

PRESS RELEASE

Piramal Finance Limited Forays into the Hospitality Sector

- Commits INR 1200 crores across Marquee Hotel Assets in Gurgaon (Westin), Bangalore (JW Marriott) and Pune (Crowne Plaza) -

Mumbai, January 15, 2018: Piramal Finance Limited (PFL), a subsidiary of Piramal Enterprises Limited, has forayed into the hospitality sector with multiple transactions done in quick succession. The platform has committed INR 650cr towards two marquee hotel assets in North India, followed by another INR 550cr across another two assets in Bangalore and Pune, respectively.

PFL deployed INR 650cr in Vatika Hotels Pvt Ltd, thereby providing a comprehensive financing solution to the Vatika Group to consolidate their existing lenders and increase their stake in the company by providing an exit to existing equity investors. The investment was made against two established hotel assets being operated by Marriott. The Westin Gurgaon is a 313 room key hotel strategically located in Gurgaon's central business district near IFFCO Chowk. The hotel has been operational since 2010 and is a highly successful business cum leisure destination with consistently high occupancy rates and an established F&B and Banqueting business. The Westin Resort Sohna is an established destination property developed as a weekend getaway located an hour away from IFFCO Chowk.

Similarly, in one of the largest fund raising deals within the hospitality sector in Bangalore, PFL has sanctioned ~INR 550cr of structured debt towards the Advantage Raheja Group (promoted by Mr Deepak Raheja) to support their growth plans and enable a refinance of existing lenders across two hospitality projects – The JW Marriott in Bangalore and the Crowne Plaza in Pune. Both the properties enjoy the advantage of being in prime locations and expect excellent growth in terms of Occupancy and Revenue per Available Room (RevPAR).

Hospitality is an evergreen sector and quality assets at good locations have thrived across business cycles. Hotels are long gestation projects and require long term financing partners who can provide tailor made solutions which can help the asset ride successfully across business cycles. PFL has always followed a partnership approach and will follow similar approach with respect to investments in hospitality with the ability to participate across the entire capital stack – be it senior debt opportunities, mezzanine funding, last mile funding towards completion and acquisition financing opportunities in the sector.

Khushru Jijina, Managing Director, Piramal Finance Limited, said “Identifying a niche in the market and creating uniquely customized funding solutions has always been our forte and we have been fortunate in being able to apply the same across sectors in the past. The hospitality sector is uniquely positioned at the intersection of being both a real estate and a service oriented business in our opinion and through the



combination of our Wholesale RE Funding platform, the Corporate Finance Group and our Capital Markets Group, we are able to service the needs of this industry across the entire capital stack, on behalf of both hotel owners as well as operators, on a holistic basis. I look forward to many more such transactions as we commit more resources towards the sector.”

Gaurav Bhalla, Director, Vatika Group, said “We are extremely pleased to have extended our partnership with the Piramal Group beyond residential and concluded a transaction against our hotel assets. We believe they bring a unique perspective along with an ability to understand the business extremely well and have provided us with unique insights as well as creative and customized solutions time and again to meet our growth capital needs.”

Deepak Raheja, Promoter, Advantage Raheja Group, said “The team from Piramal was able to understand the industry dynamics and create a tailored solution that would not have otherwise been possible from a standard / typical lender. I am extremely pleased with our association which transcends beyond the provision of capital towards engagement on the growth and revenue optimization strategy for both the hotel assets and we look forward to scaling this relationship further.”

About Piramal Enterprises Limited:

Piramal Enterprises Limited (PEL) is one of India’s large diversified companies, with a presence in Financial Services, Pharmaceuticals and Healthcare Insights & Analytics. PEL’s consolidated revenues were over US\$1.3 billion in FY2017, with 51% of revenues generated from outside India.

In Financial Services, PEL provides comprehensive financing solutions to real estate companies. The division’s Corporate Finance Group (CFG) also provides senior and mezzanine growth capital to various businesses across varied sectors that are integral part of India’s growth story. The Division has also launched Distressed Asset Investing platform that will invest in equity and/or debt in assets across sectors (other than real estate) to drive restructuring with active participation in turnaround. The total funds under management under all these businesses are over US\$5.5 billion. The Company has recently launched a retail housing finance vertical. The Company also has strategic alliances with top global funds such as APG Asset Management, Bain Capital Credit, CPPIB Credit Investment Inc. and Ivanhoé Cambridge (CDPQ). PEL also has long term equity investments worth ~US\$1 billion in Shriram Group, a leading financial conglomerate in India.

In Pharma, through an end-to-end manufacturing capabilities across 13 global facilities and a large global distribution network to over 100 countries, PEL sells a portfolio of niche differentiated pharma products and provides an entire pool of pharma services (including in the areas of injectable, HPAPI etc.). The Company is also strengthening its presence in the Consumer Product segment in India.

PEL’s Healthcare Insights & Analytics business, Decision Resources Group, is the premier provider of healthcare analytics, data & insight products and services to the world’s leading pharma, biotech and medical technology companies and enables them to take informed business decisions.

PEL is listed on the BSE Limited and the National Stock Exchange of India Limited in India.

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