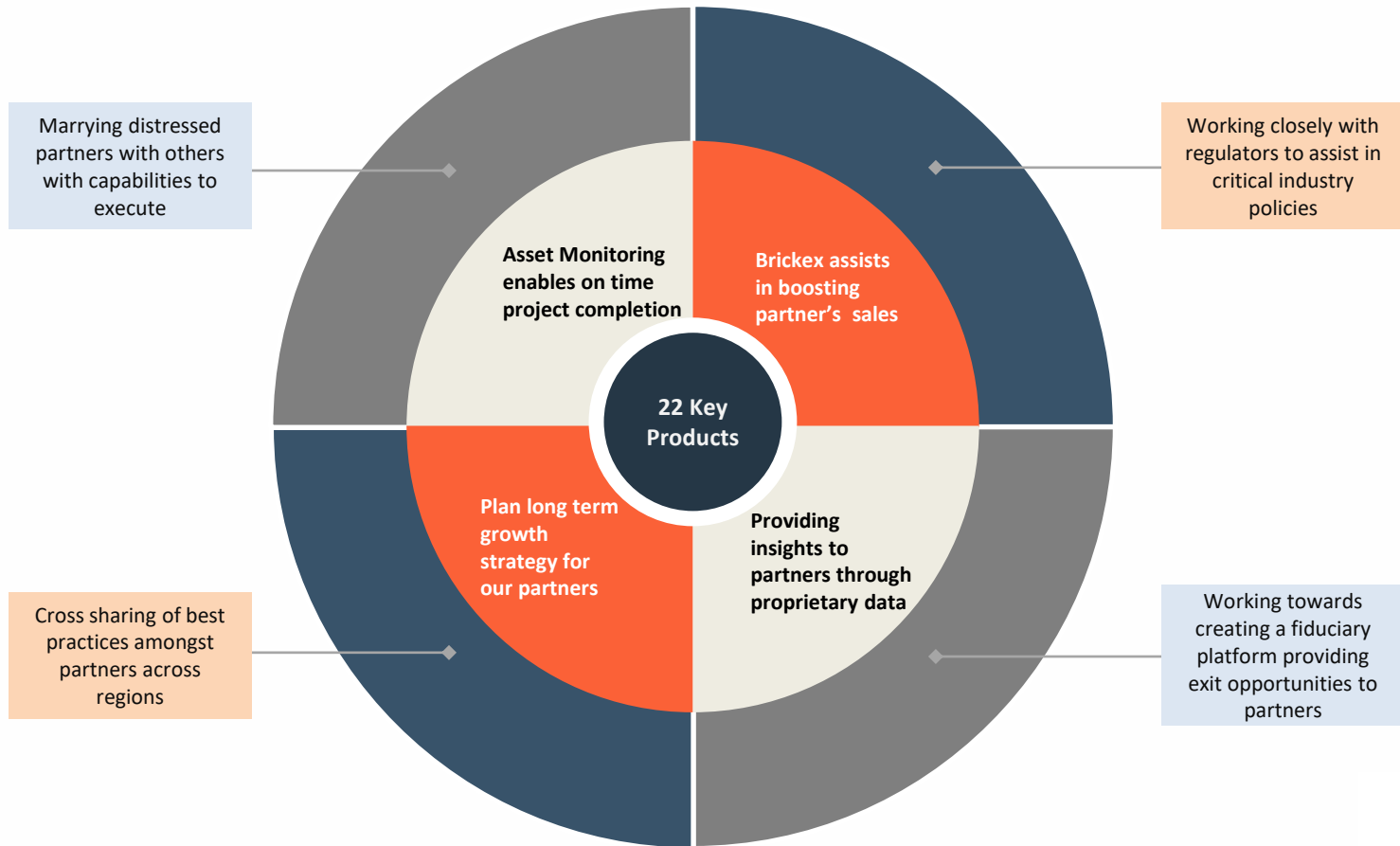


Real Estate end-to-end financing model

Particulars	Private Equity	Mezzanine Lending	Construction Finance	Lease Rent Discounting	Housing Finance
Stages of lending for a project	Primarily for land purchase	Post land purchase till commencement of construction (Phase of obtaining approvals)	For construction of projects	Lease rental discounting for commercial projects	Providing housing loans to home buyers
Current Size	Off Balance Sheet (3 rd Party Funds with PEL sponsor commitment upto 7.5%)	On Balance Sheet	On Balance Sheet	On Balance Sheet	On Balance Sheet
Year of commencement	Started in 2006; acquired by PEL in 2011	2011	2015	2016	2017
Current Size	INR 5,490 Crores*	INR 7,276 Crores	INR 27,436 Crores	INR 4,209 Crores	INR 6,110 Crores
Yield / IRR	20-24%	14-17%	13-15%	9-11%	9-11%
Tenor	4-6 years	3-5 years	4-6 years	7-15 years	20-30 years

* Includes Ivanhoe commitment

Integrated platform creating significant value for customers



Housing Finance: Growth Drivers

Significant opportunity from existing developer relationships

440+ Developers



1,300+ Projects



950+ DSAs

2,500+ Connectors

Leveraging Brickex

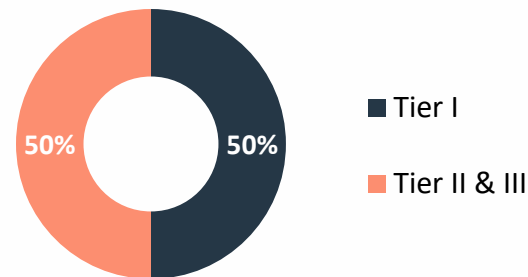
10,000+ Distributors



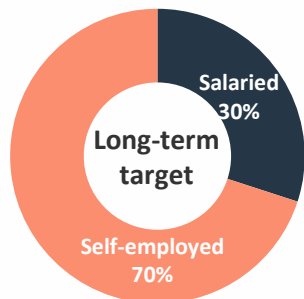
Brickex is India's leading B2B aggregation platform focusing on sales & marketing of Real Estate and Financial Services products with a network of 10,000+ distributors across Tier I cities

Focusing on Tier II and Tier III cities

Target breakdown of braches



Extending loans to the self-employed



LAP, Small Construction Finance

Small Construction Finance

- Target top developers in Tier II & III cities
- Leveraging Brickex for market insights / sourcing

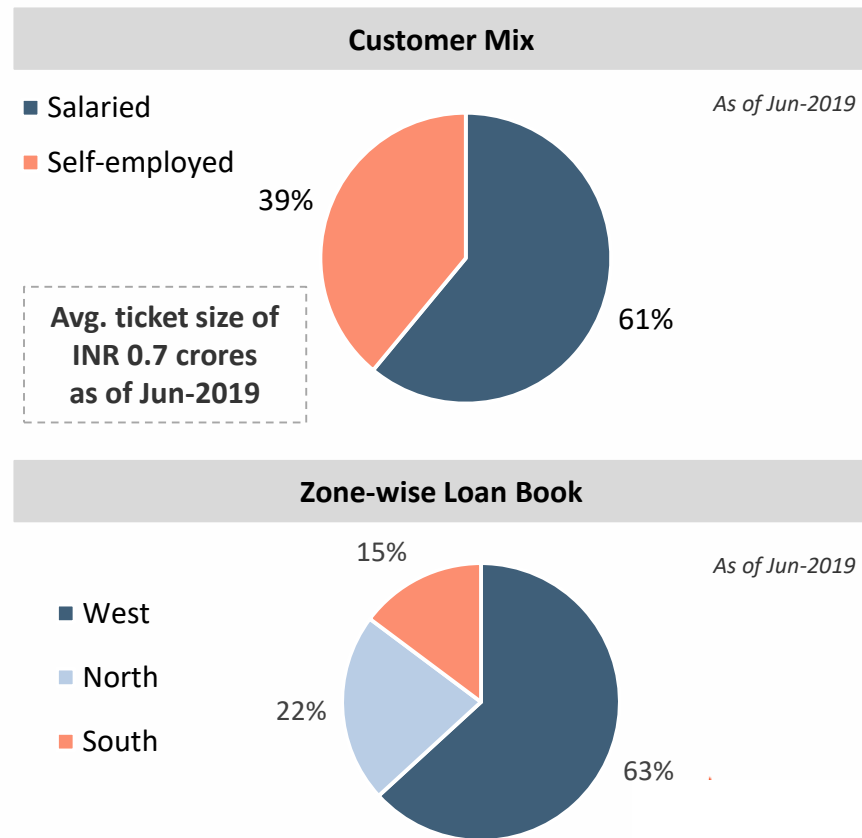
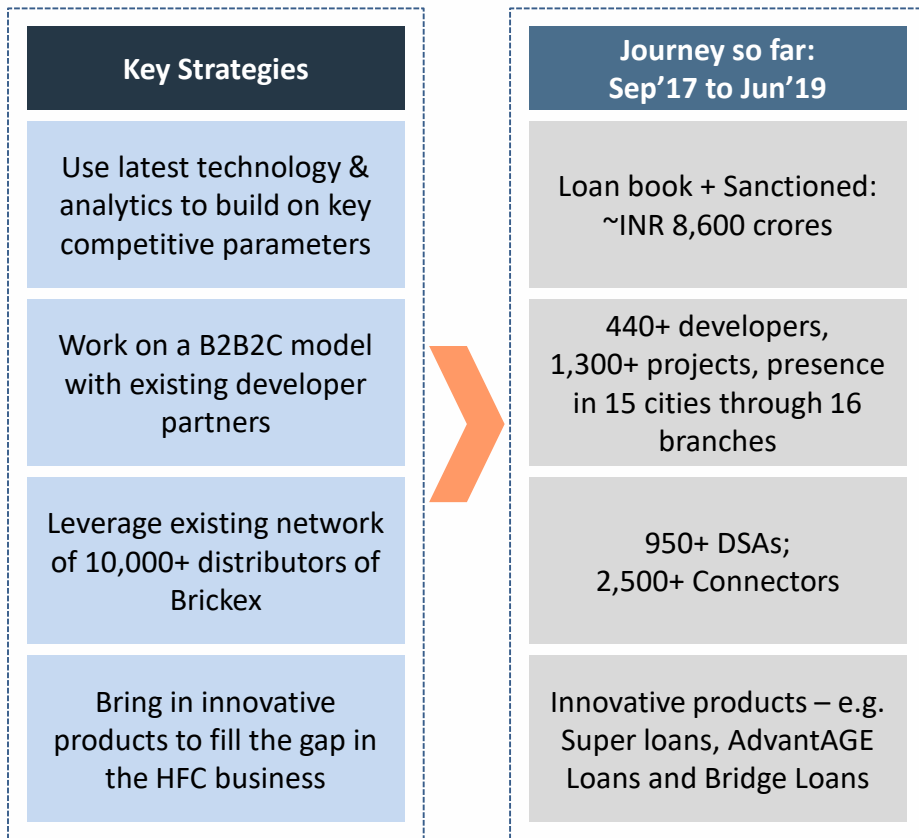
Loan against property (LAP)

- 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



Corporate Finance Group: Performance trends

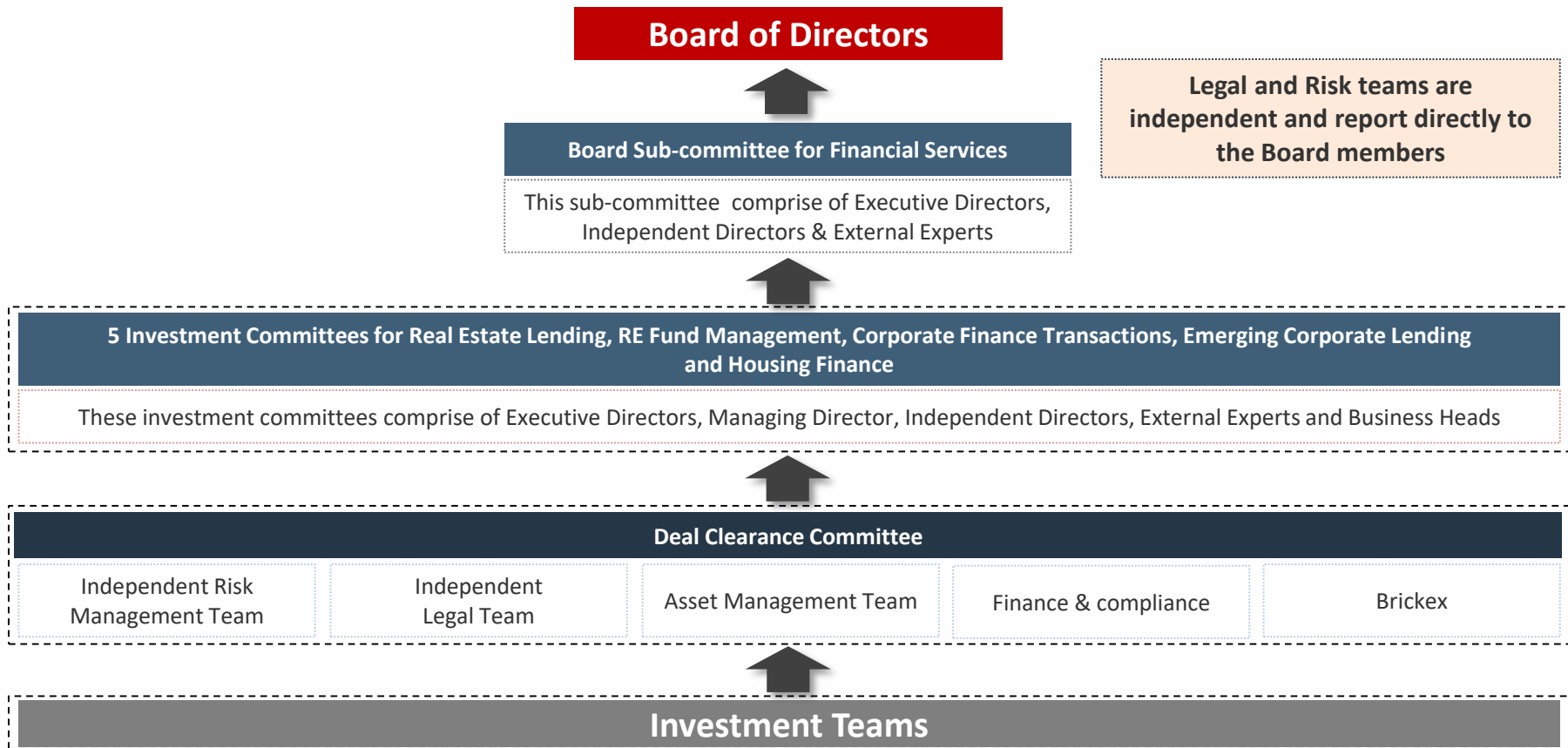
FY14 - FY16		As of Jun-2019	Increased number of sectors with growth in lending platform			
10	TEAM SIZE	35 ¹	FY2014 Book: INR 925 Cr	FY2016 Book: INR 1,857 Cr	FY2017 Book: INR 3,599 Cr	Q1 FY2019 Book: INR 9,503 Cr
Infra	SECTOR FOCUS	Infra, Cement, Transmission, Auto Comp, Logistics, Chemicals	 Roads  Renewable	 Roads  Renewable  Cement	 Roads  Renewable  Cement  Auto Ancillaries	 Roads  Renewable  Cement  Auto Ancillaries  Transmission  Logistics and Warehousing  Packaging  Cash Management
Mezzanine	PRODUCTS	Mezzanine, Senior Debt, Project Finance, Loan Against Shares				
INR 1,857 Cr	LOAN BOOK	INR 9,503 Cr				
INR 2,015 Cr	LOAN BOOK (Including APG)	INR 11,809 Cr				
Yield range widened to 13-16%						

(1) Excludes 'Partner Functions', such as Risk Management, Asset Monitoring, Legal etc.



Measures to ensure healthy asset quality

Review and governance mechanism



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

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

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

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



- 66% of the wholesale residential RE exposure towards mid/late-stage/complete projects as of Jun-2019
- 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

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

Developers

170+*

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

Transactions

310+

EWS Meetings

'Early Warning Signals' identified

- Project performance
- Key issues highlighted
- Action items
- Market trends
- Regulatory developments
- APG Portfolio updates

Projects across cities

432



Controls at Pre-qualification stage

Real Estate lending in Tier I cities of Mumbai, Pune, Bengaluru Hyderabad, Chennai and NCR

97%

Portfolio comprising of Grade A Developers

70%+



Controls at Pre-approval stage

Deals with underwriting assumptions based also on delay in velocity by 6 to 12 months

100%

Deals with Escrow A/C

100%



Controls at Post-disbursement stage

Site Visits / month

220+

Developer sales MIS and escrow accounts monitored per month

100%

*Including mid-market developers

Progress on projects monitored regularly: Sample site visit photos

Real Estate

Sep'16 – 5th Floor completed



Dec'16 – 9th Floor Completed



Oct'17 – Finishing near



Non-Real Estate

Operating wind turbines along with 33 kV lines



Molten metal is poured in moulds for casting



Sample of Site Visit Report

Tower Name	Expected completion date	Dec 07, 2016	Nov 23, 2016	Oct 20, 2016	Sep 20, 2016	Aug 16, 2016	Jul 18, 2016
No. of Labours on site		400 - 425	400 - 425	400-425	430-450	360-380	310-330
Tower 1 : 4B + G + 22 Flr.							
RCC	Mar, 2017	Work in progress on 18 th and 19 th floors	Work in progress on 18 th floor.	Work in progress on 14 th & 15 th floor.	Work in progress on 12 th & 13 th floors.	Work in progress on 9 th & 10 th floors.	Work in progress on 6 th & 7 th floors.
Block Work	Jun, 2017	12 th floor in progress.	9 th floor in progress.	6 th floor in progress.	4 th floor in progress.	3 rd floor in progress.	2 nd floor in progress.
Plastering / Gypsum	Sep, 2017	Gypsum started on 1 st and 2 nd floor.	-	-	-	-	-
Flooring	Dec, 2017	Awaiting for material to start with flooring in next week.	-	-	-	-	-
Finishes	Jun, 2018	-	-	-	-	-	-

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)

Category	No. of Deals	Total
Green – No major concerns		
Yellow – Closely monitor for next 6 months		
Amber – Envisage stress over next 6 months		
Red – Overdue		
Total		



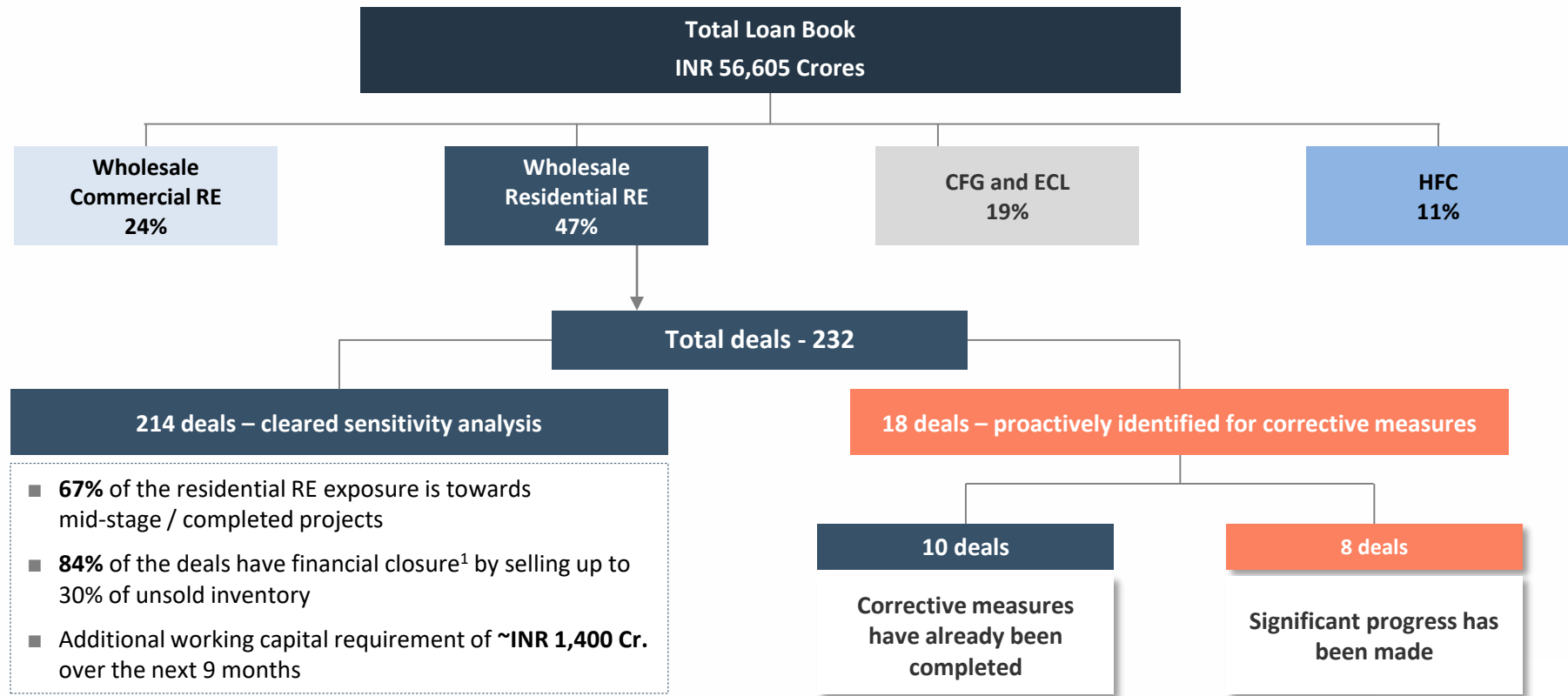
Teams spend significant time post disbursement to **detect and react to early warning signals (EWS)**

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

Breakdown of the Loan Book

As on Jun 30, 2019



Note: (1) Financial closure based on Mar-2019 data

Financial Closure Sensitivity: Residential Real Estate Portfolio

Residential Real Estate Portfolio (excl. the 18 deals)

% of Unsold area to be sold to achieve financial closure ¹	% of Deals which achieve financial closure (Cumulative - %)
No additional sales / <10% area to be sold	55%
Up to 30% of unsold area to be sold	84%
Up to 50% of unsold area to be sold	98%
Up to 70% of unsold area to be sold	100%

84% of the deals have financial closure by selling up to 30% of the unsold inventory

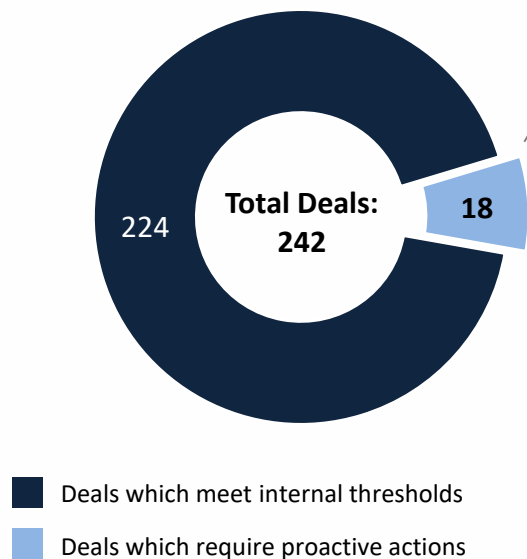


Sensitivity Analysis: Residential Real Estate Portfolio

Even in the worst-case scenario,
only 18 of 242 deals required 'proactive measures'

Factors considered for sensitivity analysis:

Cash Cover	Construction Status
Pricing	Financial Closure



Number of deals = 18

Proactive corrective measures

Stronger developer brought on-board, either through sale or a joint development agreement to complete the project

Additional security; or were able to monetise the additional security

Capital infusion from a private equity player or from the promoter

In the process of getting **re-financed**

Initiate legal action while monetising other land parcels / projects

Provided a composite work out solution – a combination of top-up to provide working capital and a land sale

Current Status

- For 10 deals, corrective measures have already been completed
- For 8 deals, significant progress has been made



Liquidity Position and Borrowing Profile

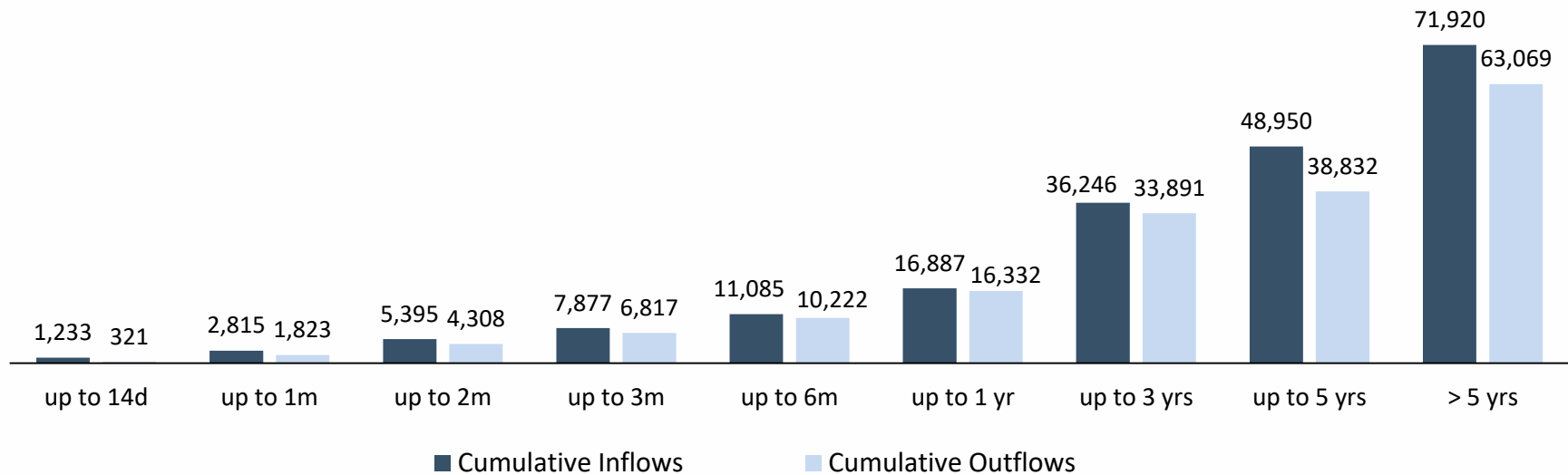
Continue to further diversify borrowing mix

- **Raised ~INR 18,500 Crores of long-term debt between Sep-2018 and Jun-2019** from several banks and financial institutions
- **Significant reduction in exposure to CPs** from ~INR 18,000 Crores as of Sep-2018 to ~INR 7,300 Crores currently¹
- **Received the 1st ECB tranche of US\$100 million** of the total committed US\$125 million from IFC, with discussions in progress for additional syndication
- **Till the end of the calendar year, plan to raise long term funds of ~INR 20,000-25,000 Crores** through various measures such as:
 - ECB issuance
 - NCDs and additional bank lines
 - Dollar Bond

Asset-liability Profile

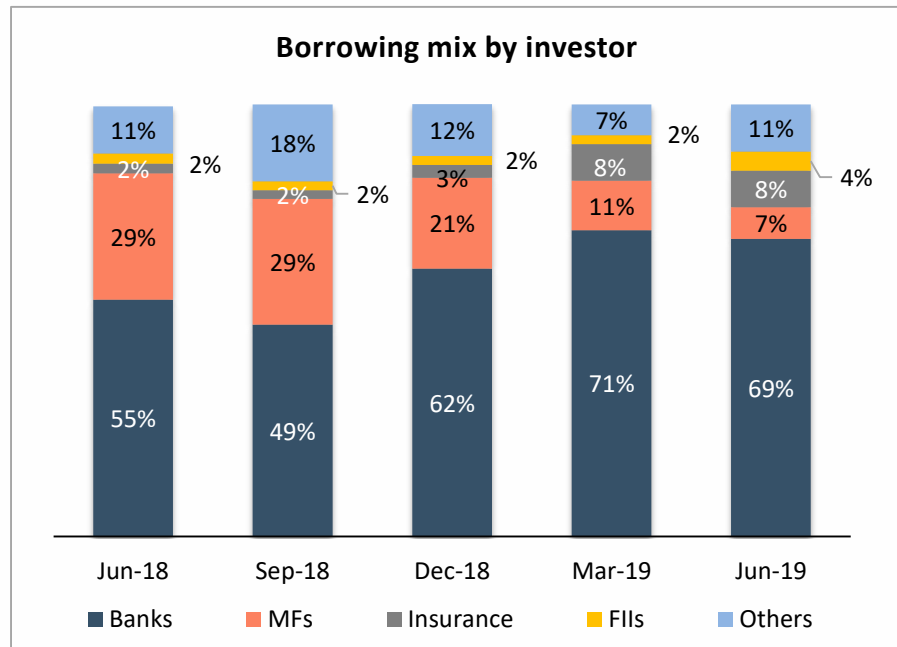
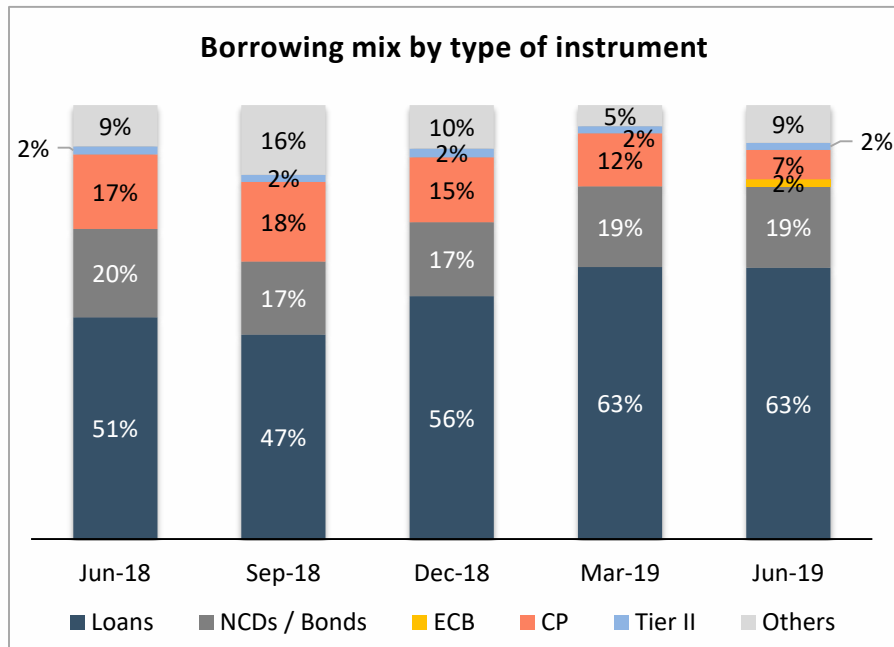
As on Jun 30, 2019

(in INR crores)



Positive gap across all maturity buckets

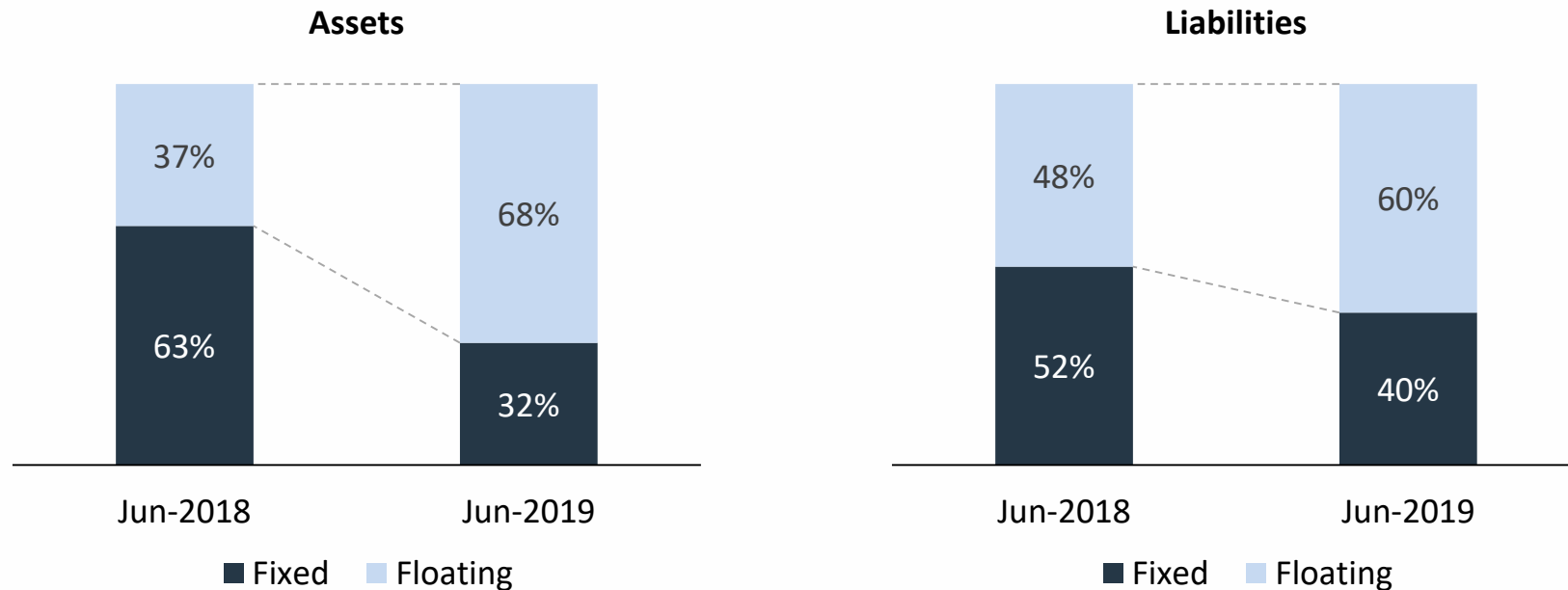
Further improving the borrowing profile towards long term source of funds



- Share of bank loans in overall borrowings increased from 49% as of Sep-2018 to 69% as of Jun-2019
- Share of MFs in overall borrowings declined from 29% in Sep-2018 to 7% in Jun-2019



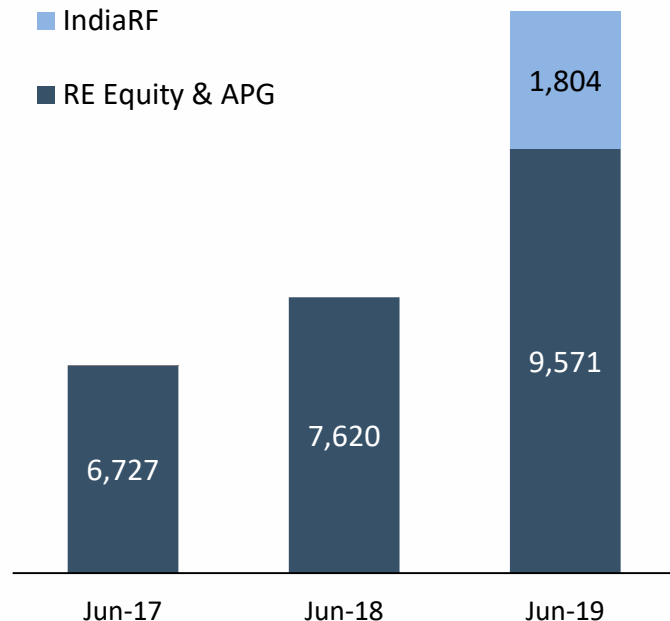
Asset-liability Mix



Shift in the mix towards floating-rate assets and liabilities

Alternative Assets Under Management

Alternative Assets Under Management (in INR Crores)



Key transactions and performance highlights:











India RF Platform (JV with Bain Capital Credit):

- Concluded three investments so far:
 - USD 156m¹ invested in marine chemicals business in Nov-2018
 - USD 144m¹ invested in pharmaceutical & vaccines player in Apr-2019
 - USD 51m in debt purchase of downstream steel player

JV with CPPIB:

- In Q1 FY2020, PEL and CPPIB announced to co-sponsor India's first renewable energy-focused infrastructure investment trust (InvIT) with initial target corpus of US\$600 million
- CPPIB and PEL will initially allocate US\$360 million and US\$90 million, respectively, to the corpus

To summarize

 <p>Liquidity</p>	 <p>Promoter commitment</p>	 <p>Leverage Equity</p>	 <p>Return on Equity</p>	 <p>Risk management process</p>
Consistently maintaining healthy cash and bank lines	Highest promoter stake amongst major non-banking financial institutions	Amongst least leveraged with significant equity	Consistently among 'best-in-class'	'Best-in-class' and constantly improving
 <p>Asset quality</p>	 <p>Borrowing profile</p>	 <p>ALM</p>	 <p>Fixed-floating Assets to Liabilities</p>	 <p>Relationships with investors, partners and clients</p>
Consistently 'best-in-class'	Increasingly diverse borrowing mix	Well-matched asset liability profile	Maintaining healthy mix	Long standing relationships with marquee investors, partners and clients

Financial Services: Key Strategic Priorities





Pharma

Niche portfolio and Consistent topline performance

Pharma

FY2019 Revenue: INR 4,786 Crores

Global Pharma

- Differentiated business model for sustained growth
- Global presence in niche areas of complex generics and Contract manufacturing operations
- Strong culture of quality and compliance
- Distribution to >100 countries

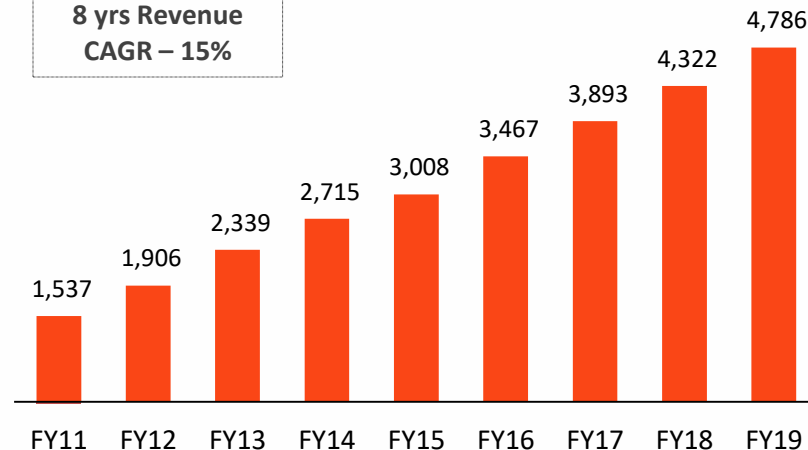
India Consumer Products

- Strong portfolio of OTC brands
- Large India-wide distribution network
- Partnerships with leading ecommerce players
- Use of cutting edge technology and analytics across operations

Consistent Revenue Growth since FY11

Pharma Revenue^{1,2,3,4}

8 yrs Revenue
CAGR – 15%



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

4. Pharma revenue includes Global Pharma Services, Global Pharma Products, and India Consumer Products revenues



Global Pharma

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



HPAPI





Moving up the Value Chain (cont'd)

3 Adding differentiated hospital branded generic products organically and inorganically

Controlled substances



Injectable Anaesthesia



Desflurane



Intrathecal



- **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

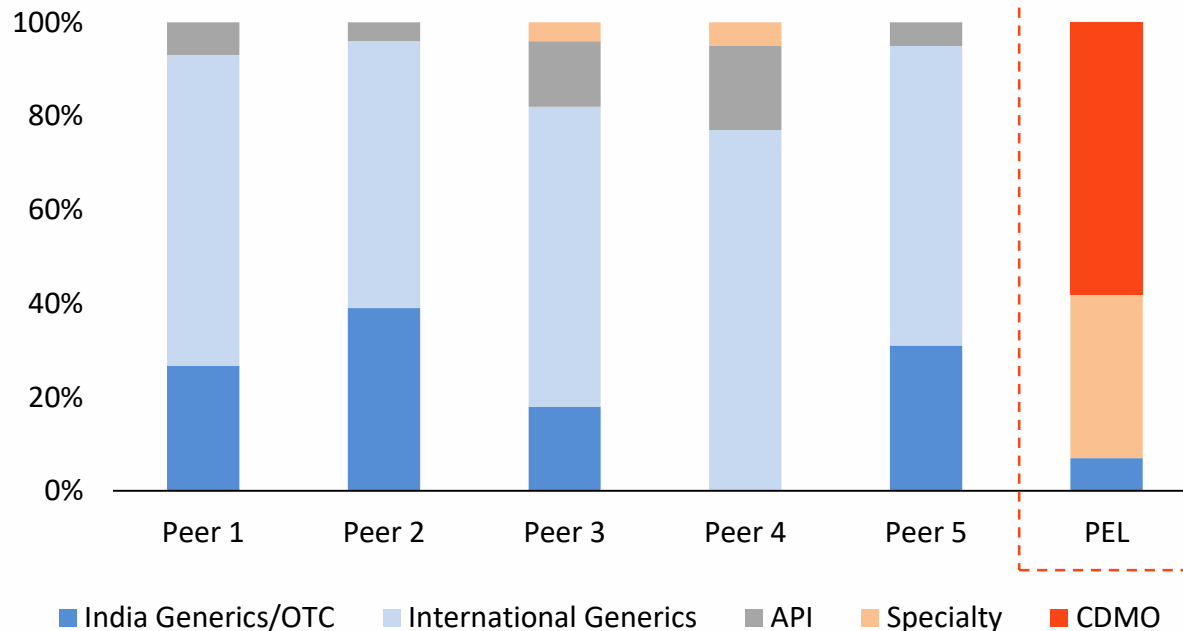


- **Entry barrier** – Complex to manufacture, sell and distribute resulting in limited competition
- **Expanded addressable market size** from US\$ 1 bn Inhalation Anaesthesia market to US\$20 bn generic hospital product market

Our strategy of moving up the value chain is enabling us to boost growth and enhance margins

Differentiated business model

PEL's Strong presence in Specialty and CDMO



- **Our differentiated business model** has enabled us to perform better than most other Indian Pharma companies
- **Over 90% of revenues derived from niche businesses** of complex generics and CDMO, as compared with less than 5% for most large Indian Pharma companies
- **Positioned ourselves as partner of choice** for large Global Pharma and virtual Biotech companies
- **Built strong Capabilities** in Highly Potent APIs and Antibody Drug Conjugates

Note: 1) Pharma peer set includes (not necessarily in the same order): Aurobindo Pharma, Cipla, Dr. Reddy's Lab, Lupin and Sun Pharma

2) Data set for the period ending March 31, 2019 Source : Companies reported numbers, Stock Exchange Filings, Bloomberg

Differentiated product portfolio

Strong portfolio of complex products

Acquired from Janssen
in 2016

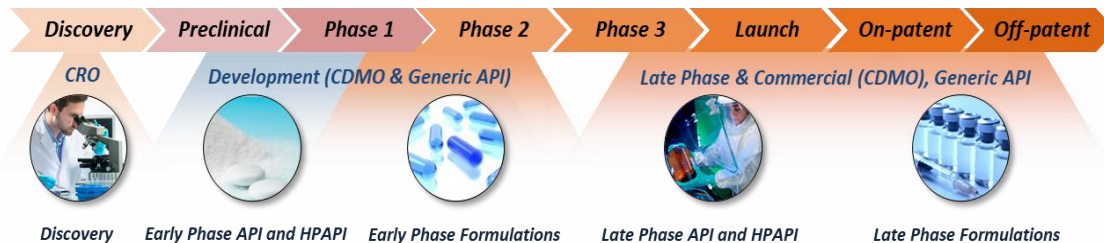
Acquired from Mallinckrodt
in 2017

Inhalation Anaesthesia	Injectable Anaesthesia / Pain Management	Plasma Volume Expander	Intrathecal Spasticity Pain Mgmt	Injectable for Myxedema Coma	Capsule for type I Gaucher & Niemann-Pick disease	Selected Anti-infectives	Other Products
Sevoflurane	Sublimaze	Haemaccel	Gablofen	Levothyroxine Sodium	Miglustat	Ampicillin-Sulbactam	Generic APIs, Vitamins and Premixes, Established Products
Isoflurane	Sufenta		Mitigo			Cefepime	
Halothane	Rapifen						
Desflurane	Dipidolor						
	Hypnomidate						

- **Growth** in all major product families and geographies in Global Pharma Products business
- **4 key launches** in Q1'FY20
 - **Growth** in all major product families and geographies
- **Built niche capabilities** in injectable anesthesia, inhalation anesthesia, intrathecal spasticity and pain management
- **Synergies from integration of key acquired products** from Janssen and Mallinckrodt getting reflected in the segment's performance

Integrated business model in services business

Capabilities across entire drug life-cycle



Leveraging multiple sites across the globe to offer integrated solutions

Type of Project	Route Scouting – Intermediate dev. ~API supply	Formulation Dev and Supply	Formulation: Dev, Mfg and Supply	API and FDF: Dev and Supply	API dev, Clinical Supply and Commercial Supply	API and FDF: Dev to Mfg to NDA filing	ADC Fill Finish
Ahmedabad (PDS)	✓						
Ahmedabad		✓	✓	✓			
Ennore	✓			✓	✓	✓	
Digwal							✓
Pithampur		✓					✓
Riverview	✓						
Lexington				✓			✓
Aurora				✓	✓		
Morpeth			✓	✓			
Grangemouth							✓

Note: Representative Integrated Projects

- **Order Book** for Development services sustained the strong advancement seen in FY 2019. Continued focus on Biotechs in the US
- **15 new customers** have been added in Global Pharma Services during the quarter; Over 50 new customers were added in FY19
- **Riverview HPAPI expansion** was successfully completed
- **Integrated model of services** spanning across the entire drug life-cycle



13 manufacturing & Development facilities globally – All key sites USFDA inspected



- Total 9 sites inspected by the US FDA
- Close to 110 approvals across facilities





Strong focus on Quality and Compliance

Multi-year track record of successful inspections

Year	USFDA	Total Regulatory Inspections (incl. USFDA)	Customers
FY 2012	5	13	60
FY 2013	2	10	71
FY 2014	4	14	116
FY 2015	7	17	115
FY 2016	5	26	140
FY 2017	5	25	157
FY 2018	3	27	167
FY 2019	2	44	163
Q1 FY20	2	7	41
Total	35	183	1,030

- **Successfully cleared 2 USFDA inspections** for key facilities at Bethlehem and Lexington, 5 other regulatory inspections, and 41 customer audits during the quarter
- **Successfully cleared 35 USFDA inspections**, 148 other regulatory inspections, and 1,030 customer audits since 2011
- A **strong quality governance model**, with the Quality function reporting to a Board Member
- Continue to improve processes to ensure world-class quality standards

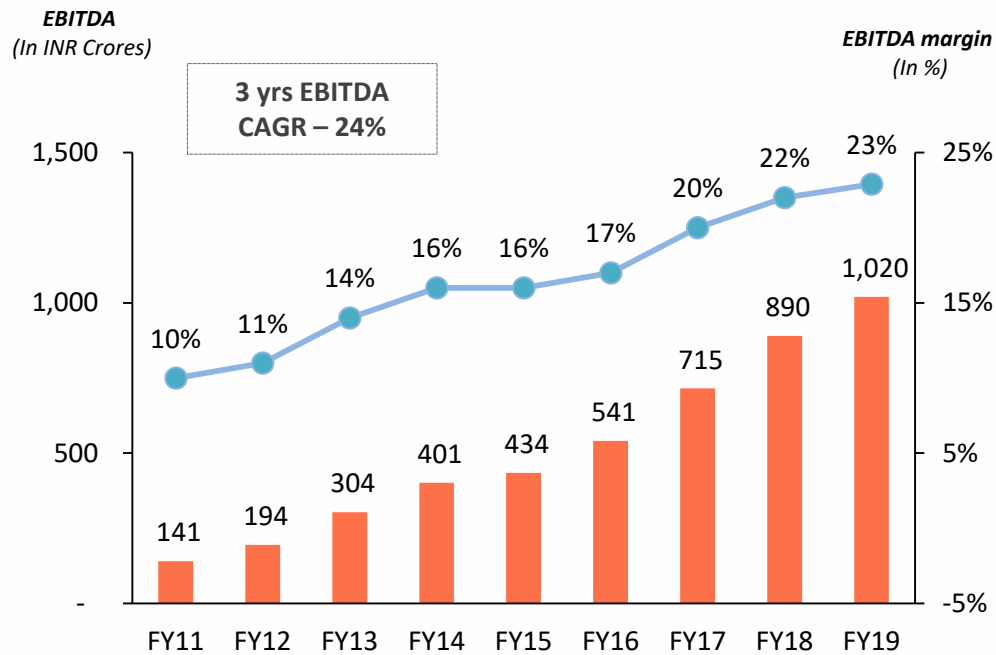
75% of FY 2019 revenues from regulated markets

				
	Strong presence in North America	Expanding presence in Europe	Expanding Presence in Japan	Strong presence in India
Manufacturing Facilities	<ul style="list-style-type: none"> • Aurora : API Dev & Mfg • Lexington : Sterile Dev & Mfg • Riverview : HPAPI Dev & Mfg • Bethlehem : Anaesthesia Mfg 	<ul style="list-style-type: none"> • Grangemouth : Antibody Drug Conjugates , Dev & Mfg • Morpeth : API & Form. Dev & Mfg 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Mumbai : API Dev • Digwal : API Dev & Mfg & Anaesthesia Manufacturing • Pithampur : Form. Mfg • Ahmedabad : Drug Discovery and Form. Dev • Ennore : API Dev & Mfg • Mahad : Vitamins & Minerals Premixes
Distribution Presence	Strong presence in the 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

Continued improvement in the profitability and return profile

Significant improvement in Global Pharma EBITDA over the last few years



Note :

- FY2016 - FY2019 results have been prepared based on IND AS, prior periods are IGAAP
- Global Pharma contributes 93% to overall Pharma business revenues

Performance Highlights

- Global Pharma contributing EBITDA of over Rs. 1,000 Crores in FY19
- EBITDA margins at 23% in FY19 as compared to 10% in FY11
 - Consistent improvement in EBITDA margin over last few years
- Margin expansion driven by:
 - Synergies from acquisitions
 - Growth of high margin products such as Sevoflurane
 - Integrated offerings with niche capabilities
 - Higher capacity utilization
 - Backward integration of Raw Material
 - Leveraging Global Distribution
 - Process optimizations
 - Cost improvement initiatives



India Consumer Products

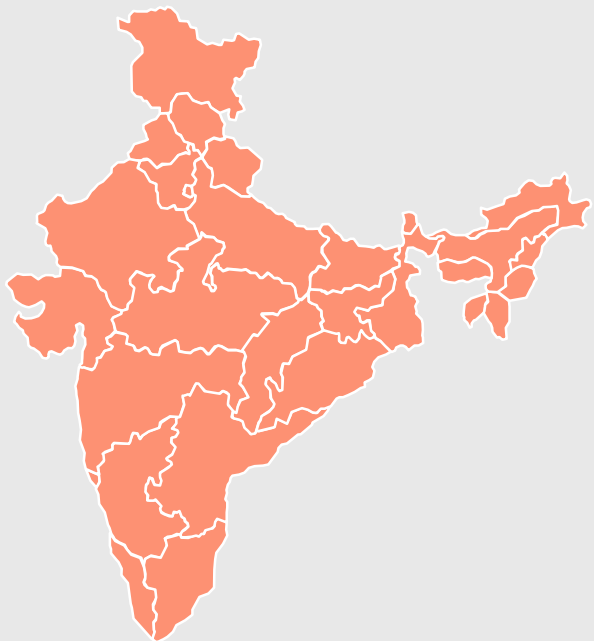
* indicates acquired

Most brands are among the 'Top-2' in their respective representative market





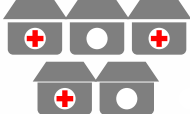


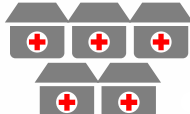






Large India-wide Distribution Network

Wide Distribution Network



Our chemist coverage is now comparable with the top OTC players

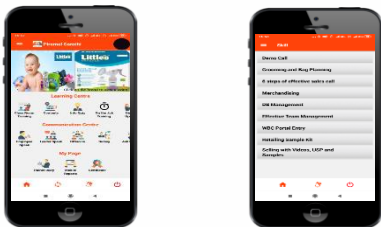
	FY2008	FY2012	Now
No. of towns present	 16	 481	 1500+
Total Outlet presence	 24,000	 200,000	 420,000 +
Chemist Outlet presence	 16,000	 100,000	 178,000+
Field Force	 80	 800	 2000

Using ecommerce and technology to grow the business

Partnerships with leading ecommerce players



Leveraging technology across operations



■ Established our ecommerce channel in FY 2019:

- Tapping ecommerce, exports and institutional sales in order to widen the distribution network
- Focussing on further growth by increasing the number of SKUs listed in this channel and increasing consumer offtakes

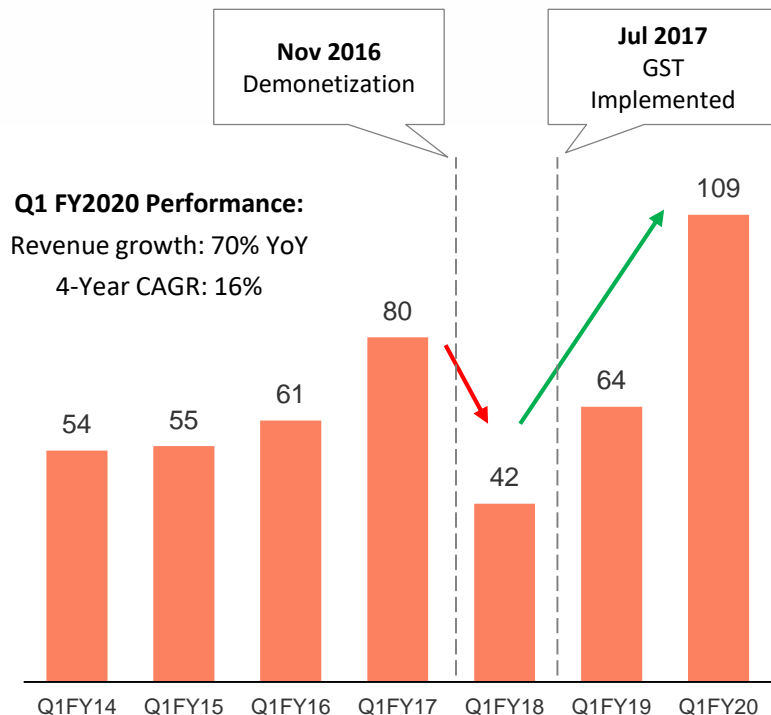
■ Using analytics and technology tools to improve efficiency and productivity:

- Using Analytics for making decisions in fixing sales strategy and setting credit limits for distributors
- Improving reach to match complete product availability and reducing stock-outs
- Real-time tracking and reporting of sales data

India Consumer Products business is witnessing a strong recovery

Revenue performance

(In INR Crores)



External disruptions resulted in major headwinds in recent years

- Impact on Indian OTC and Pharma industry due to regulatory challenges
- Down-stocking by distributors and retailers

PEL's responses emerged as catalysts in driving...

- Investments in digital assets to increase awareness amongst consumers
- Established e-commerce channel
- Use of technology and analytics to bring in operational efficiencies

...Record sales achieved during Q1'FY20:

- Revenue grew 70% YoY to Rs. 109 Crore as compared with Rs. 64 Crore in Q1'FY19 and Rs. 42 Crore in Q1'FY18
- The trend continues from improved performance seen in H2'FY19, when revenues were up 30% as against H1'FY19

Key Strategic Priorities – Overall Pharma





Healthcare Insights & Analytics

At a glance

Assisting clients in Pharma, MedTech, Payer, and Provider sectors, addressing some of the most pressing commercial questions facing the healthcare industry:

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

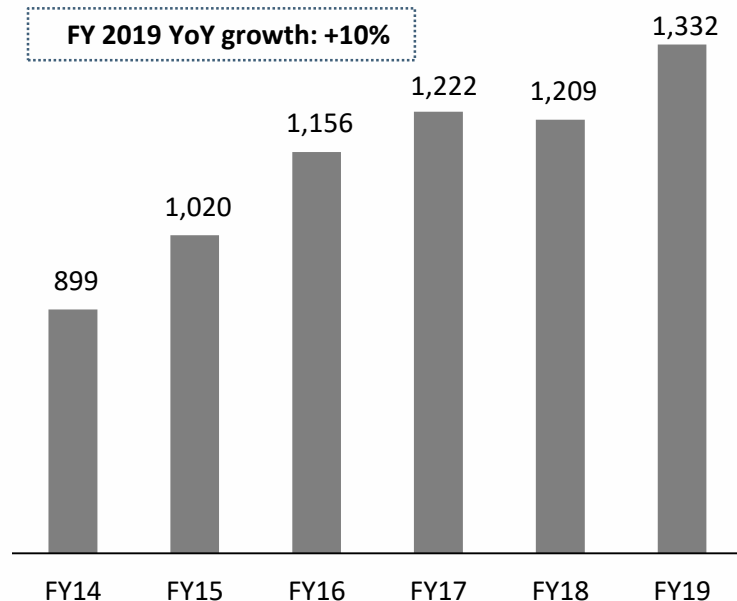
Leveraging large team of therapeutic area experts, Real World Health Data, sophisticated analytics tools and data science to deliver:

- Market Research
- Services
- Data
- Analytics

We are increasingly:

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

Revenue performance (in INR Crores)



Key Business Highlights

Serves major Developed and Emerging Markets

Capabilities across customers' product life cycles

17 offices across 6 countries

Leveraging India advantage

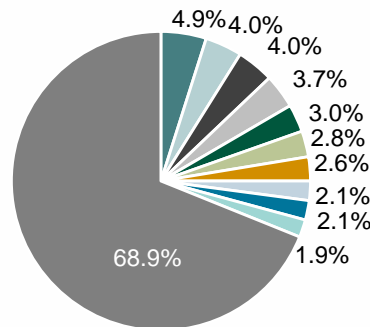
Revenue visibility

- Serves nearly all leading life sciences companies
- Over 65% of revenue is recurring in nature
- 96% client retention by value
 - 100% among top 50 customers

>10yr Relationships With Our Top Ten Customers

Customer	# of Years
Amgen	>10 yrs
AstraZeneca	>10 yrs
Boehringer Ingelheim	>10 yrs
Gilead Sciences	>10 yrs
Johnson & Johnson	>10 yrs
Merck & Co	>10 yrs
Novartis	>10 yrs
Novo Nordisk	>10 yrs
Roche	>10 yrs
Takeda	>10 yrs

Top 10 Relationships Comprise 31.1% of Revenue



47 of the top 50
life sciences
companies

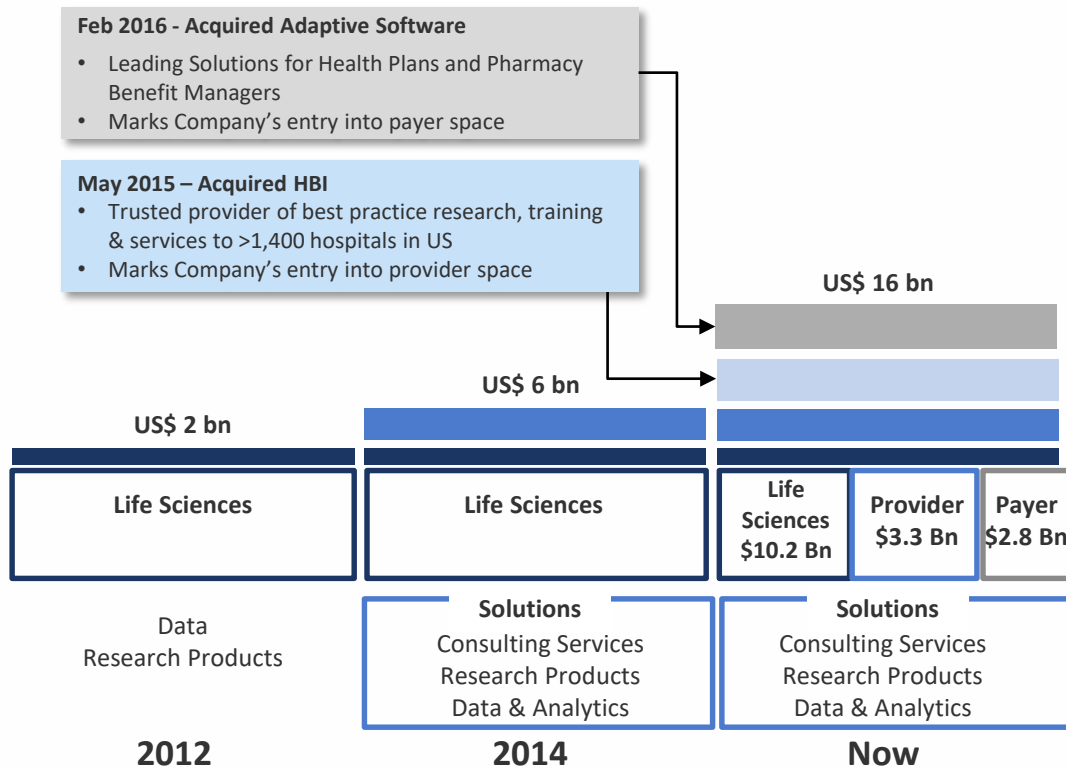


17 of the top 20
medical device
companies



8 of the top 10 **US payers** and top **US health systems**

Expanding into new markets to capture significant market opportunity



- Providing business information services in the life sciences, provider and payer industries
- Competing in an addressable market in excess of US\$ 16 billion
- Data and Analytics addressable market of US\$ 8.4 Billion

A global business, leveraging India advantage

A global business with presence close to our customers

- A global workforce across 17 offices
- Focusing on enhancing customer delivery, improving response time, and enabling cost efficiencies
- Localized solutions for customers across Europe and APAC
- Margin Expansion driven by Growth of Bengaluru and Gurugram offices, Enhanced procurement, and Technology-enabled efficiencies

Region	Marketing and Delivery Offices
North America	Boston, Burlington, Kansas City, Milwaukee, Nashville, New York, Parsippany, Toronto, Yardley
Europe/ Middle East	Bicester, London, Manchester, Royston
Asia	Bangalore, Gurugram, Singapore, Tokyo

Leveraging India Advantage to Improve EBITDA Margins

- Launched a new initiative to transform global talent pool by expanding to India
- Leveraging presence in India offices to:
 - Improve customer delight through building 24/7 capabilities
 - Access a large pool of educated professionals
 - Establish new offices in a key growth market
 - Achieve cost-effective expansion of teams



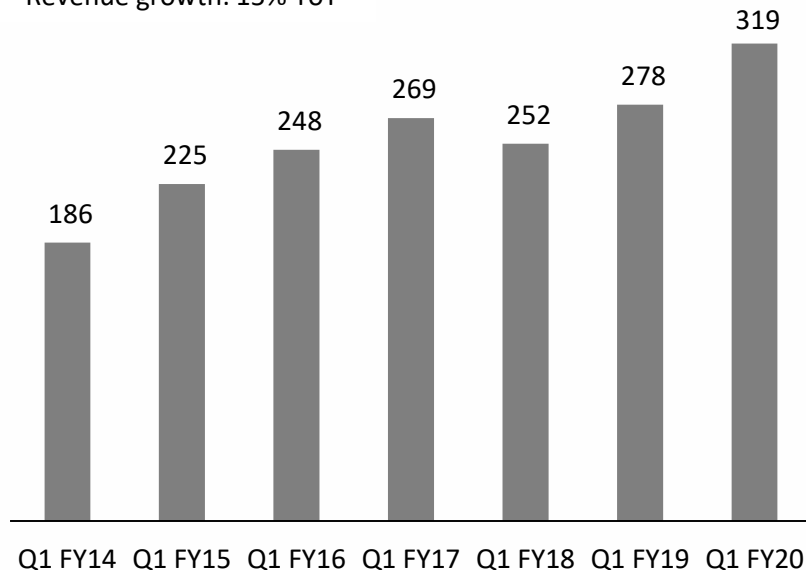
Transformative initiatives driving results

Revenue performance

(in INR Crores)

Q1 FY20 Performance

Revenue growth: 15% YoY



- **Revenue grew by 15% YoY** to INR 319 Crores during Q1 FY20
- **Key catalysts leading to improvement in performance:**
 - Built a Comprehensive Product Suite across Data and Analytics, Research Products and Consulting services
 - Made Significant Investments in technology
 - Increasingly embedding in the clients' workflows
- **Improved profitability** with EBITDA margins showing improvement
- Our solutions have helped clients meaningfully improve patient experience and support by uncovering patient's latent needs and identifying targeted intervention points

Comparable Company & Transaction Analysis

Public Company Peer Valuation Trading Multiples

DRG Peers	2018 Multiples		
	EV / Revenue	EV / EBITDA	EV (USD Mn)
Gartner	4.3x	37.2x	15,556
Healthstream	6.5x	20.2x	24,801
IHS Markit Ltd.	3.8x	18.1x	31,405
Medidata solutions	3.8x	18.0x	7,438
Omnicell	6.2x	41.5x	988
Median	4.3x	20x	15,556

Source: CapIQ, Wall Street equity research, SEC Filings

Sector M&A Valuation Multiples

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

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.

Key Strategic Priorities: Healthcare Insights and Analytics





Financials

Diversified Revenue Mix

(In INR Crores or as stated)

Net Sales break-up	Quarter I ended			% Sales for Q1 FY2020	Full year ended			% Sales for FY 2019
	30-Jun-19	30-Jun-18	% Change		31-Mar-19	31-Mar-18	% Change	
Financial Services	2,014	1,559	29%	58%	7,063	4,981	42%	54%
Pharma ²	1,173	1,043	12%	33%	4,786	4,322	11%	36%
Global Pharma	1,063	979	9%	30%	4,452	3,976	12%	
India Consumer Products	109	64	70%	3%	334	346	-3%	
Healthcare Insight and Analytics	319	278	15%	9%	1,332	1,209	10%	10%
Others	-	23	-	-	34	127	-	-
Total	3,506	2,902	21%	100%	13,215	10,639	24%	100%

Note:

- Foreign Currency denominated revenue in Q1 FY2020 was Rs.1,272 (36% of total revenue) in FY2019 was Rs.5,287 Crores (40% of the total revenue)
- Pharma Revenue includes Global Pharma Services, Global Pharma Products, and India Consumer Products Revenue

Consolidated Profit & Loss

(In INR Crores or as stated)

Particulars	Quarter I Ended		
	30-Jun-19	30-Jun-18	% Change
Net Sales	3,506	2,902	21%
Non-operating other income	67	68	-2%
Total income	3,573	2,971	20%
Other Expenses	1,400	1,430	-2%
OPBIDTA	2,173	1,541	41%
Interest Expenses	1,408	909	55%
Depreciation	158	129	23%
Profit before tax & exceptional items	606	503	20%
Exceptional items expenses/(Income)	11	452	-
Income tax	218	181	20%
Profit after tax (before MI & Prior Period items)	377	(130)	-
Minority interest	-	-	-
Share of Associates ¹	73	60	21%
Net Profit after Tax	450	(70)	-
Normalised Net Profit ^{2,3}	461	382	21%
Normalised Net Profit Margin % ^{2,3}	13%	13%	-
Adjusted Basic EPS (INR/share) ^{2,3}	23.26	19.30	21%

- 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. Q1 FY2019 normalised net profit excludes non-recurring and non-cash accounting charge towards imaging assets
 3. Q1 FY2020 normalised net profit excludes exceptional item for Healthcare Insights & Analytics

Consolidated Balance Sheet

(In INR Crores)

Particulars	30 Jun 2019	31 Mar 2019
Equity Share Capital	40	37
Other Equity	26,816	27,216
Non Controlling Interests	8	9
Borrowings (Current & Non Current)	54,389	56,023
Deferred Tax Liabilities (Net)	17	19
Other Liabilities	2,422	2,111
Provisions	179	211
Total	83,872	85,626
PPE, Intangibles (Under Development), CWIP	6,080	5,751
Goodwill on Consolidation	5,924	5,939
Financial Assets		
Investment	19,864	23,299
Others	33,964	33,661
Other Non Current Assets	622	632
Deferred Tax Asset (Net)	4,164	4,068
Current Assets		
Inventories	894	835
Trade receivable	1,111	1,406
Cash & Cash Equivalents & Other Bank balances	2,335	918
Other Financial & Non Financial Assets	8,913	9,115
Total	83,872	85,626

Note : 1) The above numbers have been regrouped from IND AS Financial Statements for Presentation purposes only

2) Figures as on June 30, 2019 are unaudited



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

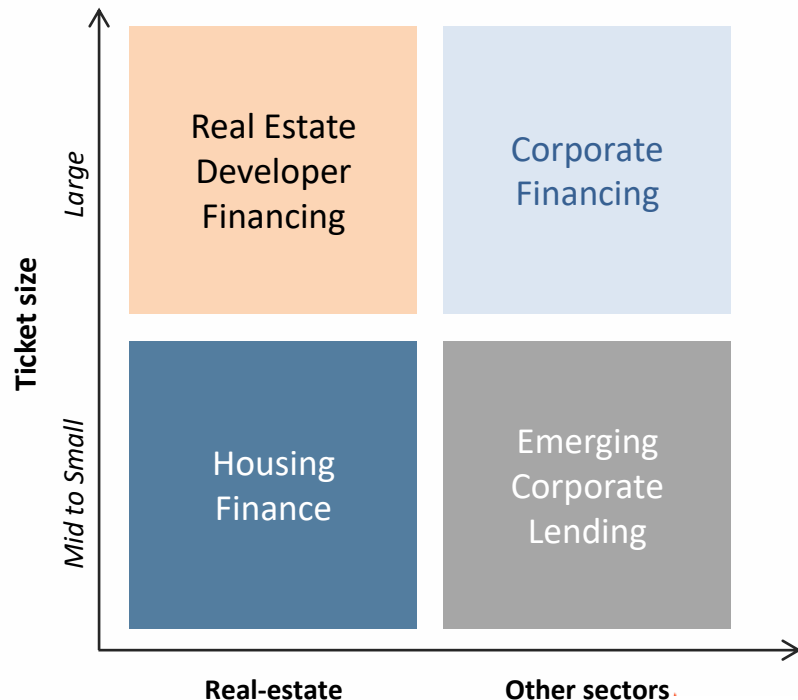


Leveraging technology & analytics



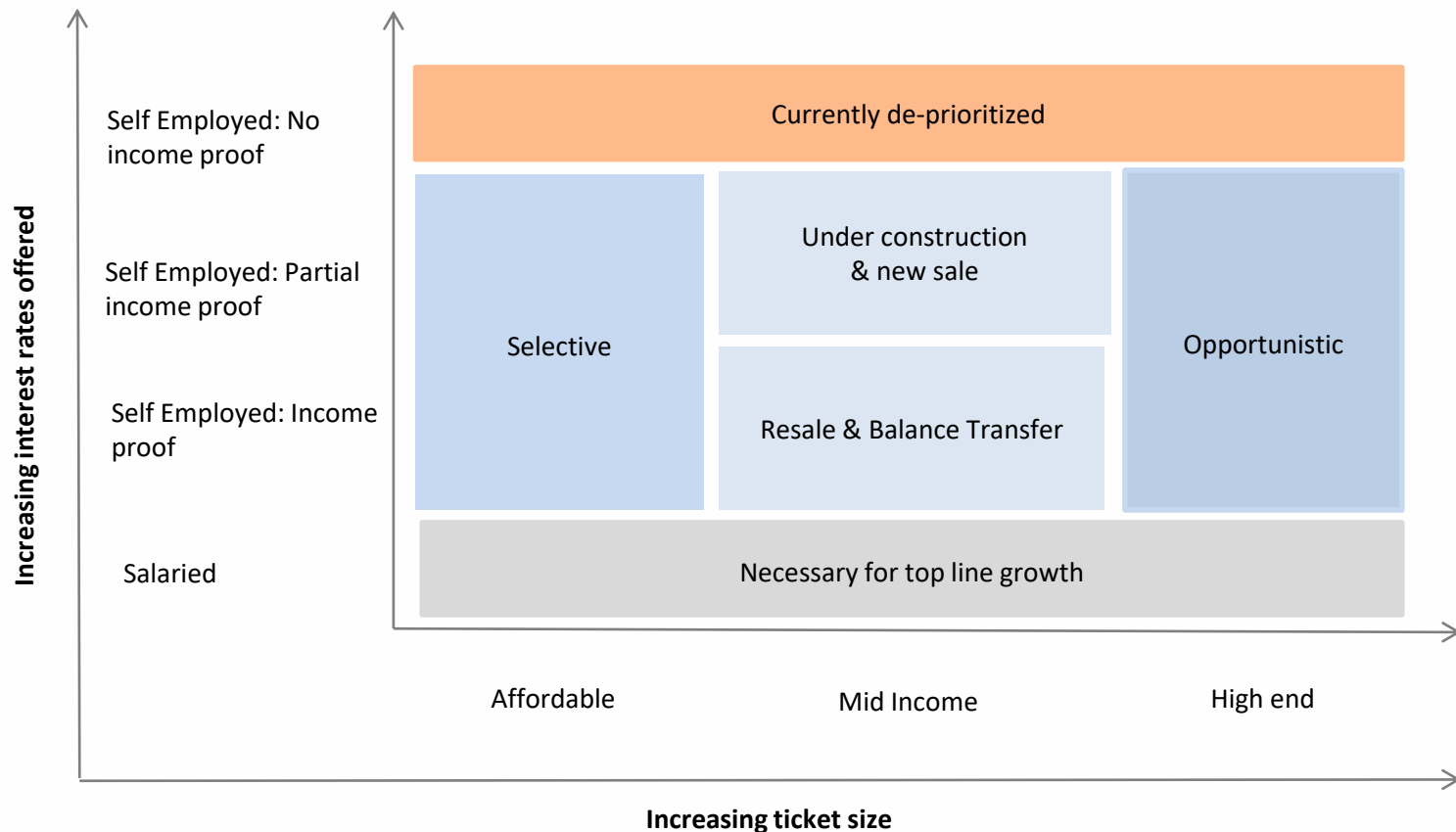
High quality talent acquisition & retention

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



Other sectors: Roads, Renewables, Infra, Cement, Auto Ancillaries, Hospitality & Services, Transmission, Logistics & Warehousing, Paper/Packaging, Cash Management.

Retail Housing Finance: Target segments



Corporate Finance Group: Key Differentiators



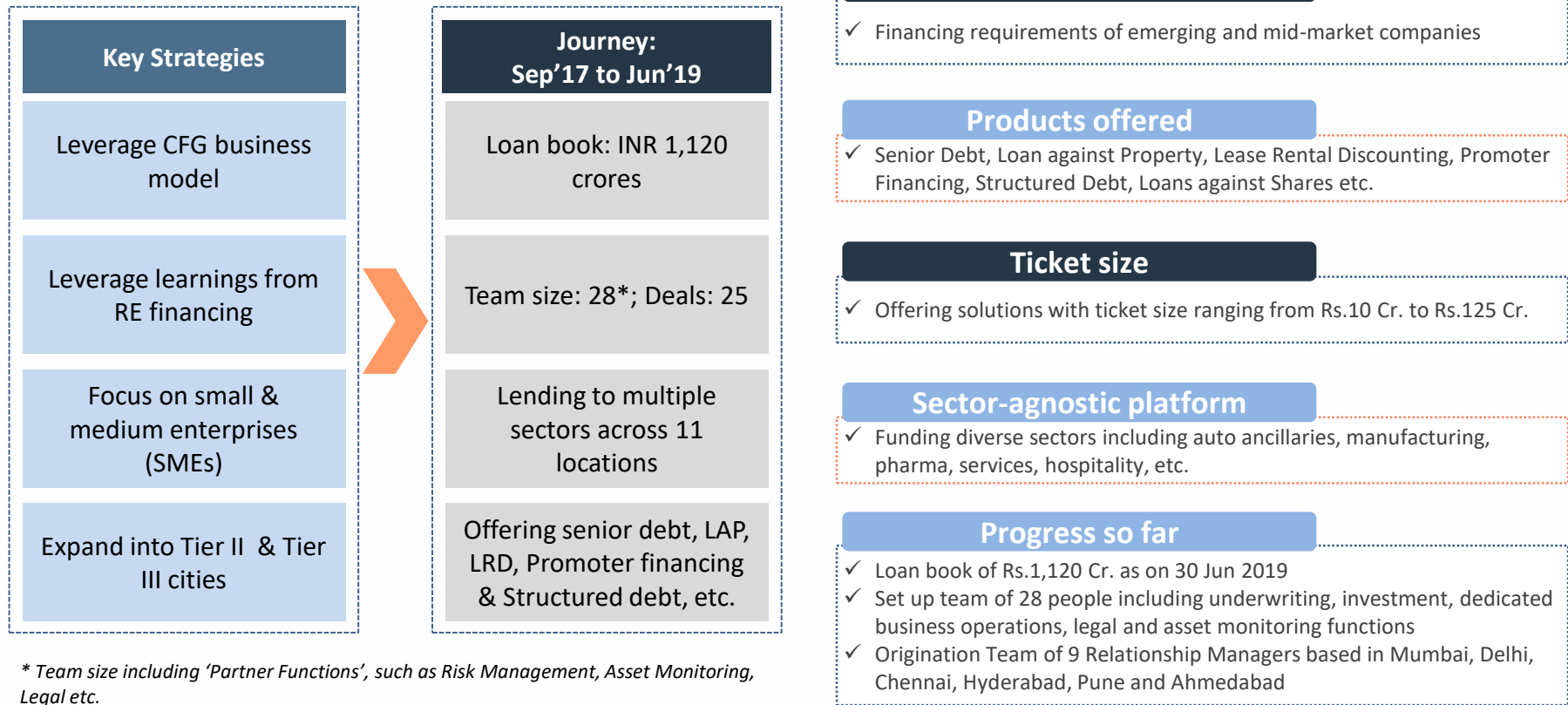
Corporate Finance Group: Leveraging our expertise in other sectors



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

Coverage	<ul style="list-style-type: none"> ▪ CCG is engaged with over 50 groups and over 400 companies ▪ Has strong relationship with over 30 Private Equity funds for opportunities
Presence	<ul style="list-style-type: none"> ▪ Covering clients from various sectors on a pan India basis ▪ 12 member strong team with rich credit / underwriting experience combined with wide network of relationships across business groups

Emerging Corporate Lending: Performance trends



* Team size including 'Partner Functions', such as Risk Management, Asset Monitoring, Legal etc.

Financial Services : Illustration 1 - How we closed our largest FS deal?

	Developer Proposal	Our Deal
Facility Amount	Rs 1,500 Crores	Rs.2,320 Crores
Purpose	Towards Lender A exit	<ul style="list-style-type: none"> 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	2 nd charge on Project C	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Linked to sales milestones of projects (ability to back test our sales assumptions)
Deal Type	General Corporate Purpose	<ul style="list-style-type: none"> 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

Legal

- Pressure building through legal proceedings including mortgage enforcement
- Filed criminal complaint with Economic Offence Wing (EOW) and Crime Branch

Brickex (our in-house real estate advisory arm)

- Sourcing and engaging with customer for sales of security units
- Continuous dialogue with developers
- Structuring transaction

Finance

- Bridging the gap of Customer and Developer expectation
- Multiple meetings with EOW and Crime Branch

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



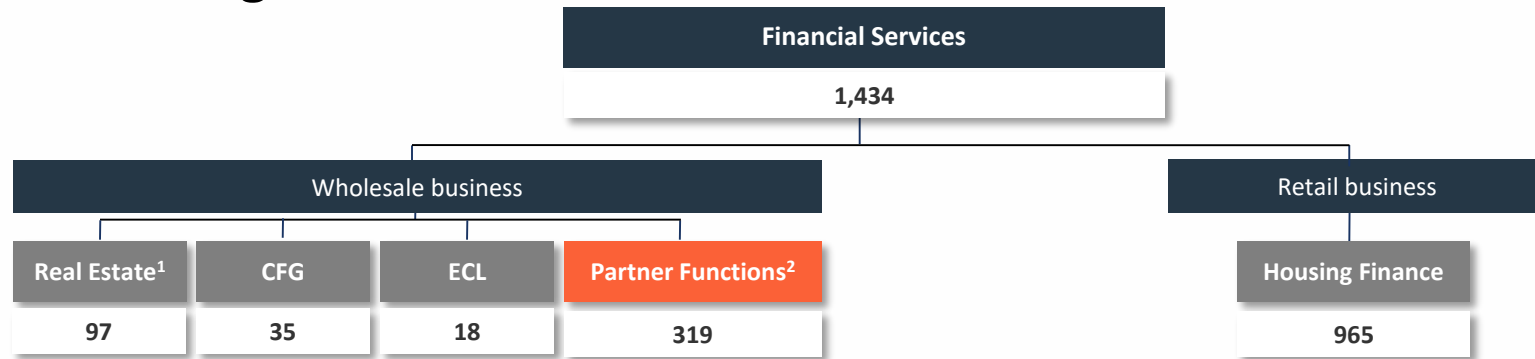
Stage-wise: Loan book and provisioning details

Loan Book as on Jun 30, 2019		
Category	Loan Book (INR Crores)	% of Loan Book
Stage 1	55,811	98.6%
Stage 2	309	0.5%
Stage 3	485	0.9%
Total Loan Book	56,605	100%

Gross NPA: 0.9%**Provision: 1,047 Cr.****Provision %: 1.85%**

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



1) Includes Capital Markets Advisory business

2) Partner Functions includes Risk Management, Asset Monitoring, Legal, Treasury, Brickex, Human Resources, Information Technology etc.

Creating a
great place to
work

Every employee
is a partner

- Entrepreneurial approach empowering each employee as a partner

Incentive
structure

- 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

High retention

- 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

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



Real Estate Sector Trends

Summary of key findings by independent research agencies

Residential real estate – CY2018 trends

Comparison of trends in the overall residential RE market¹

YoY Change in CY2018 <i>(unless otherwise stated)</i>	Knight Frank	PropEquity	Anarock	Liases Foras ²	Median
Sales (based on # of housing units)	6%	7%	18%	5%	7%
Launches (based on # housing units)	76%	-22%	33%	80%	55%
Unsold inventory (based on # of housing units)	-11%	-10%	-7%	4%	-9%
Months-to-sell (end-2018)	31 months	43 months	33 months	43 months	38 months

Prices remained broadly stable YoY across most key markets in 2018

Note: (1) Based on tier-1 cities / key markets as covered in the respective studies

(2) Liases Foras estimates for FY 2019 (i.e. for the period Apr-2018 to Mar-2019)

H1 CY2019 residential real estate market

Trends in the overall residential RE market

Particulars	Jan – Jun 2018	Jan – Jun 2019	YoY Change
Sales (housing units)	1,24,288	1,29,285	4%
Launches (housing units)	91,739	1,11,175	21%
Unsold inventory (housing units)	4,97,289	4,50,263	-9%
Months-to-sell	34	28	-

- Growth in sales of housing units and rise in new launches in H1 2019 are reflective of a general arrest of the relatively weaker trend that was being observed over the last few years

City-wise trends in residential real estate

Performance in Jan-Jun 2019 – YoY Change (%)

Location	Sales	New Launches	Unsold Inventory	Prices ¹
MMR	4%	22%	14%	-3%
NCR	10%	-14%	-18%	3%
Bengaluru	9%	34%	-14%	2%
Pune	6%	52%	15%	-4%
Chennai	5%	19%	-21%	-3%
Hyderabad	0%	47%	-67%	9%
Kolkata	-30%	-90%	-11%	-2%
Ahmedabad	2%	157%	-50%	1%
Total	4%	21%	-9%	-

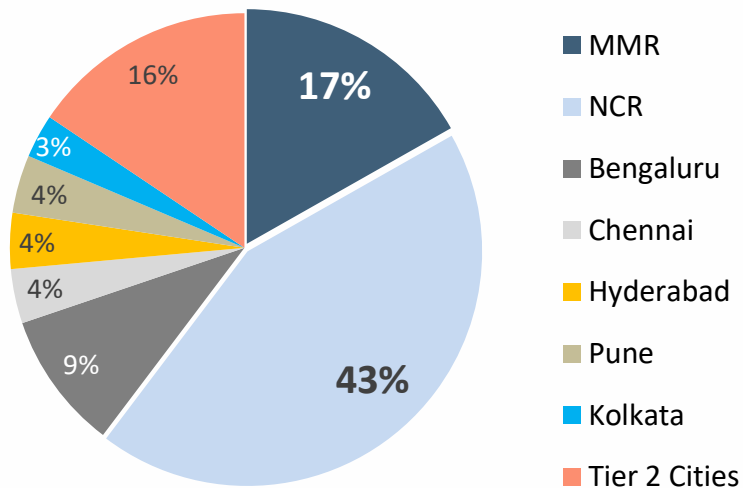
Consolidation in the real estate market

No. of developers	2011-12	2017-18	% Change
Pune	658	531	-19%
Mumbai	364	248	-32%
Thane	680	355	-48%
Bengaluru	646	251	-61%
Hyderabad	387	146	-62%
Kolkata	235	83	-65%
Noida	41	11	-73%
Gurugram	82	19	-77%
Chennai	445	101	-77%
Pan-India	3,538	1,745	-51%

- Total number of developers in the top-9 Indian cities shrunk by over 50% between 2011-12 and 2017-18, according to a recent study
- Noida, Gurugram and Chennai witnessed the highest declines (>70%) in the number of developers

‘Saleable’ inventory only constitutes a fraction of the overall unsold inventory

Breakdown of stuck/stalled projects by city/region

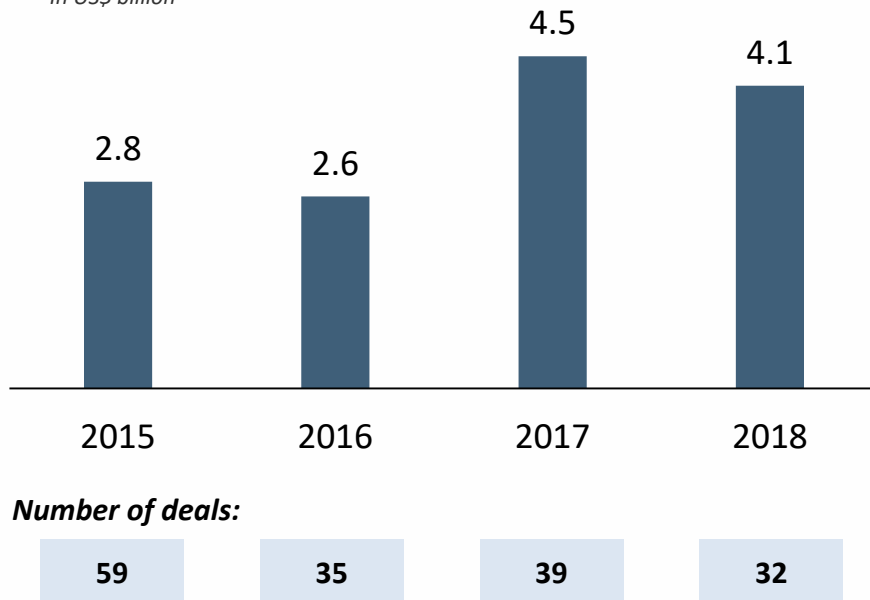


- ~50% of inventory lies in stuck/stalled projects, primarily in NCR
- The markets of South India (Bengaluru / Chennai / Hyderabad) and Pune have relatively far lower levels of such stuck projects
- “Saleable inventory” levels (i.e. excluding stalled projects) are much lower than the reported unsold inventory levels

Rising interest of Private Equity players in the real estate market

PE investments in Real Estate

In US\$ billion



- Indian real estate sector witnessed a total inflow of US\$ 14 billion from PE funds between 2015 and 2018
- PE investments in Indian real estate increased 26% YoY in H1 2019 to ~US\$ 3.9 billion, according to another study
- The increase in PE inflows is a reflection of the rising confidence of institutional investors in India's real estate market
- It is estimated that 2019 could be a record year for PE investments in the real estate sector



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