

Piramal Enterprises Limited

Q1 FY2020 Results

30 July 2019



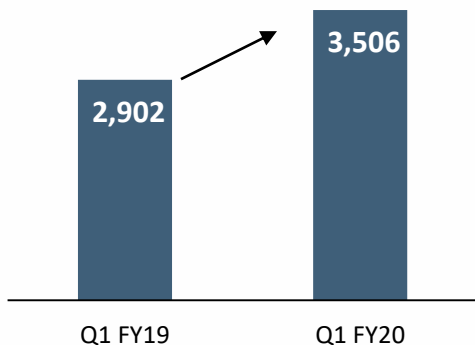
Key Financial Highlights

(In INR Crores)

Revenues

21%

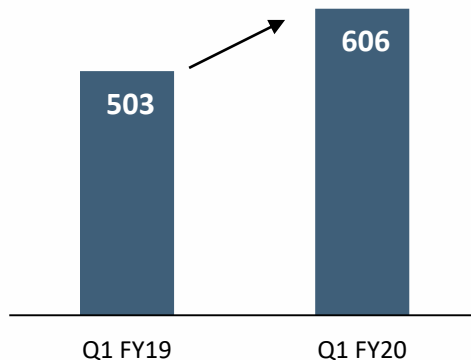
growth during
Q1 FY2020



Profit before tax and exceptional item

20%

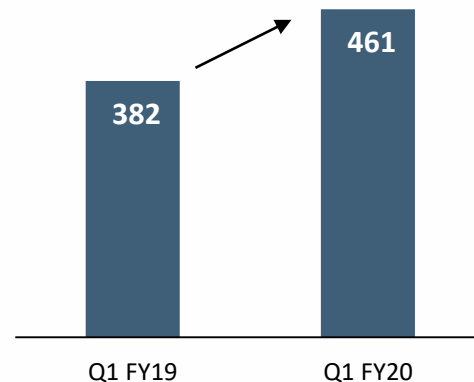
growth during
Q1 FY2020



Net Profit¹

21%

growth during
Q1 FY2020



Note:

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

Operational highlights

Financial Services

Total Loan Book grew 20% YoY to Rs.56,605 Crores;
ROE¹ of 20%

Financial Services

Gross NPAs ratio at 0.9%;
63% QoQ decline in Stage-2 assets;
provision coverage of 216%

Housing Finance

Loan book grew ~4x times YoY to INR 6,110 Crores;
constitutes 11% of overall loan book

Pharma

Global Pharma EBITDA Margins at 22%; strong recovery in India
Consumer Products – revenue growth of 70% YoY

Pharma

Successfully cleared 7 regulatory inspections (including 2 USFDA inspections) and 41 customer audits during the quarter

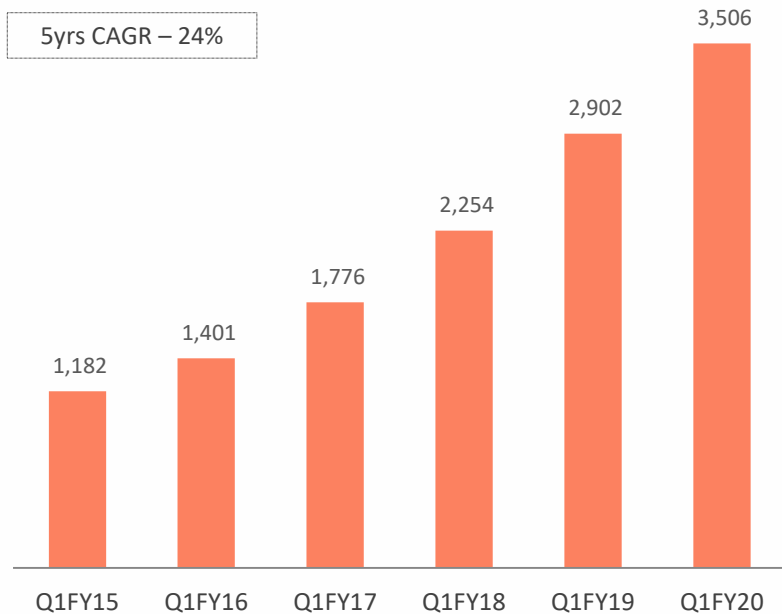
Healthcare Insights & Analytics

15% YoY revenue growth during the quarter

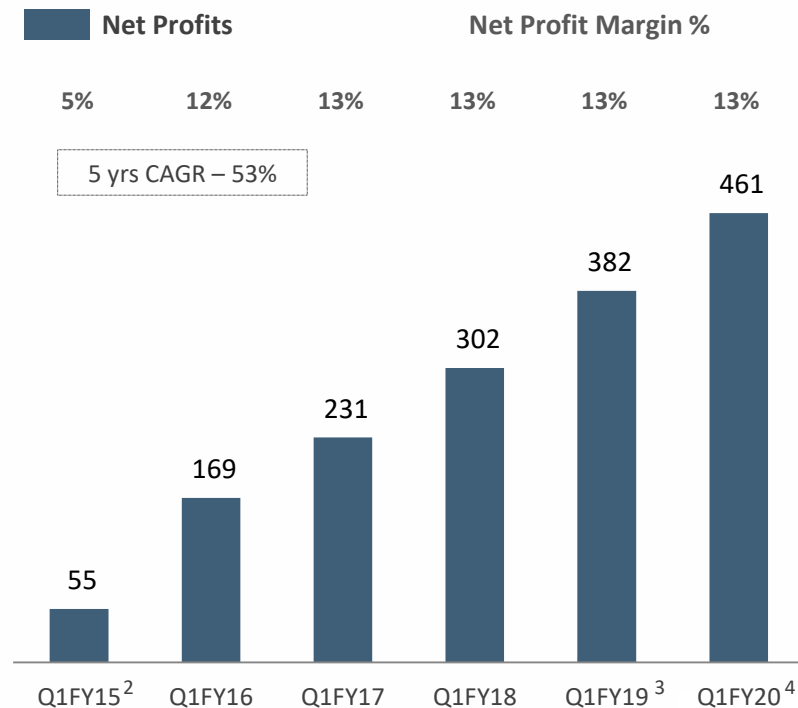
Delivering robust growth - track record

(In INR Crores)

Total Revenues¹



Net Profit^{1,2,3,4}

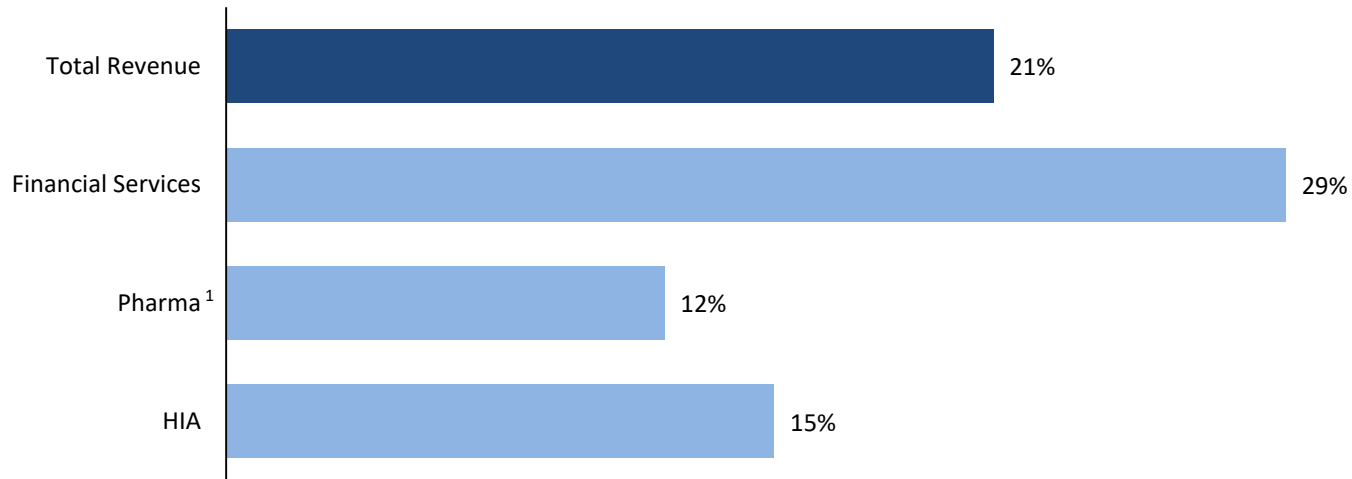


Note:

1) FY2015 results have been prepared based on IND GAAP and FY2016 onwards on IndAS basis 2) Q1 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) Q1FY2019 net profit excludes exceptional item of write off of Imaging assets 4) Q1 FY2020 net profit excludes exceptional item for Healthcare Insights & Analytics

Superior revenue growth across business segments

Quarterly Revenues: Q1 FY2020 vs. Q1 FY2019



Consistent performance

(In INR Crores)

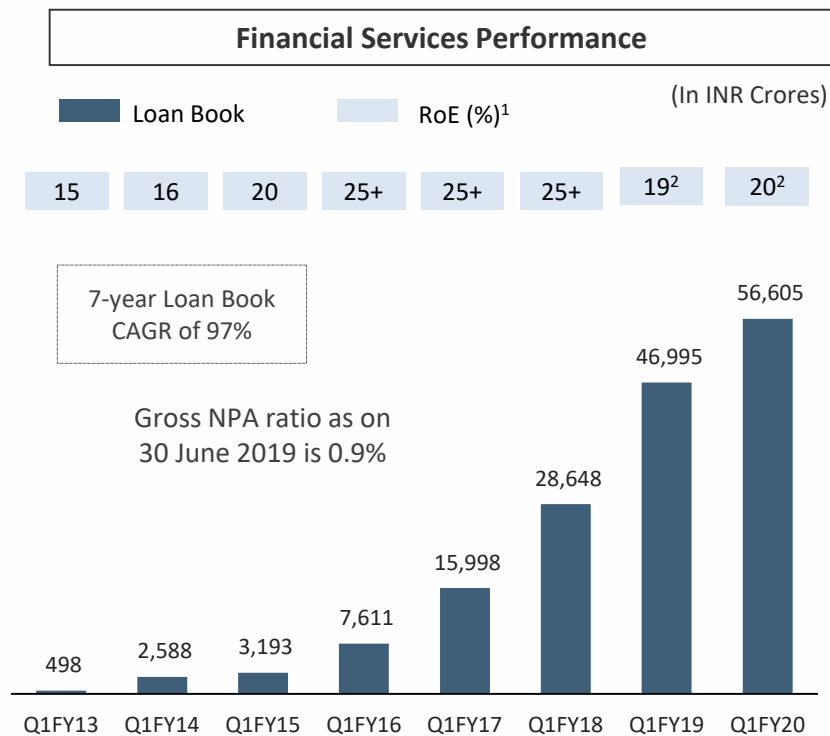
Period	Revenues			Net Profits		
	Reported Period	Previous Period	% YoY Change	Reported Period	Previous Period	% YoY Change
Q2FY16	1,504	1,243	+21%	235	41	+473%
Q3FY16	1,786	1,400	+28%	307	224	+37%
Q4FY16	1,691	1,298	+30%	193	100	+93%
Q1FY17	1,776	1,401	+27%	231	169	+36%
Q2FY17	1,966	1,504	+31%	306	235	+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	2,858	+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 for HIA

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

Performance trend in Financial Services

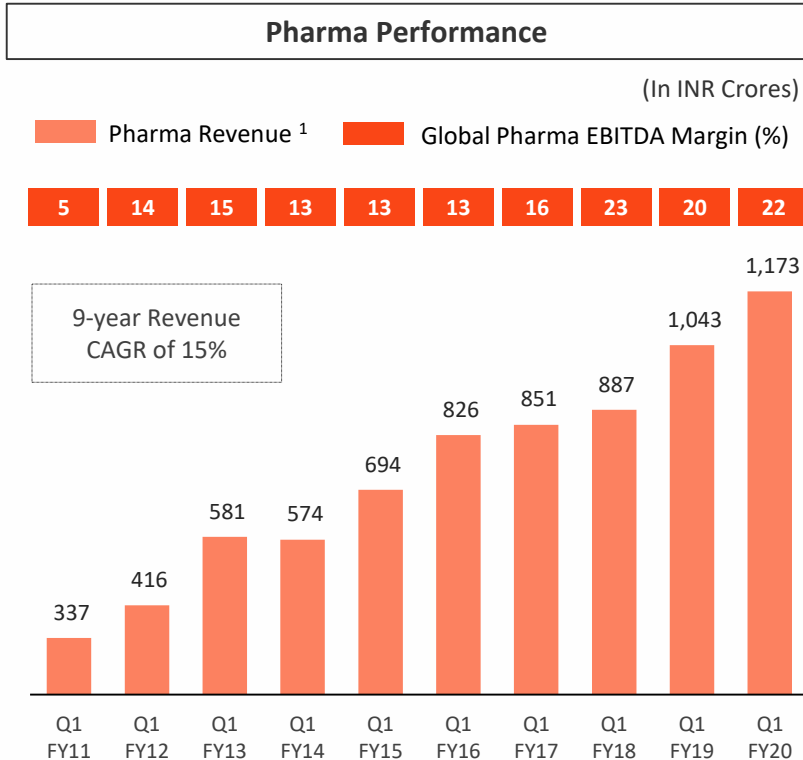


- **Growth:** Loan Book grew 20% YoY to INR 56,605 Crores
- **Asset Quality:** Consistently maintaining a healthy asset quality
 - GNPA ratio below 1% since last 13 quarters
 - Stage-2 loans down 63% QoQ to INR 309 Crores
- **Loan book diversification:** Housing finance loan book grew ~4x times YoY to 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:** Shifting borrowing mix towards long-term sources of funds
 - 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
- **Returns:** Consistently delivering ROE² of 18-20%, since the fund raise in Q3 FY2018
 - Delivered an ROE of 20% for Q1 FY2020

Note: (1) ROE for past period are reported for full year ;

(2) ROE for reported period is after considering Cash Tax and other synergies from the reverse merger

Performance trend in Pharma



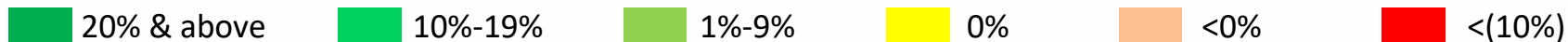
- Growth:** PEL’s Pharma revenue has grown at a CAGR of 15% over last 9 years
- Profitability:** Global Pharma (accounts for 91% of Pharma revenues¹) has delivered a strong growth in EBITDA margins from 5% in Q1FY11 to 22% in Q1FY20
- Quality & Compliance:** Since FY2011, PEL successfully cleared 35 USFDA inspections, 148 other regulatory audits and 1,030 customer audits
- Differentiated Model:** Our differentiated business model has enabled us to perform better than most of the other Indian Pharma companies

Note: (1) Pharma revenue includes Global Pharma Services, Global Pharma Products, and India Consumer Products revenue

Various business segments growing consistently over years

YoY revenue growth

Businesses	FY17				FY18				FY19				FY20
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Financial Services	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above
Pharma ¹	10%-19%	10%-19%	10%-19%	20% & above	10%-19%	20% & above	20% & above	20% & above	20% & above	10%-19%	10%-19%	10%-19%	20% & above
Healthcare Insights & Analytics	10%-19%	<0%	10%-19%	10%-19%	<0%	<0%	10%-19%	10%-19%	20% & above	20% & above	10%-19%	20% & above	20% & above
Total Revenues	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above	20% & above



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

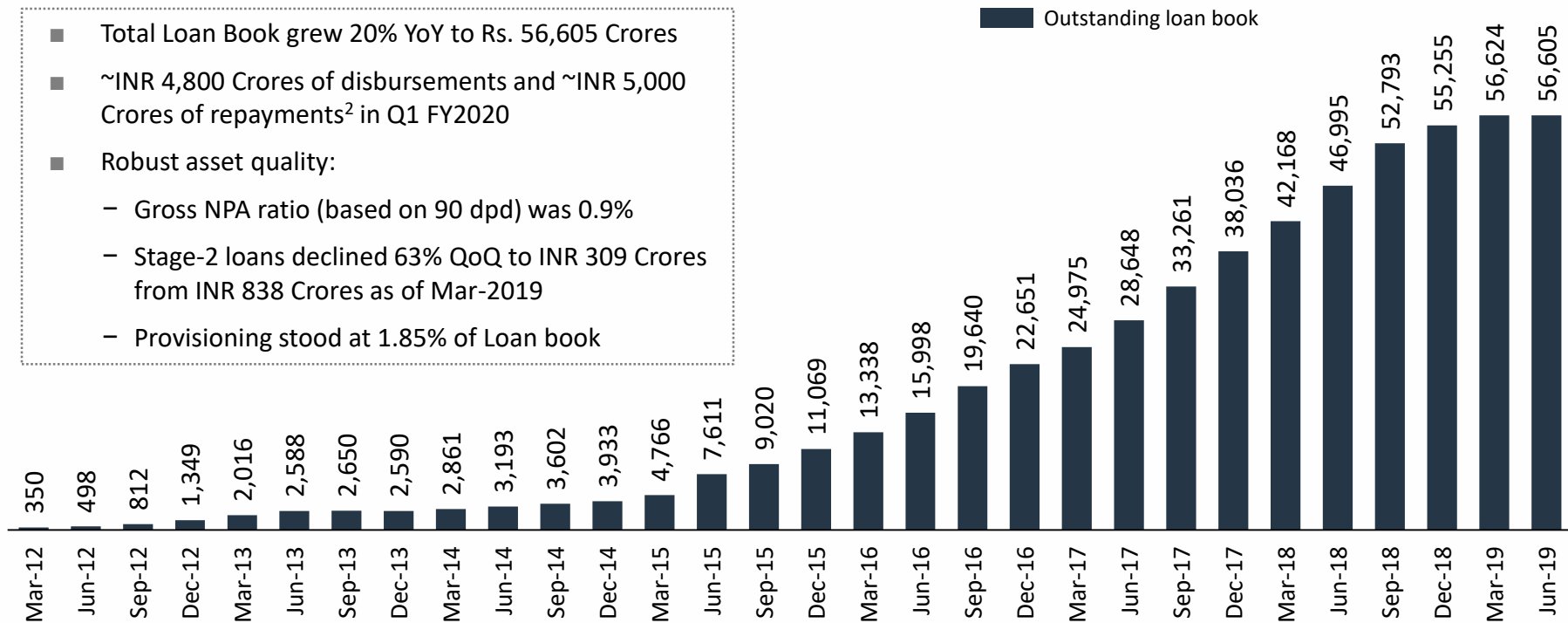


Financial Services

Loan book growth

(in INR Crores)

- Total Loan Book grew 20% YoY to Rs. 56,605 Crores
- ~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 from INR 838 Crores as of Mar-2019
 - Provisioning stood at 1.85% of Loan book



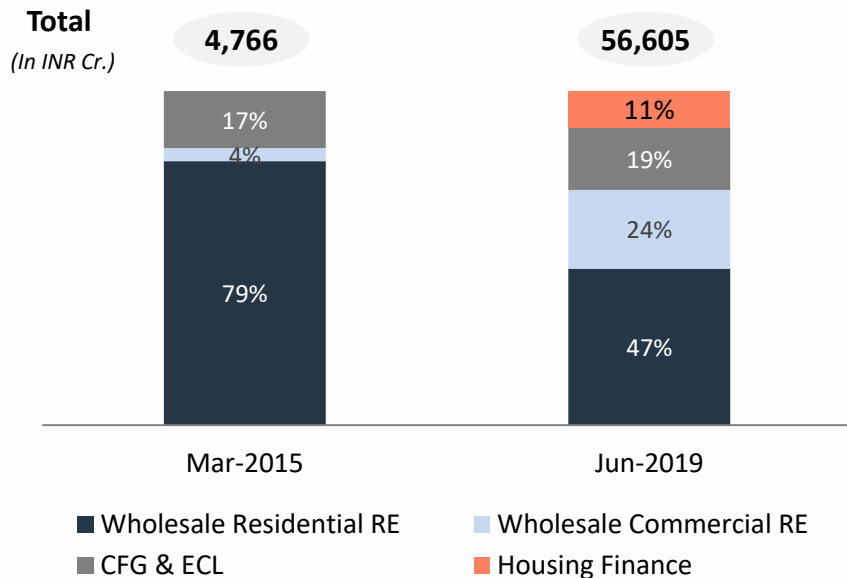
Alternative Assets Under Management was Rs. 9,571 Crores¹ as on 30 Jun 2019

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

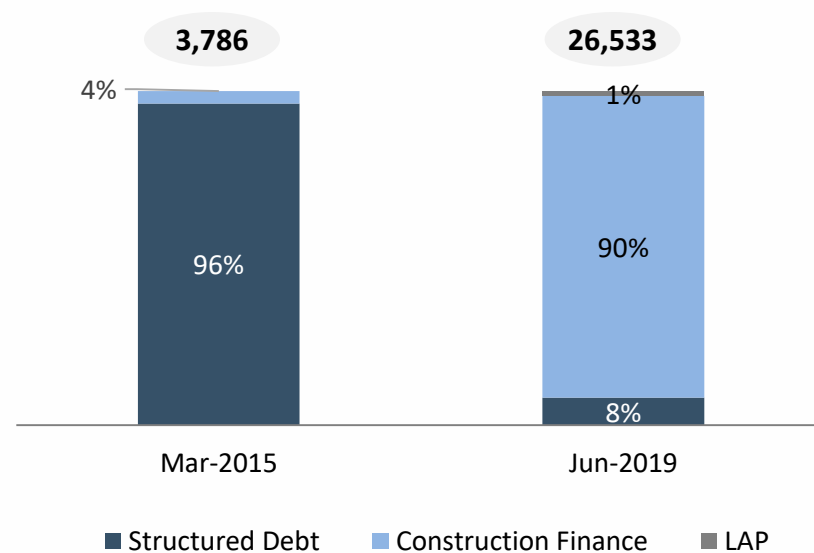
(1) In addition, India Resurgence Fund (the JV with Bain Capital Credit) has Assets Under Management of ~INR 1,804 Crores as on 30 Jun, 2019 (2) Includes down-selling

Improving loan book diversification with increased share of retail lending

Break down of overall loan book



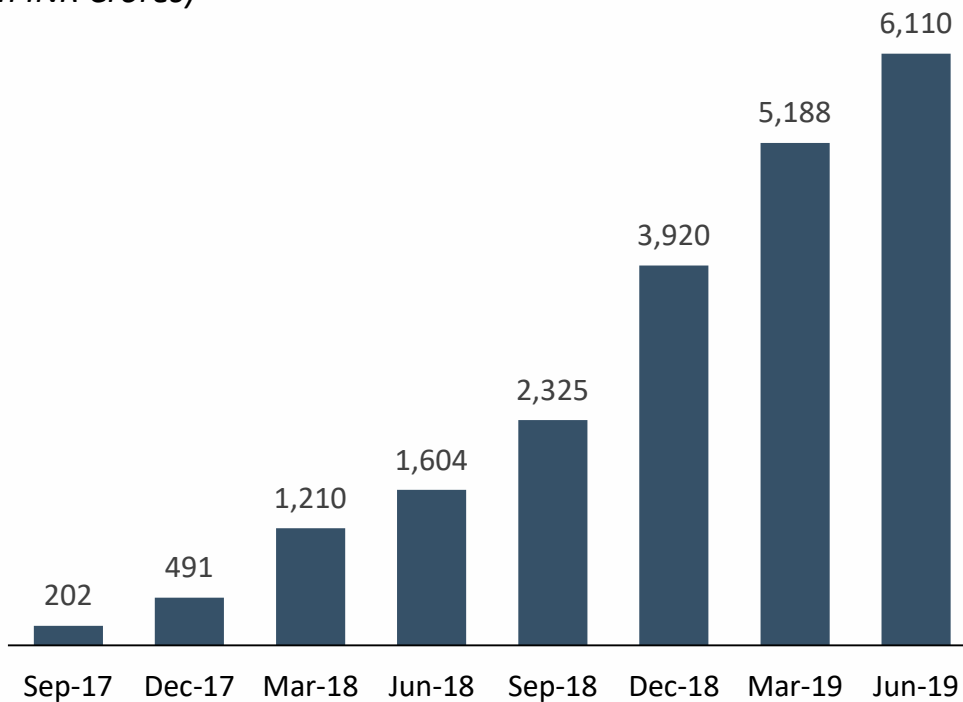
Breakdown of wholesale residential RE loans



~66% of the wholesale real estate loan book comprises of late-stage Construction Finance as of Jun-2019

Housing Finance

Housing Finance Loan Book (in INR Crores)

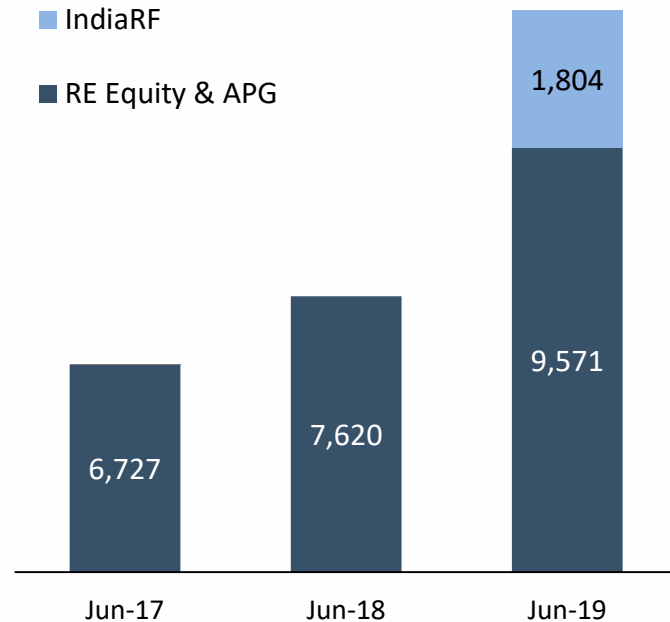


Key Operational Highlights

- HFC Loan book grew ~4x times YoY to INR 6,110 Crores, and constitutes 11% of overall loan book
- Disbursed ~INR 1,100 Crores during the quarter; loans approved but not yet disbursed stood at ~INR 2,500 Crores
- Set up branches in Indore and Vadodara – and has a presence in 15 cities with 16 branches
- Average ticket size for home loans of INR ~70 lacs

Alternative Assets Under Management

Alternative Assets Under Management (in INR Crores)



Key transactions and performance highlights:

India RF Platform (JV with Bain Capital Credit):

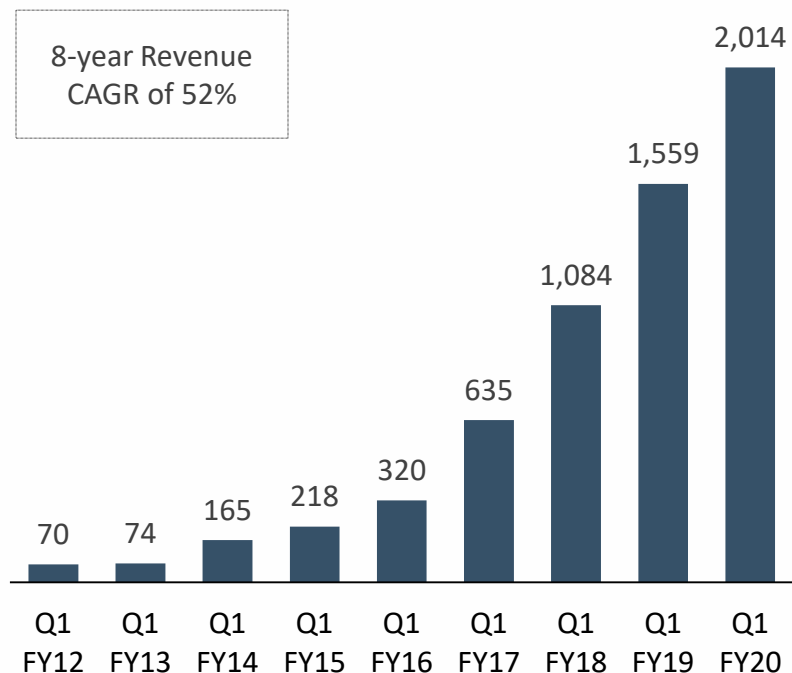
- Concluded three investments so far:
 - USD 156m¹ invested in marine chemicals business in Nov-2018
 - USD 144m¹ invested in pharmaceutical & vaccines player in Apr-2019
 - USD 51m in debt purchase of downstream steel player

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

Performance metrics

Income from Financial Services (in INR Crores)



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

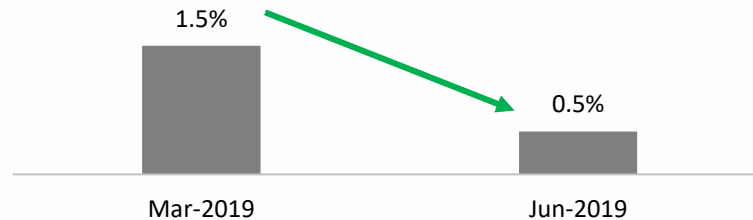
Particulars	Q1 FY2020
Total Loan Book size	56,605
Total Equity on Lending (utilized synergies from reverse merger)	12,010
Net Debt-to-Equity (for Lending business)	3.7x
Average Yield on Loans	14%
Average Cost of Borrowings	10.3%
Net Interest Margin	5.7%
Cost to Income Ratio	18.2%
Total Provisioning as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

Asset-side

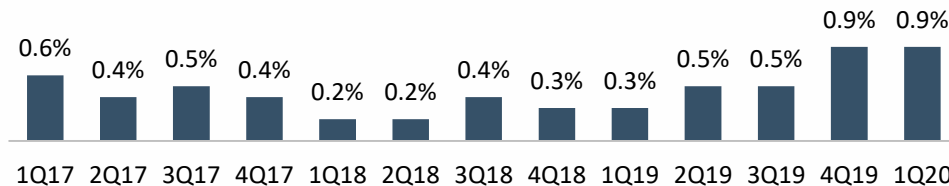
Conservative provisioning despite healthy asset quality; significant reduction in stage-2 loans

- **GNPA ratio** has been below 1% for the last 13 quarters
- **Conservative provisioning:**
 - Total provisions at 1.85% of loan book
 - Total provisions as a % of Stage 3 loans at 216%
 - Increase in provisions as a % of stage 2 & 3 loans to 132% as on Jun-2019 vs. 83% as of Mar-2019

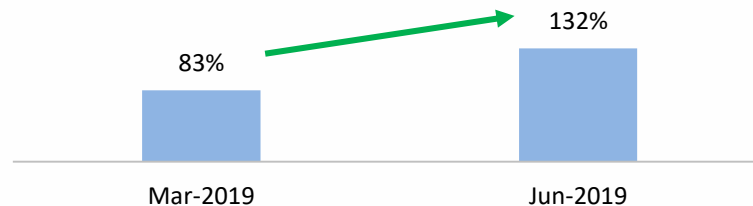
Stage 2 loans as a % of loan book



PEL's Financial Services GNPA Performance



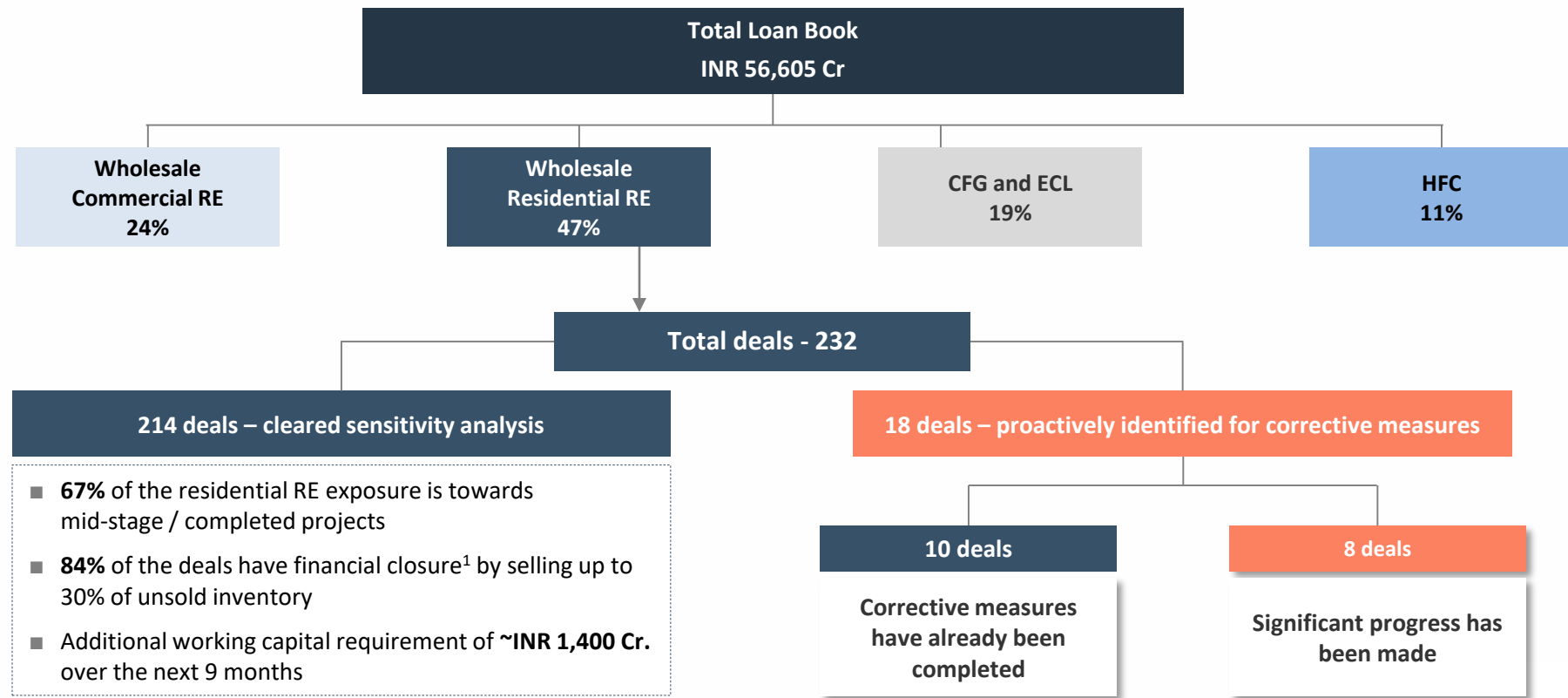
Total provisions as a % of stage 2 and 3 loans



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

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



Liabilities-side

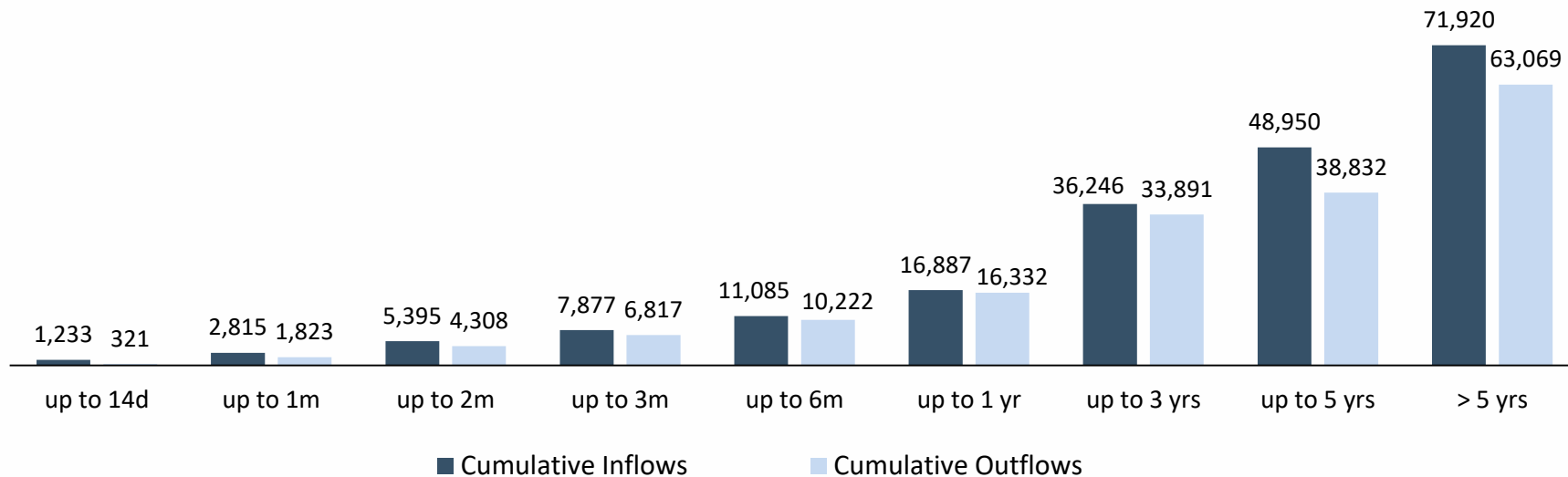
Continue to further diversify borrowing mix

- **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\$75 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

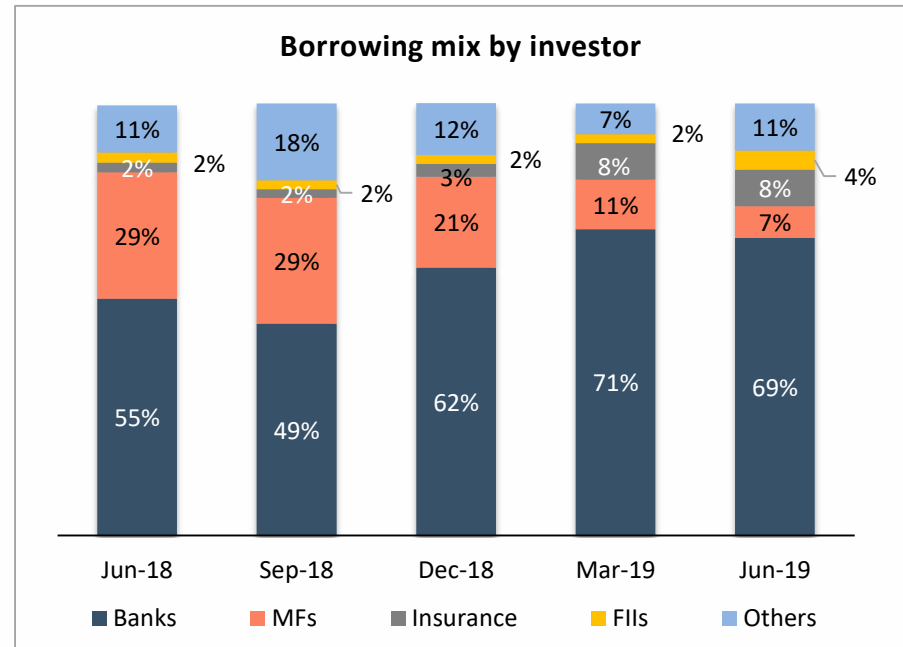
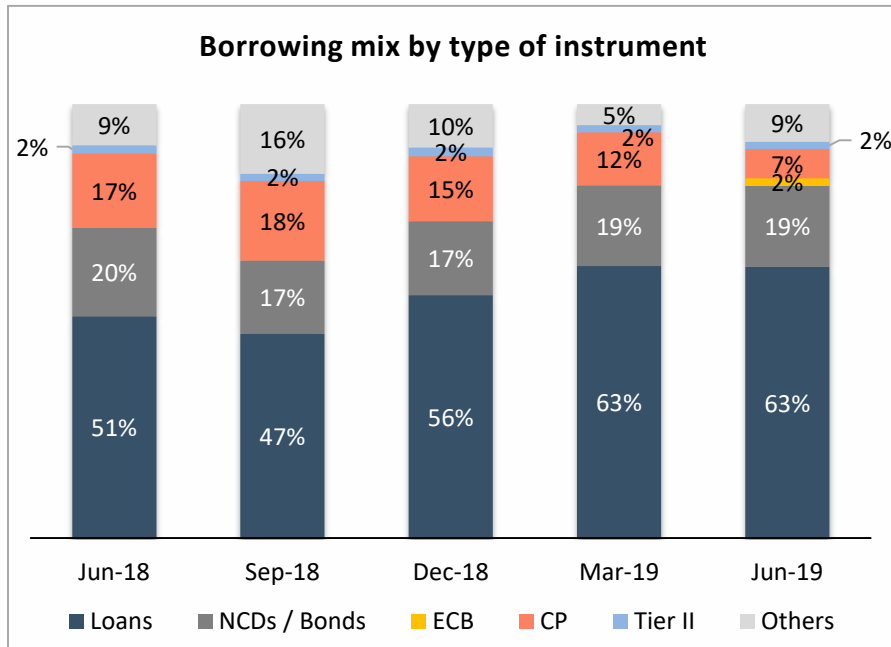
As on Jun 30, 2019

(in INR crores)



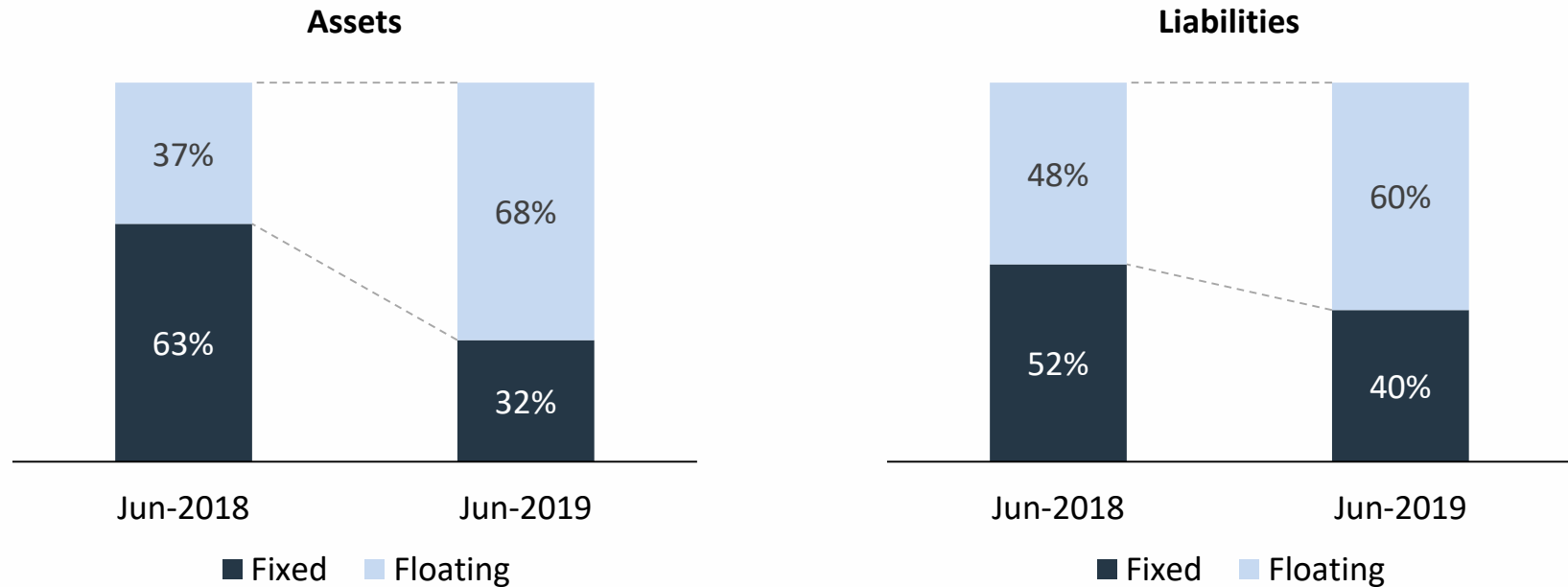
Positive gap across all maturity buckets

Further improving the borrowing profile towards long term source of funds



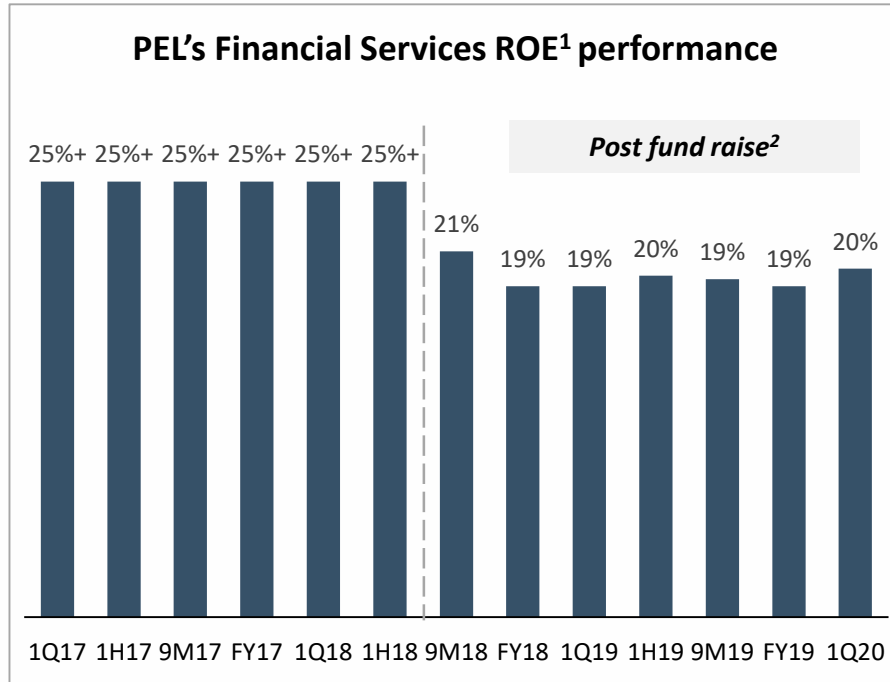
- Share of bank loans in overall borrowings increased from 49% as of Sep-2018 to 69% as of Jun-2019
- Share of MFs in overall borrowings declined from 29% in Sep-2018 to 7% in Jun-2019

Asset-liability Mix



Shift in the mix towards floating-rate assets and liabilities

Deliver consistent returns by tapping additional sources of fee income



Aim to deliver robust returns of 18-20%

- Co-investing with 'like-minded' partners in large deals, such as reputed foreign banks and pension funds
- Creation of an asset aggregation platform
- Down-selling / churning the loan book

Note: (1) ROE calculation for PEL on a cash tax basis, considering the capital allocation from the fund raise (of the estimated allocation) was allocated to the business.

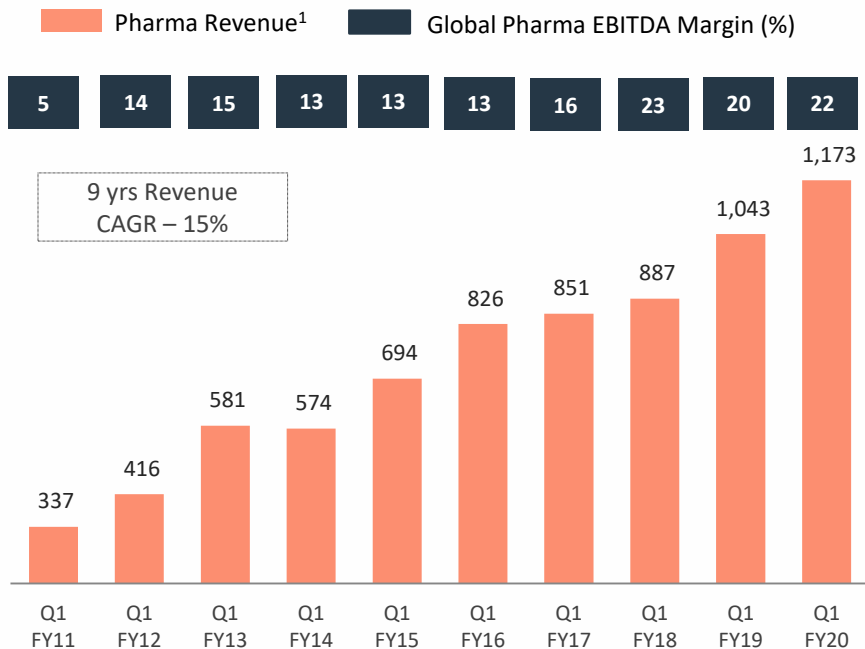
(2) In 9M18, ~INR 2,300 Cr was allocated to Financial Services. In FY18, the entire ~INR 5,000 Cr

Pharma

Consistent performance in Pharma

Pharma Performance

(In INR Crores)



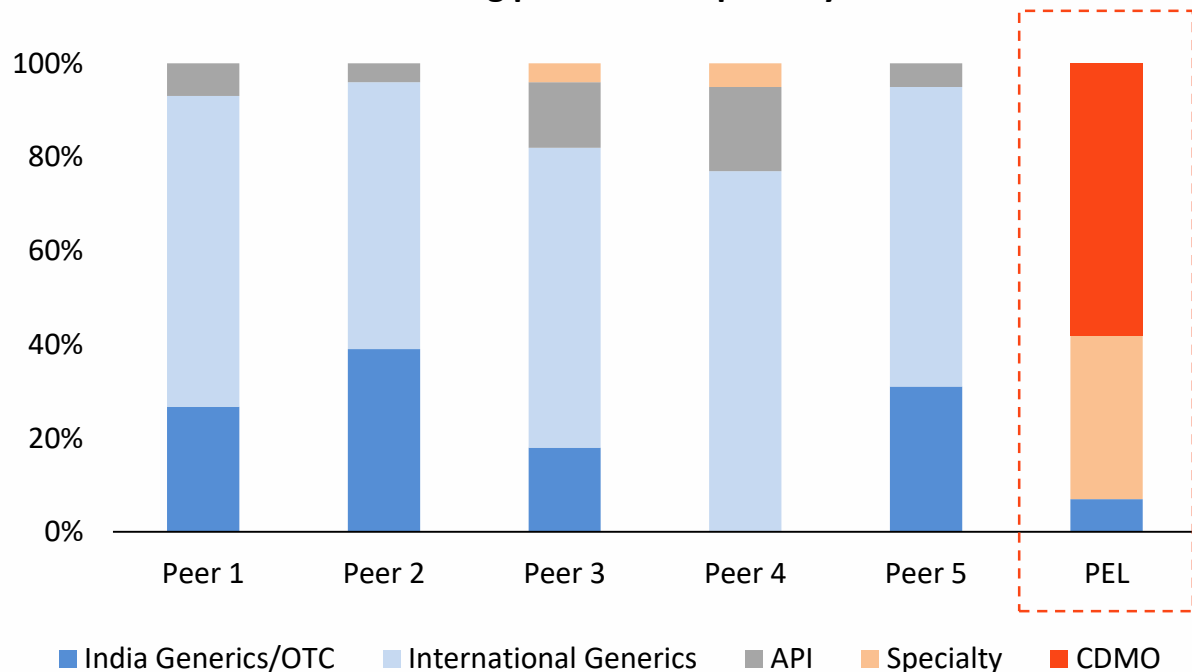
Note: (1) Pharma Revenue includes Global Pharma Services, Global Pharma Products, and India Consumer Products Revenue

Performance Highlights

- **Pharma Revenues grew 12% YoY** to Rs. 1,173 Crore (Global Pharma contributes 91% to the total Pharma revenues)
 - **India Consumer Products showing strong recovery**, with revenues growing 70% YoY to Rs. 109 Crores
- Pharma business contributes 33% to overall revenue mix
- **Regulated Markets** comprise 77% of Global Pharma revenues
- **Global Pharma EBITDA Margins** at 22%, growing consistently from 5% in Q1'FY11
- **Key factors aiding EBITDA margin expansion** include synergies from acquisitions, growth of high margin products, integrated offerings with niche capabilities, higher capacity utilization, backward integration of raw material, leveraging global distribution, process optimizations, and cost improvement initiatives

Differentiated business model for sustained growth

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
- 4 key launches during the quarter
 - Growth in all major product families and geographies
- Synergies from integration of key acquired products from Janssen and Mallinckrodt getting reflected in the segment's performance

Note: Pharma peer set includes (not necessarily in the same order): Aurobindo Pharma, Cipla, Dr. Reddy's Lab, Lupin and Sun Pharma (data is for period FY2019)

Source : Companies reported numbers, Stock Exchange Filings, Bloomberg

Maintaining a strong focus on Quality and Compliance

Multi-year track record of successful inspections

Year	USFDA	Total Regulatory Inspections	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

Leveraging our integrated business model in services business

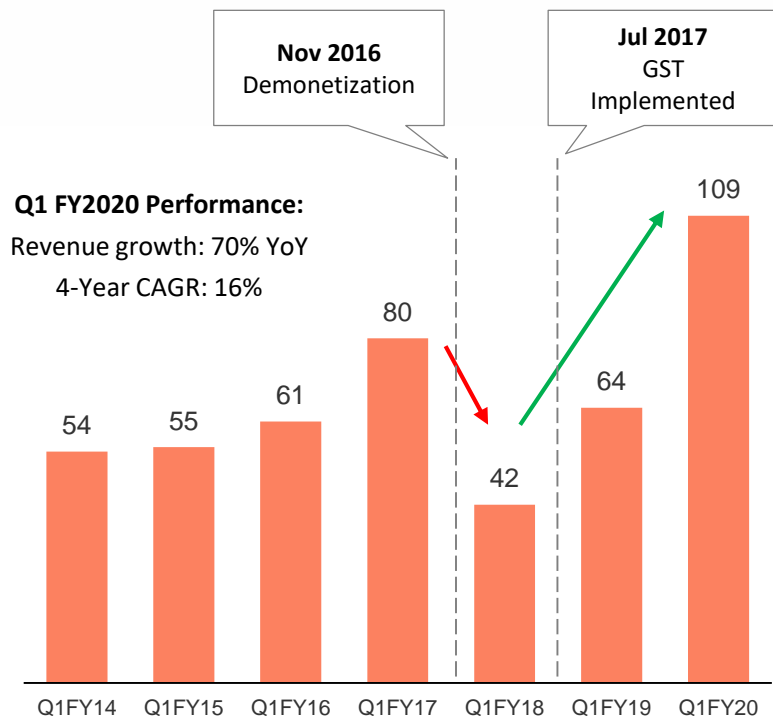
Discovery	Preclinical	Phase 1	Phase 2	Phase 3	Launch	On Patent	Off Patent
CRO Discovery	Development (CDMO and Generic API) Early Phase Formulation, API and HPAPI			Late Phase and Commercial (CDMO), Generic API Late Phase API and HPAPI, Late Phase Formulation			
Phase	Early Phase		Early-Late Phase			Late Phase	
Type of Project	Route Scouting – Intermediate dev. ~API supply	Formulation Dev and Supply	Formulation: Dev, Mfg and Supply	API and FDF: Dev and Supply	DMF Dev to Mfg to Filing	API dev, Clinical Supply and Commercial Supply	API and FDF: Dev to Mfg to NDA Filing
Ahmedabad (PDS)	✓						
Ahmedabad		✓	✓	✓			
Ennore	✓			✓	✓	✓	
Digwal						✓	
Pithampur		✓				✓	
Riverview	✓						
Lexington				✓			✓
Aurora				✓	✓		
Morpeth			✓	✓			
Grangemouth							✓

- **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 post investment of US\$ 9 million
- **Integrated model of services** spanning across the entire drug life-cycle

Strong recovery in the India Consumer Products business

Revenue performance

(In INR Crores)



External disruptions resulted in major headwinds in recent years

- Impact on Indian OTC and pharma industry due to regulatory changes
- 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 the quarter:

- 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

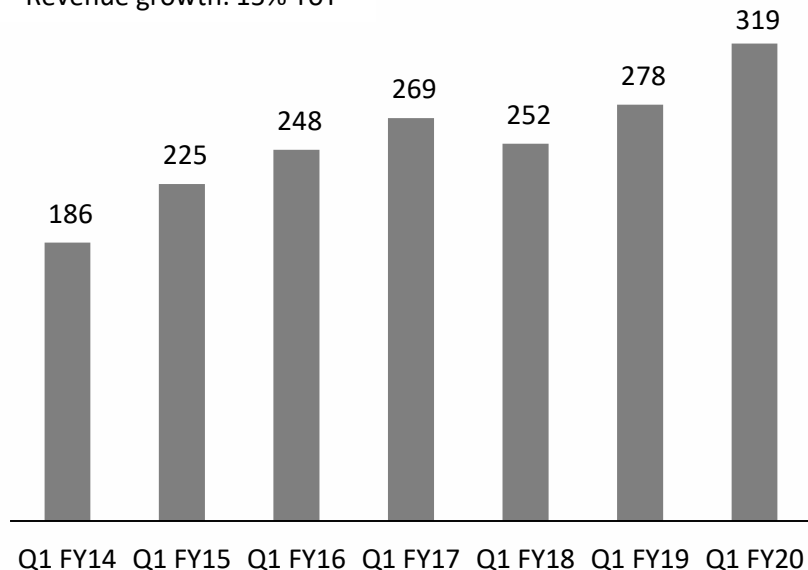
Healthcare Insights & Analytics: Transformative initiatives driving results

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 our clients' workflows
- **Improved profitability** with EBITDA margins showing improvement
 - Leveraging India advantage with India-based employees accounting for 40% of our overall talent pool
- Our solutions have helped clients meaningfully improve patient experience and support by uncovering patient's latent needs and identifying targeted intervention points



Financials

Diversified Revenue Mix

(In INR Crores or as stated)

Net Sales break-up	Quarter I ended			% Sales for Q1 FY2020
	30-June-19	30-June-18	% Change	
Financial Services	2,014	1,559	29%	58%
Pharma ²	1,173	1,043	12%	33%
Global Pharma	1,063	979	9%	30%
India Consumer Products	109	64	70%	3%
Healthcare Insight and Analytics	319	278	15%	9%
Others	-	23	-	-
Total	3,506	2,902	21%	100%

Notes:

1. Foreign Currency denominated revenue in Q1 FY2020 was Rs.1,272 (36% of total revenue)
2. 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)	-
Net Profit ^{2,3}	461	382	21%
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 net profit excludes non-recurring and non-cash accounting charge towards imaging assets
 3. Q1 FY2020 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

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

Performance track record – Financial Services

Trend of key ratios

Parameter	FY2016				FY2017				FY2018				FY2019				FY2020
	3M	6M	9M	12M	3M	6M	9M	12M	3M	6M	9M	12M	3M	6M	9M	12M	3M
Loan Book Growth (YoY%)¹	138%	150%	181%	180%	110%	118%	105%	87%	79%	69%	68%	69%	64%	59%	45%	34%	20%
GNPA Ratio (%)	1.5%	1.1%	1.2%	0.9%	0.6%	0.4%	0.5%	0.4%	0.2%	0.2%	0.4%	0.3%	0.3%	0.5%	0.5%	0.9%	0.9%
ROE (%)	25%+	25%+	25%+	25%+	25%+	25%+	25%+	25%+	25%+	25%+	21% ²	19% ²	19% ³	19.6% ³	19.4% ³	19% ³	20%³

Notes:

1. As on end of reported period
2. ROE calculation also takes into account the capital allocation from recent fund raise. During Q3 FY2018, Rs 2,300 Crores was allocated to Financial Services. In Q4 FY2018, the entire Rs.5000 crores of estimated allocation got allocated towards Financial Services business
3. ROE considers cash tax and other synergies from reverse merger of subsidiaries in Financial Services segment



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%	-

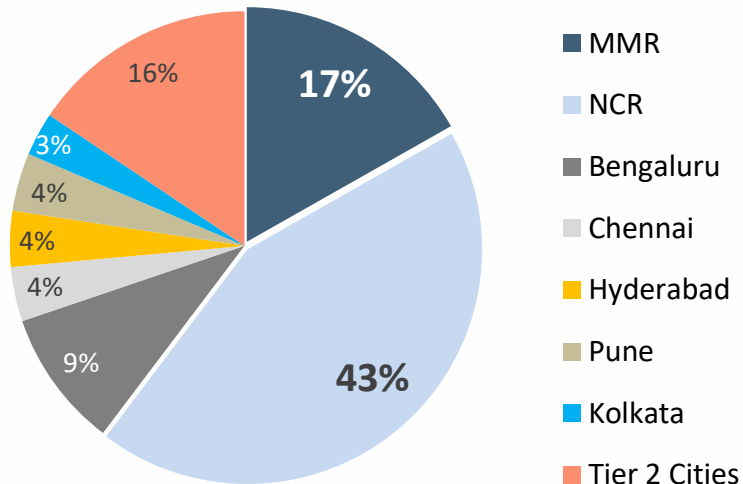
Consolidation in the real estate market

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

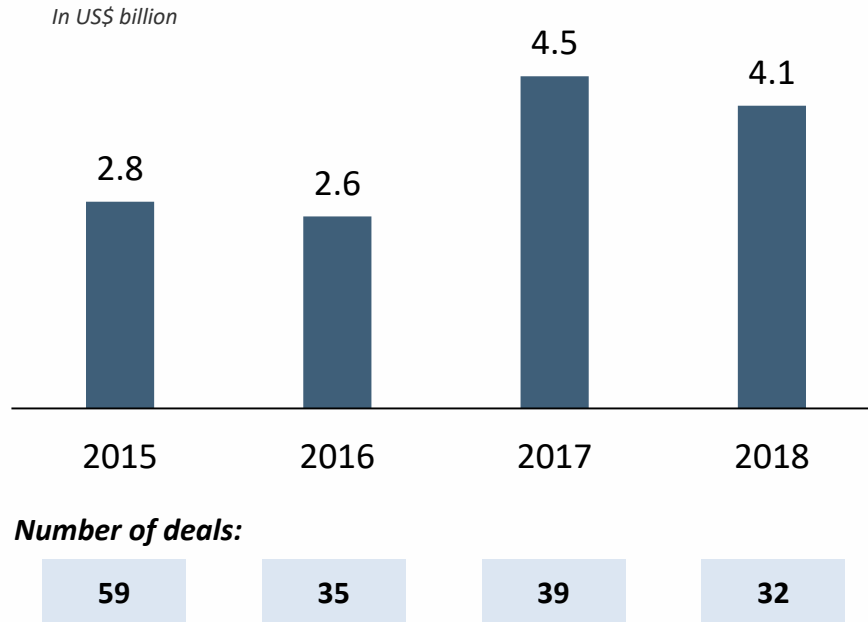
Breakdown of stuck/stalled projects by city/region



- ~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



- 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

Dial-in details for Q1 FY2020 Earnings Conference Call

Event	Location & Time	Telephone Number
Conference call on 30 th Jul 2019	India – 6:15 PM IST	+91 22 6280 1264 / +91 22 7115 8165 (Primary Number) +91 70456 71221 (Local Number)
		1800 120 1221 / 1800 266 1221 (Toll free number)
	USA – 8:45 AM (Eastern Time – New York)	Toll free number 18667462133
	UK – 1:45 PM (London Time)	Toll free number 08081011573
	Singapore – 8:45 PM (Singapore Time)	Toll free number 8001012045
	Hong Kong – 8:45 PM (Hong Kong Time)	Toll free number 800964448
For online registration	https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=92249&linkSecurityString=27cc4456	



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