Piramal Enterprises

Q3 & 9M FY24 results presentation

29th January 2024

Piramal

Table of contents

Page No

1. Key highlights

Q3 FY24 business performance

Growth business – in momentum *Retail[1] + Wholesale 2.0^*	Growth AUM of INR 48,590 Cr accounts for 72% of total AUM; 57% CAGR since FY22
Legacy[2] business – rapid run down *Wholesale 1.0**	Wholesale 1.0* AUM down 22% QoQ to INR 18,693 Cr, down 57% since end-FY22
Total AUM growth	Total AUM growth picked up to 6% QoQ and 9% YoY, excluding the impact of AIF provision related reduction at quarter-end
A leader in affordable housing finance	Mortgage[2] AUM of INR 29,579 Cr with disbursements up 48% YoY
Asset quality	GNPA ratio down 33bps QoQ to 2.4% and NNPA ratio down 37bps QoQ to 1.1% 90+ DPD[3] stable-to-down across retail products
SRs resolutions	SRs down 6% since Q1 FY24, led by cash realisation of INR 909 Cr

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

(1) Retail AUM includes security receipts (SRs) (INR 1,594 Cr as of Q3 FY24) & pass-through certificates (PTC) (INR 164 Cr as of Q3 FY24), direct assignment (DA) (INR 875 Cr as of Q3 FY24) and excludes acquired off-book assets (INR 10,286 Cr as of Q3 FY24) in the nature of DA & PTC as part of the DHFL acquisition

(2) Mortgage AUM comprises of housing and LAP loans

(3) 90+ DPD delinquency = 90 to 179 days DPD

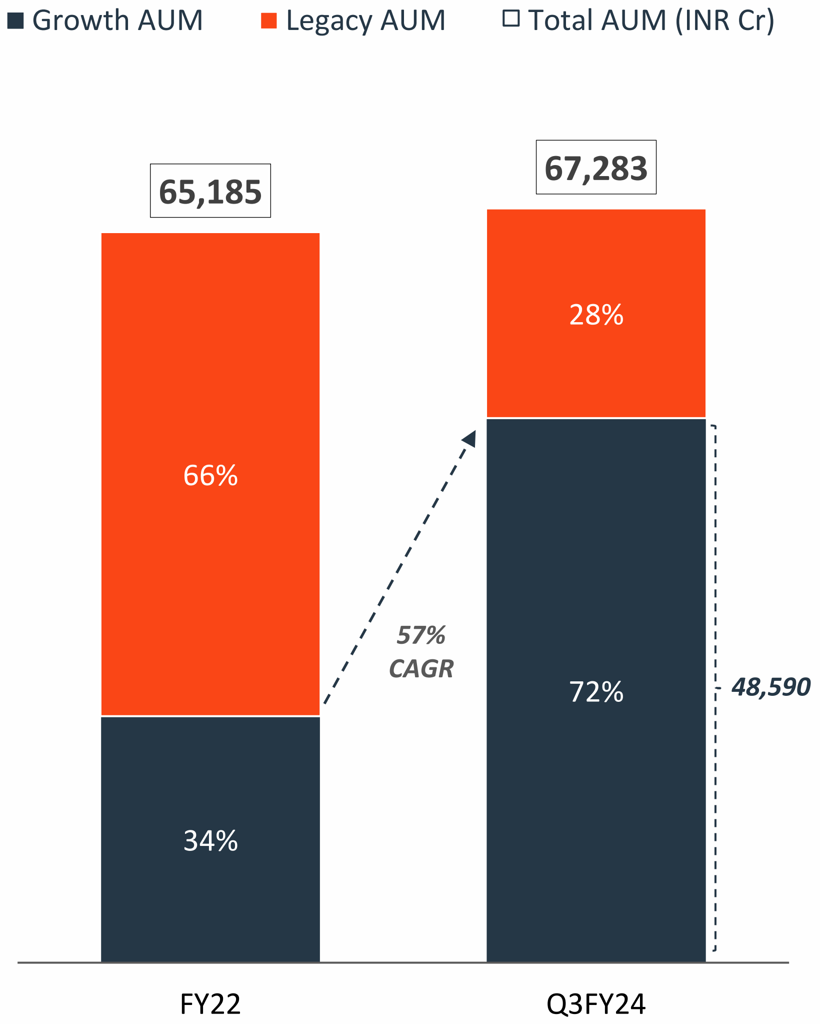
Q3 FY24 financial performance

NII and other income	**NII[1] continues to recover:** up 11% QoQ led by recovery in NIM (up 28bps QoQ) **Other income[2]** up 18% QoQ, led by fees (up 23% QoQ)
PPOP	**PPOP[2]** up 33% QoQ to INR 316 Cr; led by total income[2] up 12% QoQ vs **opex** up 5% QoQ
Credit cost	**Within expected range:** at 162 bps[3] (vs 121 bps in Q2 FY24)
Impact of AIF circular	**Provision** of INR 3,540 Cr pursuant to RBI circular on AIFs; leading to **reduction in AUM** Impacts **capital adequacy** by ~400bps
PAT	**PAT** of INR 290 Cr, excluding the impact of AIF provision Reported loss of INR 2,378 Cr (vs PAT of INR 48 Cr in Q2 FY24)
Balance sheet strength	**Capital adequacy** at 24.3% with **net worth** of INR 26,376 Cr
Shriram transaction	Announced sale of INR 1,440 Cr from Shriram investments (carrying value of INR 569 Cr) We expect closure in Q4 FY24; proceeds from the transaction will further strengthen our balance sheet

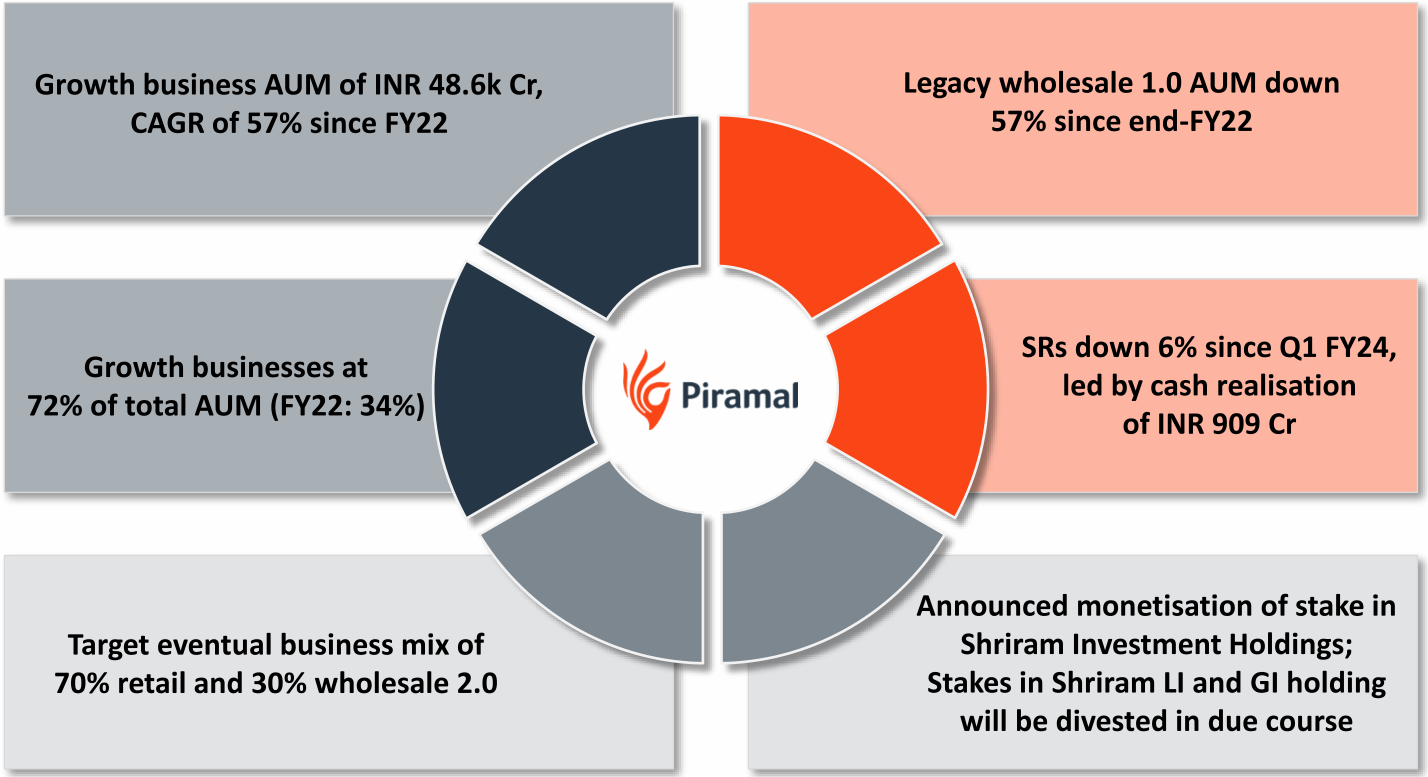
Notes: (1) Net interest income = interest income - interest expense
(2) Includes all non-interest income and excludes dividend income & one-offs
(3) Excludes provisions of INR 3,540 Cr (pre-tax) taken pursuant to the RBI circular on investments in AIFs dated 19th Dec 2023

Growth business now dominates AUM and B/S (1/4)

Steady scale up of growth business…



…and rundown of legacy wholesale and exit of non-core assets



Growth business AUM of INR 48.6k Cr, CAGR of 57% since FY22

Growth businesses at 72% of total AUM (FY22: 34%)

Target eventual business mix of 70% retail and 30% wholesale 2.0

Legacy wholesale 1.0 AUM down 57% since end-FY22

SRs down 6% since Q1 FY24, led by cash realisation of INR 909 Cr

Announced monetisation of stake in Shriram Investment Holdings; Stakes in Shriram LI and GI holding will be divested in due course

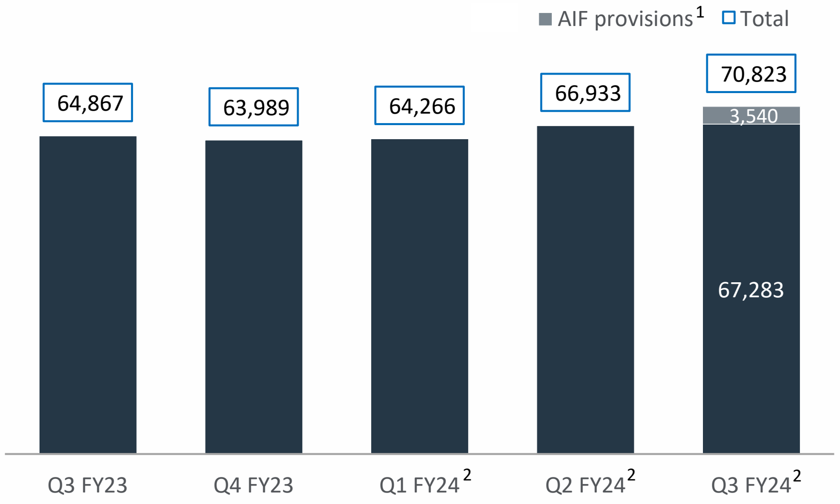
PEL now an at-scale player in chosen retail and wholesale segments;

With continued scale-up and improving profitability, growth business to drive company earnings

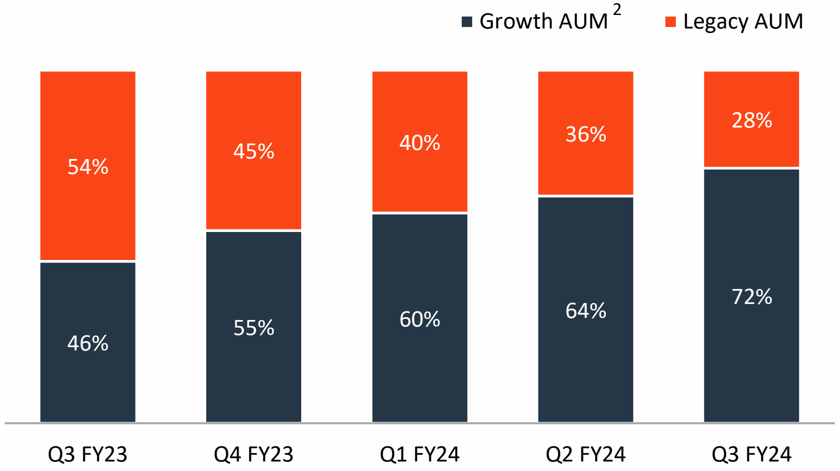
Growth business now in driver seat (2/4)

AUM up 6% QoQ and 9% YoY

In INR Cr.

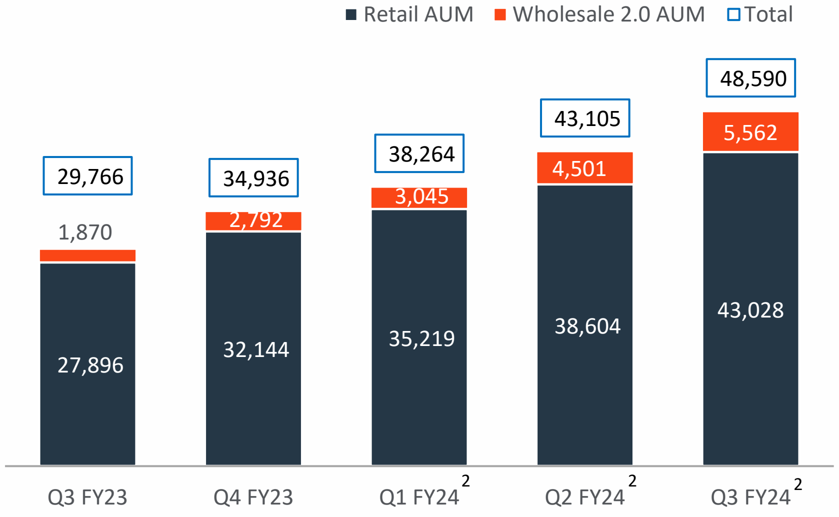


AUM mix now at 72 : 28 for growth : legacy



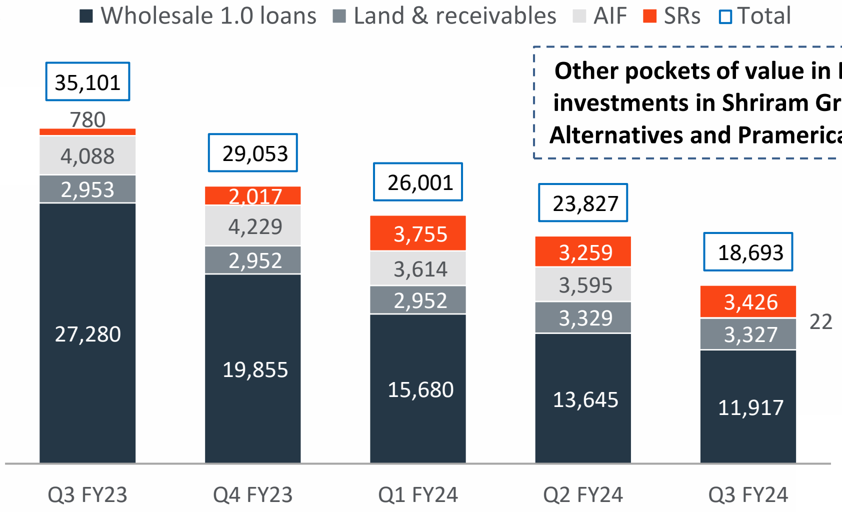
Growth AUM up 13% QoQ and 63% YoY

In INR Cr.



Legacy AUM down 22% QoQ and 47% YoY

In INR Cr.



Other pockets of value in B/S: investments in Shriram Group, Alternatives and Pramerica life

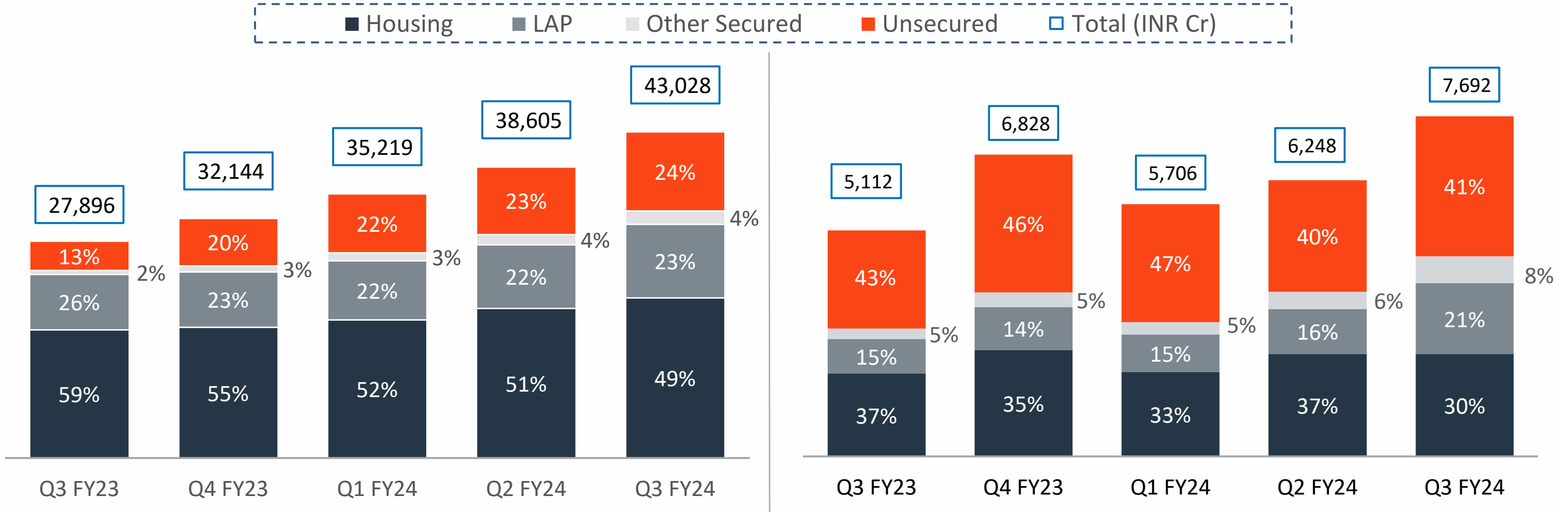
Note: (1) Provisions of INR 3,540 Cr taken pursuant to the RBI circular on investments in AIFs dated 19th Dec 2023; led to reduction in AUM at quarter-end

(2) Retail AUM includes direct assignment (DA) of INR 875 Cr as of Q3 FY24, INR 612 Cr as of Q2 FY24 and INR 328 Cr as of Q1 FY24

Retail – growth across product verticals (3/4)

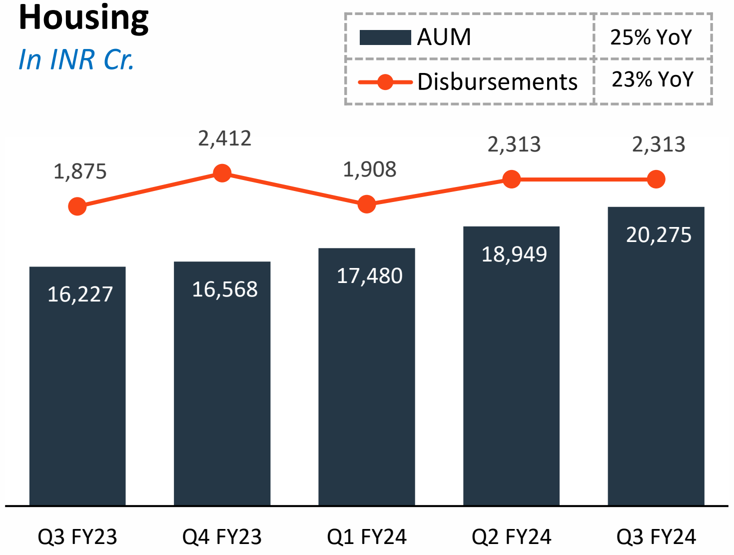
Retail AUM up 54% YoY

Disbursements up 50% YoY



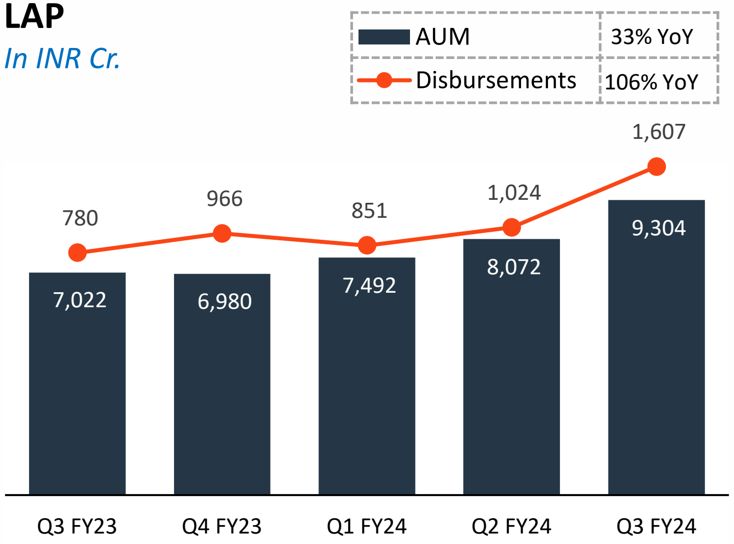
Housing

In INR Cr.



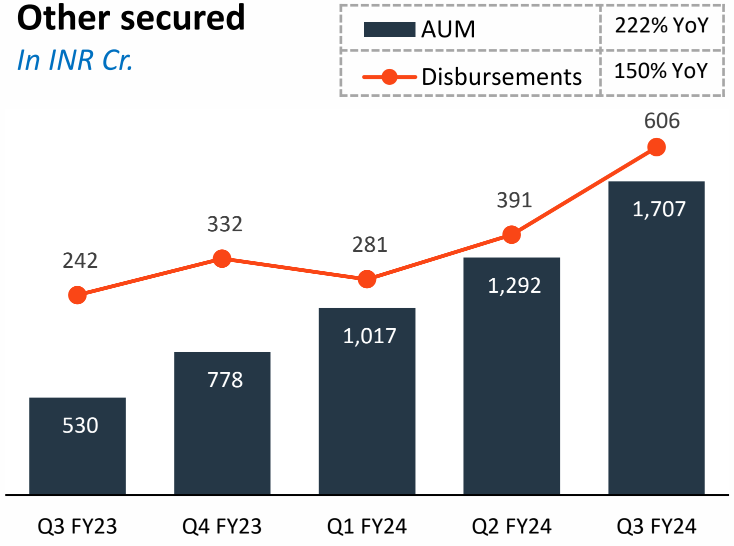
LAP

In INR Cr.



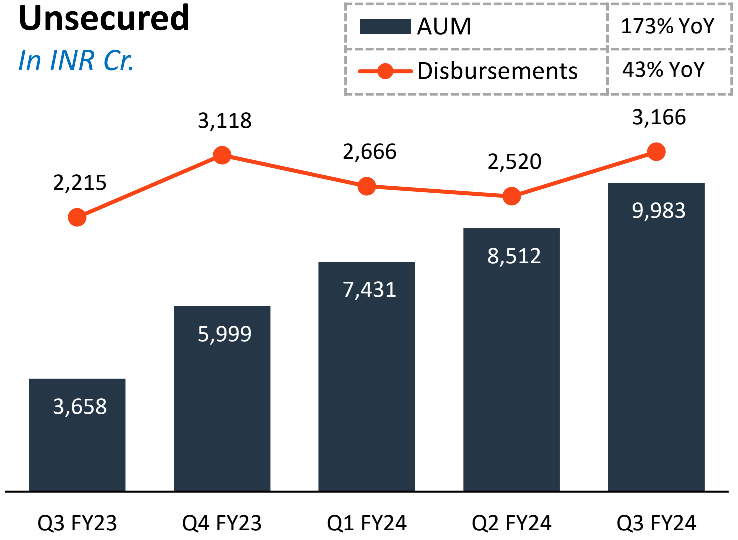
Other secured

In INR Cr.



Unsecured

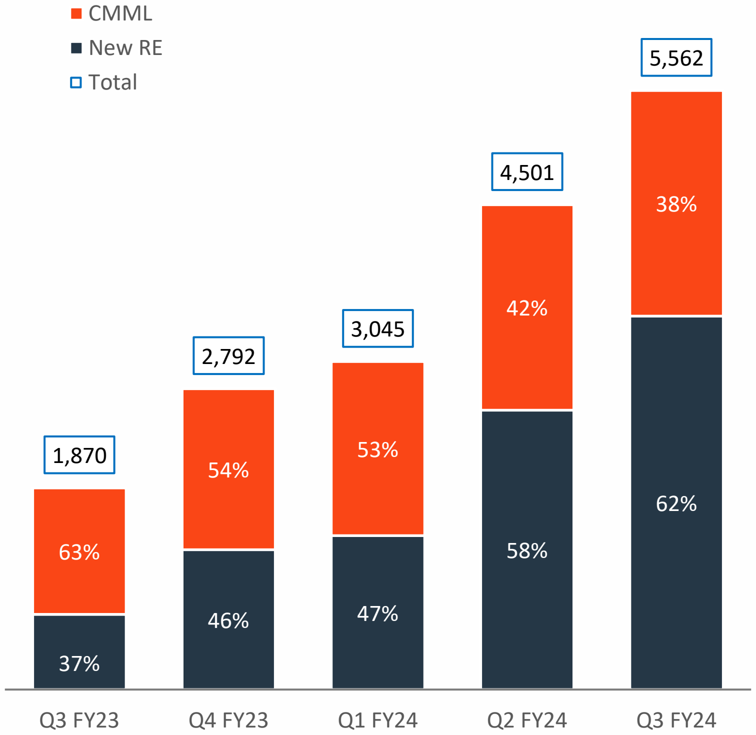
In INR Cr.



Wholesale 2.0 – building a granular new book (4/4)

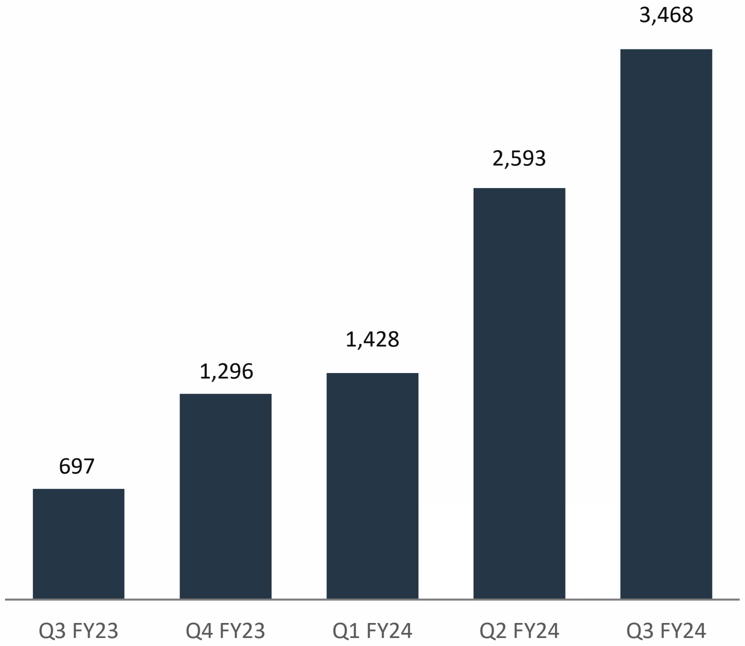
Wholesale 2.0 AUM up 24% QoQ

In INR Cr.



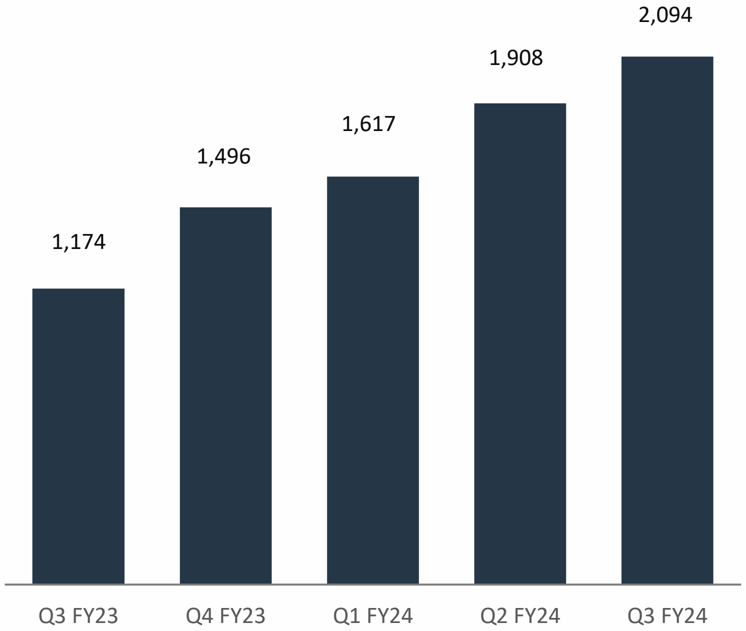
New RE[1] AUM up 34% QoQ

In INR Cr.



CMML[2] AUM up 10% QoQ

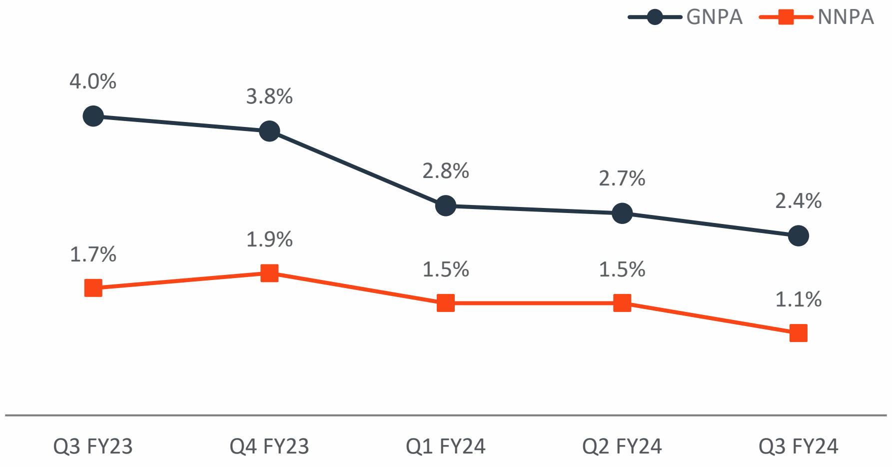
In INR Cr.



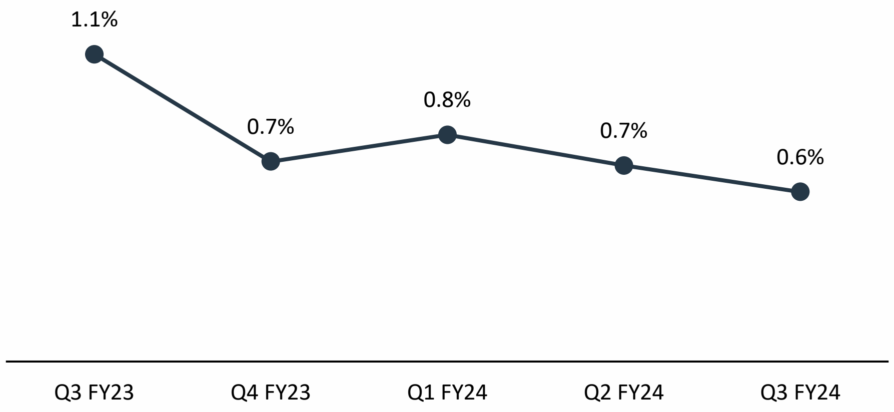
Note: (1) RE : Real estate
(2) CMML : Corporate mid market lending

Asset quality – reduction in NPA ratios and retail DPDs

GNPA & NNPA ratio



Retail 90+ DPD delinquency[1]



- **Wholesale stage 2+3 assets** are down 54% YoY to INR 4,721 Cr with PCR of 32%, unchanged QoQ
- **SRs down** 6% since Q1 FY24, led by cash realisation of INR 909 Cr

Note: (1) 90+ DPD delinquency = 90 to 179 days DPD

Impact of RBI's AIF circular – provision made; confident of full recovery

- In PEL and PCHFL, we have AIF exposure in two schemes relating to our legacy wholesale 1.0 business. We are Limited Partners (LPs) in these schemes.

	PEL's exposure (INR Cr)	AIF overlap with loans, Dec'23 (INR Cr)	Treatment
AIF – A	3,142[1]	1,746	Provision of INR 3,142 Cr
AIF – B	398	Nil	Provision of INR 398 Cr

- **Provisions** of INR 3,540 Cr taken pursuant to the RBI circular on investments in AIFs dated 19th December 2023.
    - Excluding the impact of these provisions, Q3 FY24 **PAT** and **CRAR** would have been INR 290 Cr and 28.4%, respectively.
    - Excluding these provisions, Total AUM up 6% QoQ and 9% YoY to INR 70,823 Cr.
- We remain **confident of full recovery** of the AIF investments.
    - PEL and PCHFL have received INR 1,137 Cr so far as repayment of interest and principal on these units.

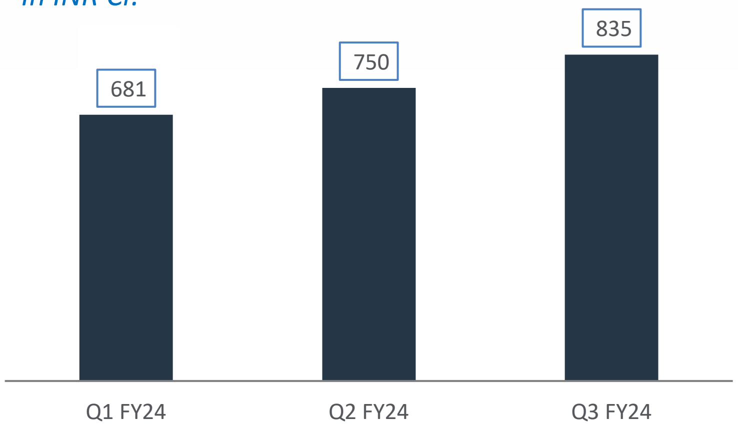
- In addition, in our AIF schemes relating to our **alternatives business** (where we are fund managers), there is no impact of the RBI circular.

Note: (1) Net of payments since end-Q3 FY24

P&L performance – consolidated entity: progressively improving over three quarters

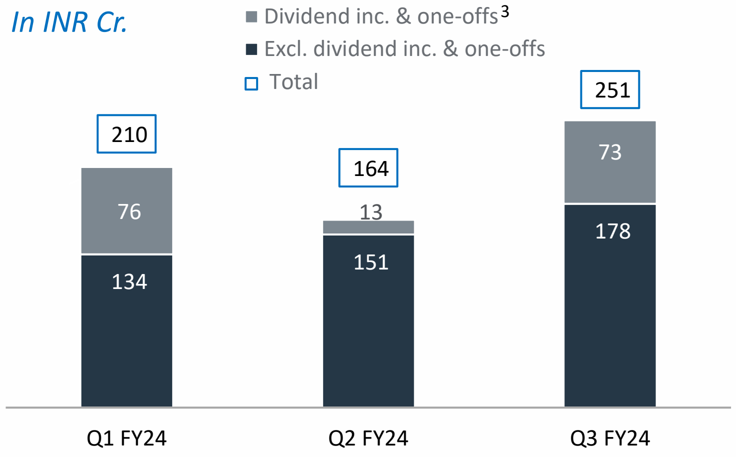
Net interest income[1] – continues to recover

In INR Cr.



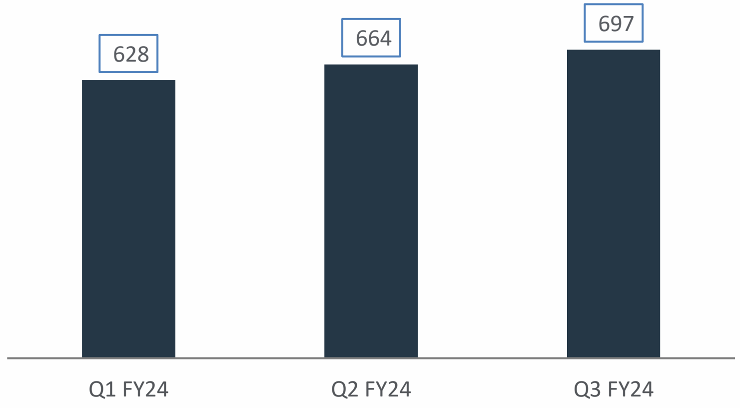
Other income[2] – fee growth sustaining

In INR Cr.



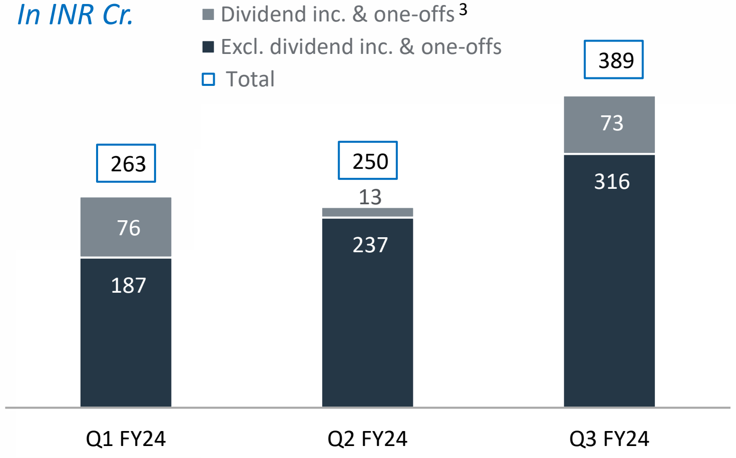
Opex – led by changing AUM mix & investments

In INR Cr.



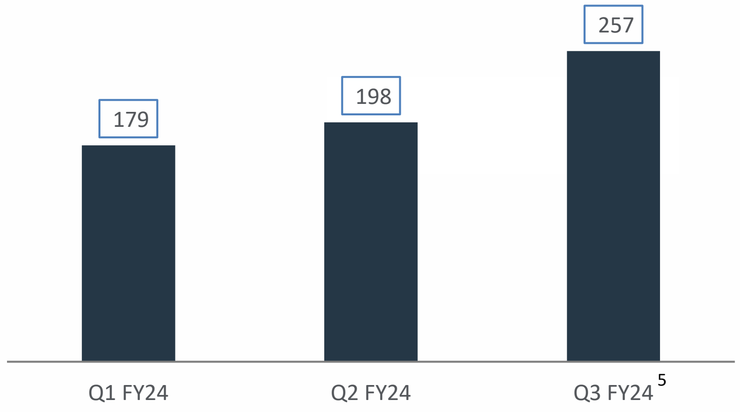
PPOP – supported by NII & fee

In INR Cr.



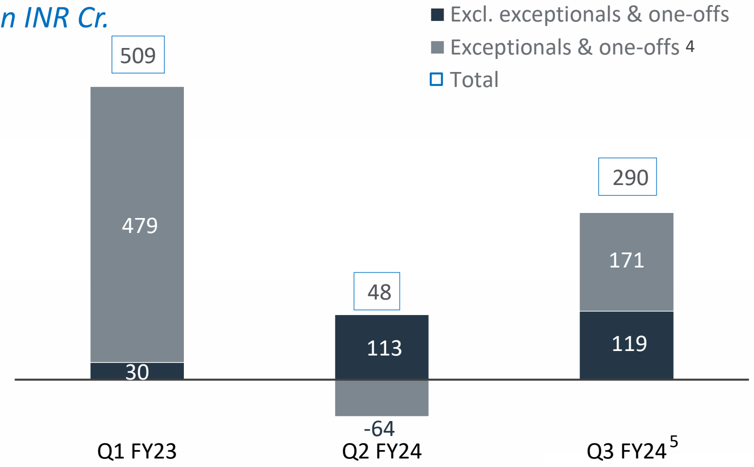
Credit Cost – within the expected range

In INR Cr.



PAT – at INR 119 Cr, ex-exceptionals & one-offs

In INR Cr.

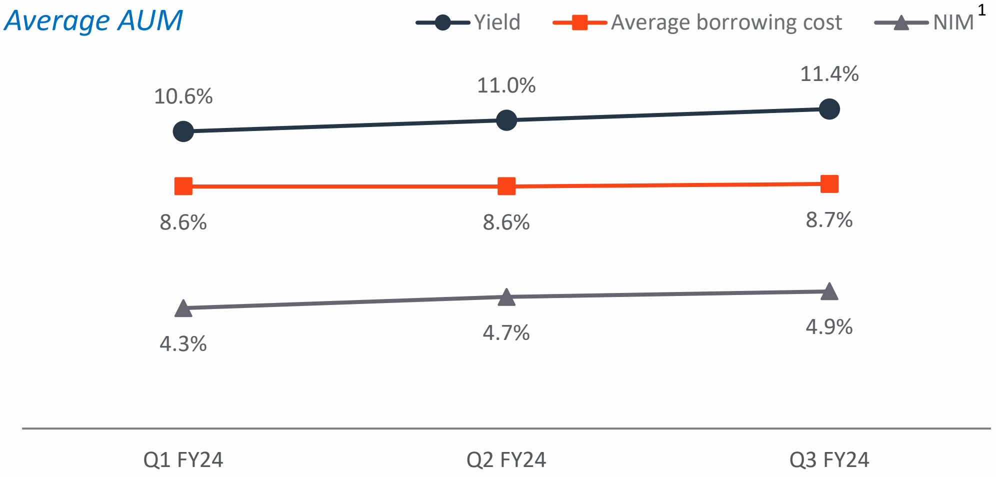


Notes: (1) Net interest income = interest income - interest expense
(2) Other income includes all non-interest income
(3) Dividend from Shriram investments; one-offs includes INR 64 Cr of interest income from Income Tax refunds in Q3FY24
(4) Includes INR 124 Cr pertaining to litigative tax refund of eDHFL of FY 2019-20 and INR 47 Cr of interest income (post tax) on Income Tax refunds in Q3FY24
(5) Excludes provisions of INR 3,540 Cr (INR 2,668 Cr post-tax) taken pursuant to the RBI circular on investments in AIFs dated 19th Dec 2023

P&L performance – lending business

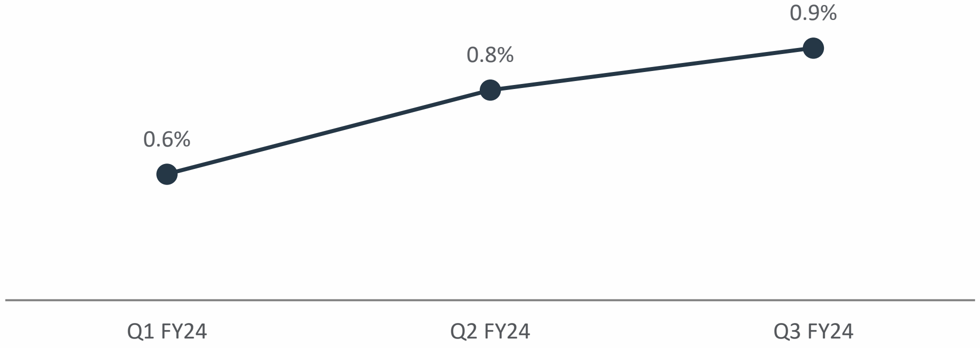
NIM expands, led by yields

% of Average AUM



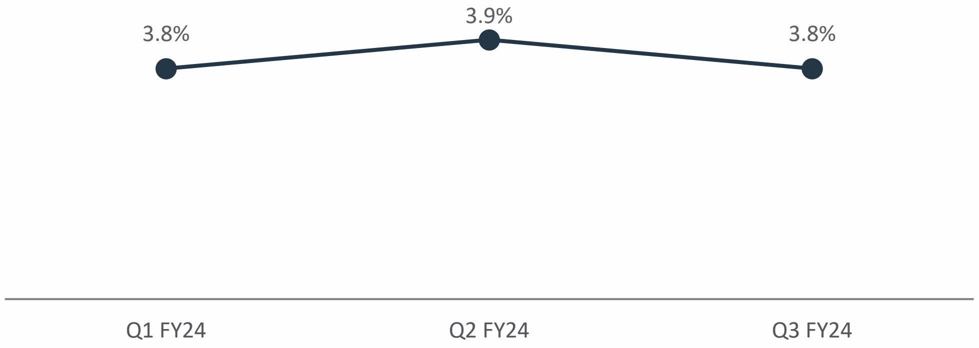
Fee income – continues to grow

% of Average AUM



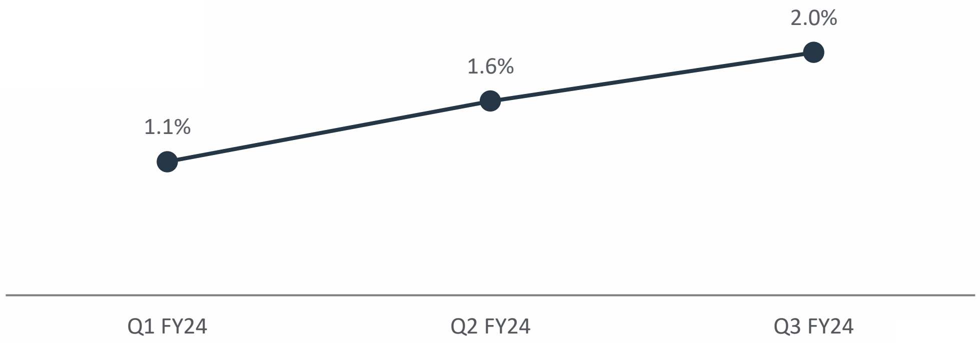
Opex – broadly stable QoQ

% of Average AUM



PPOP[2] – recovery sustaining

% of Average AUM

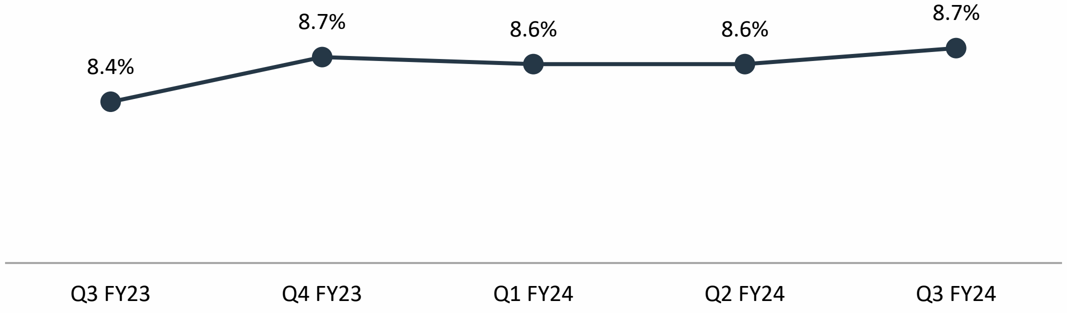


Notes: (1) Net interest margin = net interest income / average AUM
(2) Excludes dividend income and one-offs

Stable liability management

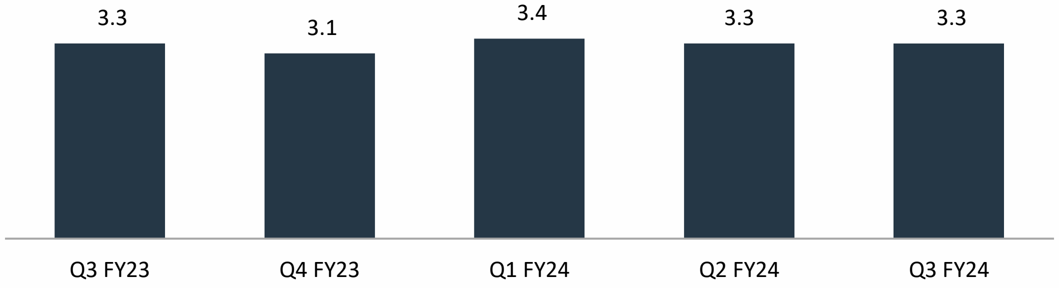
Average borrowing cost

In %



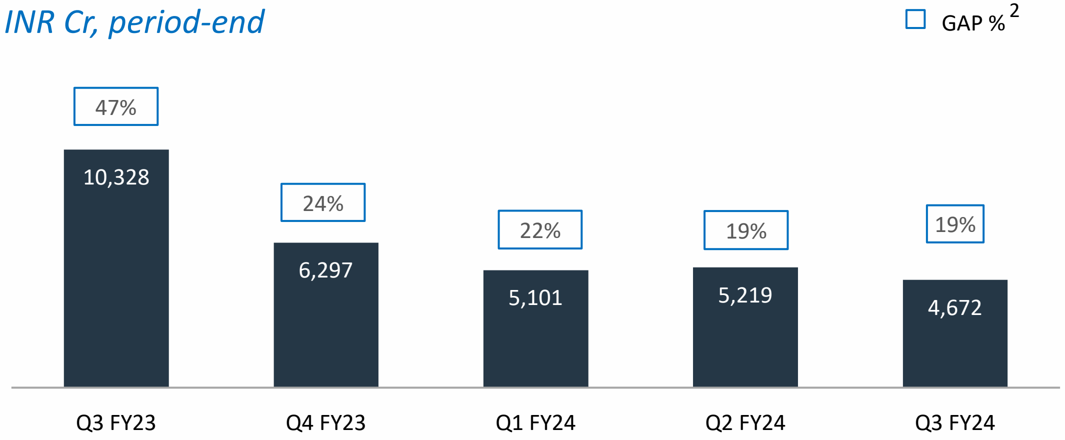
Maturity of borrowings

In years, weighted average on a residual basis

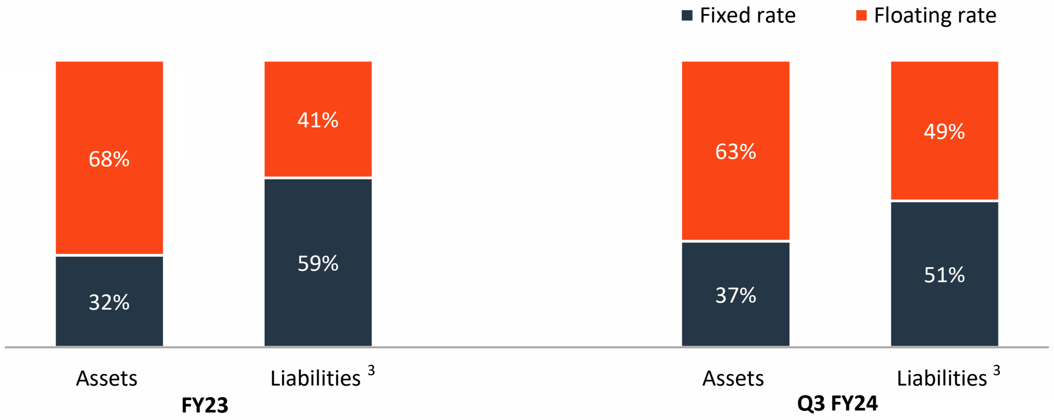


Cumulative ALM gap[1] (up to 1 year)

In INR Cr, period-end



Fixed : Floating rate mix



Notes: (1) Cumulative GAP = Cumulative inflows up to 1-year – cumulative outflows up to 1-year
(2) GAP% = Net flows (i.e., cumulative inflows – cumulative outflows) as a % of cumulative outflows
(3) Liabilities includes fixed rate borrowings of INR 17,097 Cr for FY23 & 16,635 Cr for Q3 FY24

Solid progress on strategic priorities – growth & mix change ahead of medium-term targets

Key metrices	Q1 FY24	Q2 FY24	Q3 FY24	FY28E[1]
Total AUM (INR '000 Cr)	64 *(down 1% YoY)*	~67 *(up 5% YoY)*	~71[2] *(up 9%[2] YoY)*	120-130 *(15% CAGR[3])*
Retail : Wholesale mix	55 : 45	58 : 42	64 : 36	70 : 30
Retail AUM growth	58% YoY	55% YoY	54% YoY	23% CAGR[3]
ROA[4]	0.2%	0.6%	0.6%	3-3.3% *(Retail ROA: 2.5-3%; Wholesale ROA: 3.5-4%)*
Asset to equity (A/E)	2.5	2.7	3.0	3.7

Building diversified and granular growth businesses

- A housing focused diversified retail business
- A profitable wholesale 2.0 business

Rundown of legacy wholesale & exit non-core assets

- Optimal run down of wholesale 1.0 business
- Divestment of stake in Shriram Group

Conservative liabilities mix

Tech and analytics at the core of lending

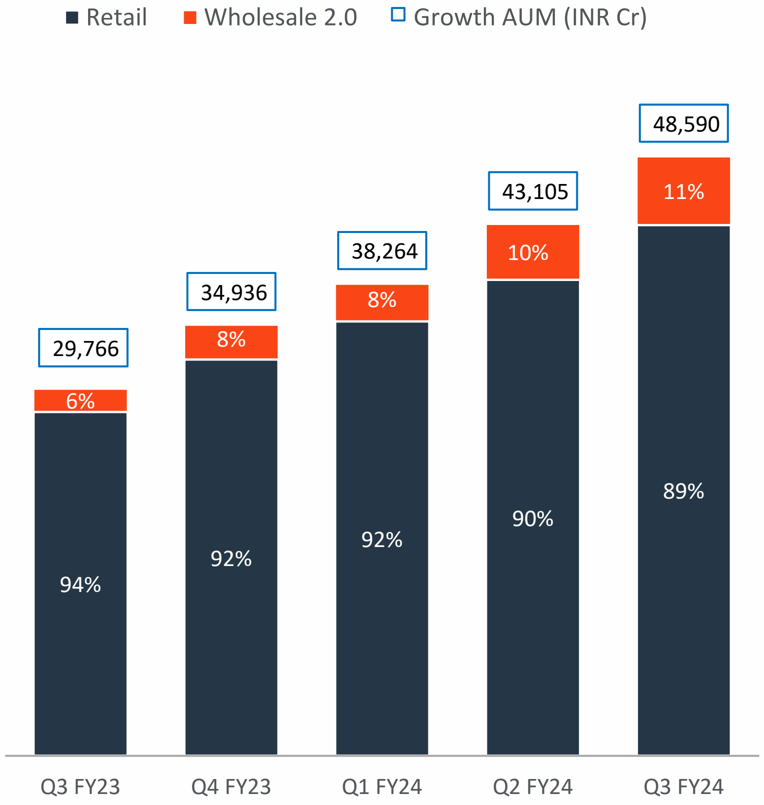
Notes:
(1) FY28 expectations as presented at Investor Day on 28 August 2023
(2) Excluding the impact of AIF provision related reduction at quarter-end
(3) Over FY23
(4) ROA excludes exceptionals and one-offs

2. Growth business

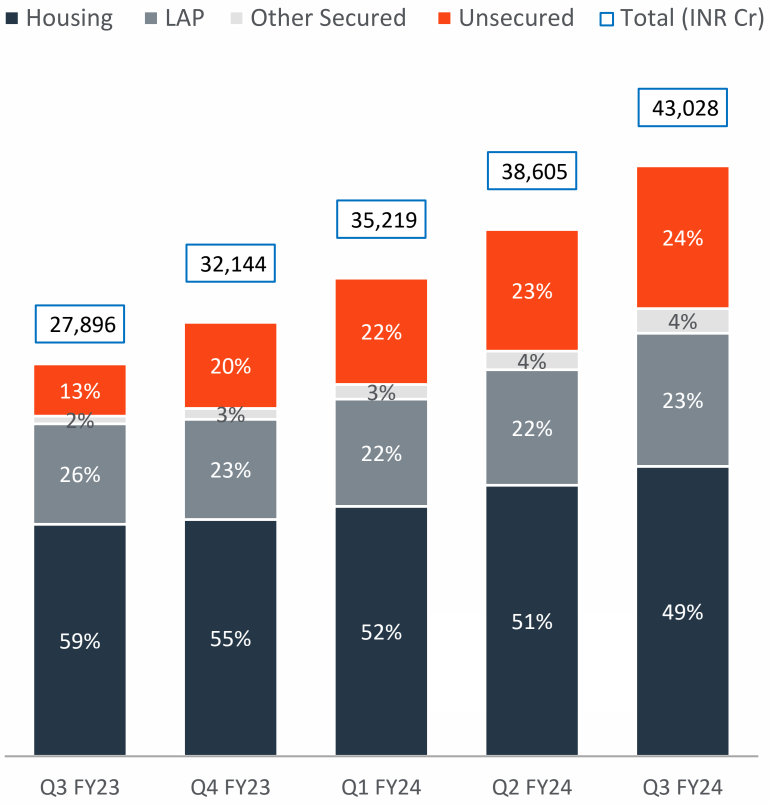
Piramal

Growth AUM of INR 48.6k Cr, growing at 57% CAGR

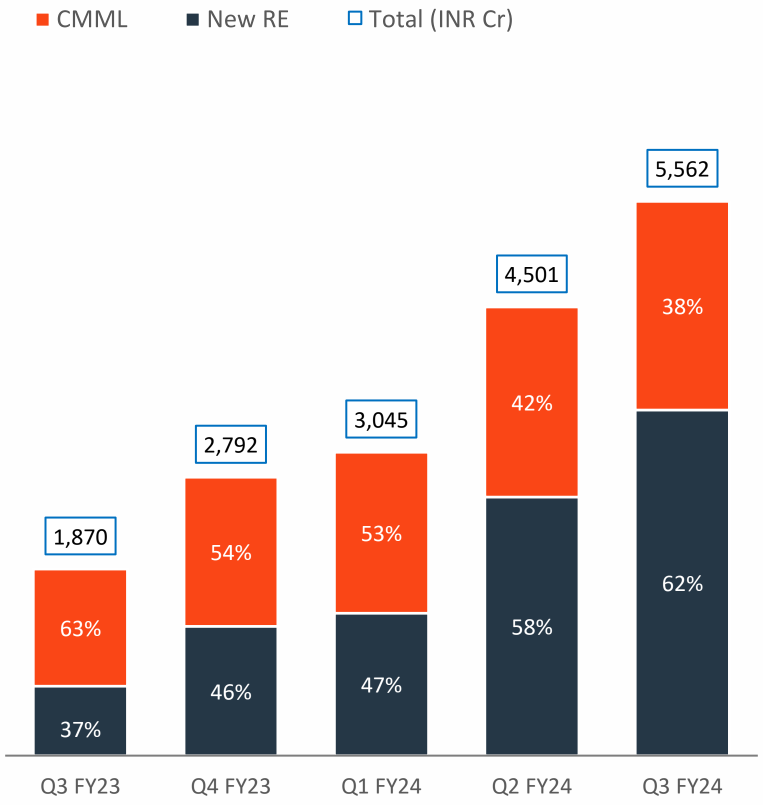
Growth AUM up 63% YoY in Q3 FY24



Retail AUM up 54% YoY



Wholesale 2.0 AUM up 197% YoY



2. Growth business

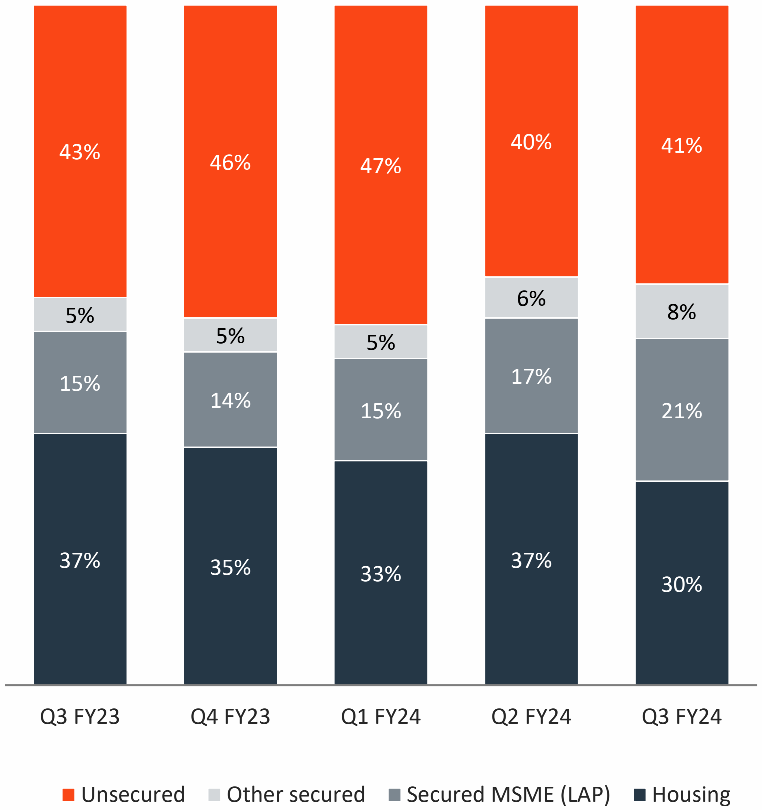
a. Retail lending

Piramal

Diverse product mix – yields now in a range after a large mix driven shift

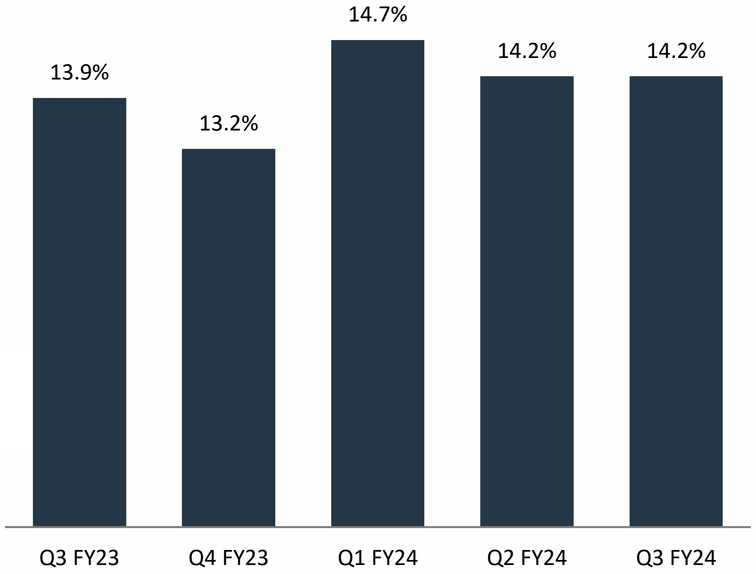
Disbursements by product family

based on value for retail loans



Disbursement yields[1]

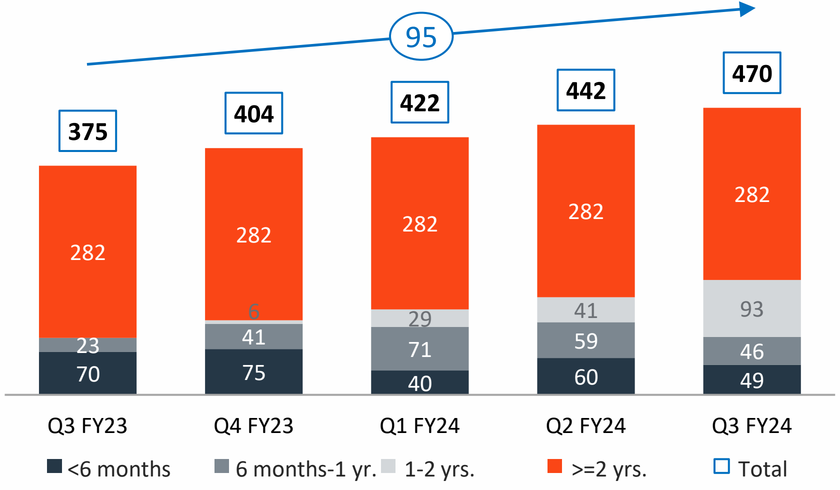
for retail loans (loans >1 year duration)



Note: (1) Disbursements of <1 yr. duration (4% for Q3 FY24) having higher average yield (14.6% for Q3 FY24) not included in the above calculation

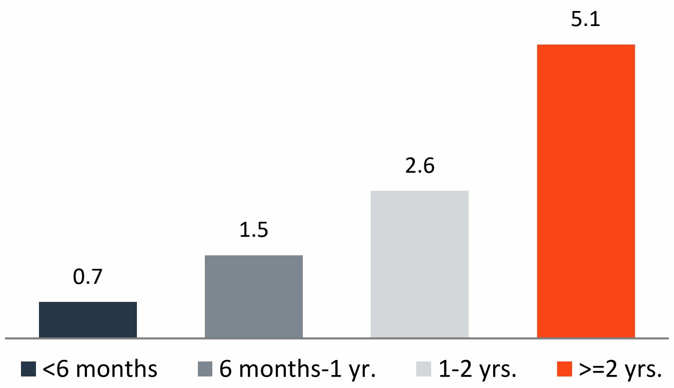
Branch mix shifted towards newer branches; productivity improvement on the cards

Branch mix by vintage

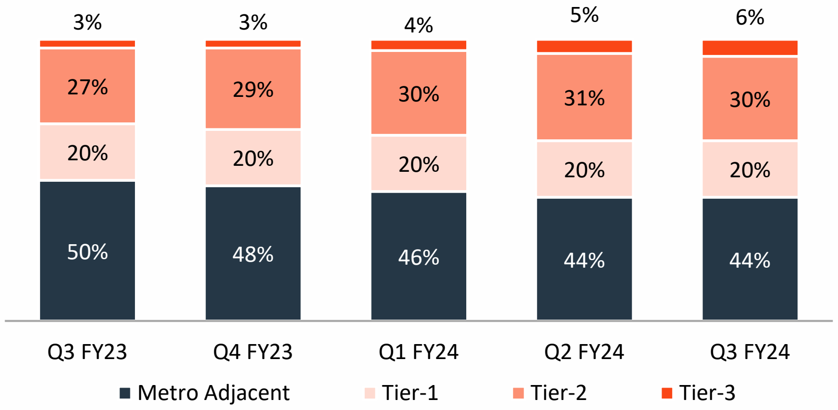


Benchmark monthly disbursement[1] per branch

In INR Cr.



Retail AUM by geographic exposure[2]



Plan to expand to 500-600 branches

470
Conventional branches

179
Microfinance branches

25
No. of states present

369
No. of cities/towns present

625
Districts served

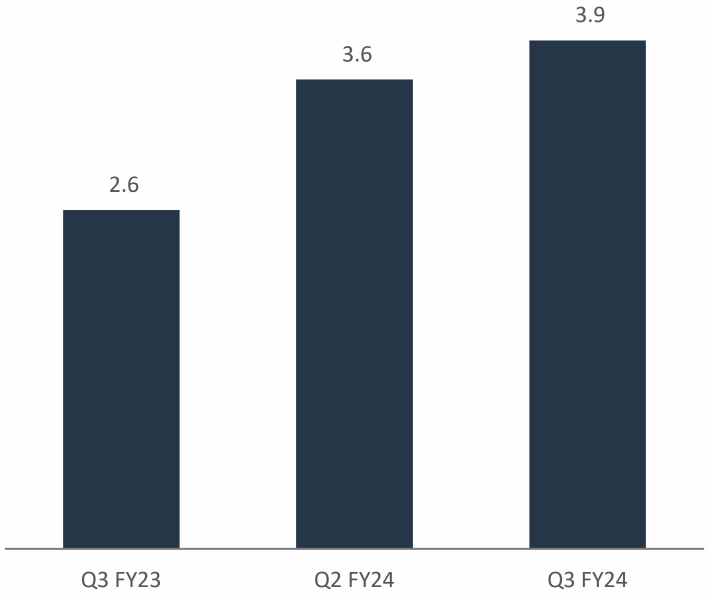
Note: (1) Only for branch led products

(2) Population considered Tier 1: 40+ lacs, Tier2: 10-40 lacs, Tier3: <10 lacs; metro adjacent locations carved out from tier 1/2/3 for centres in peripheries of metros.

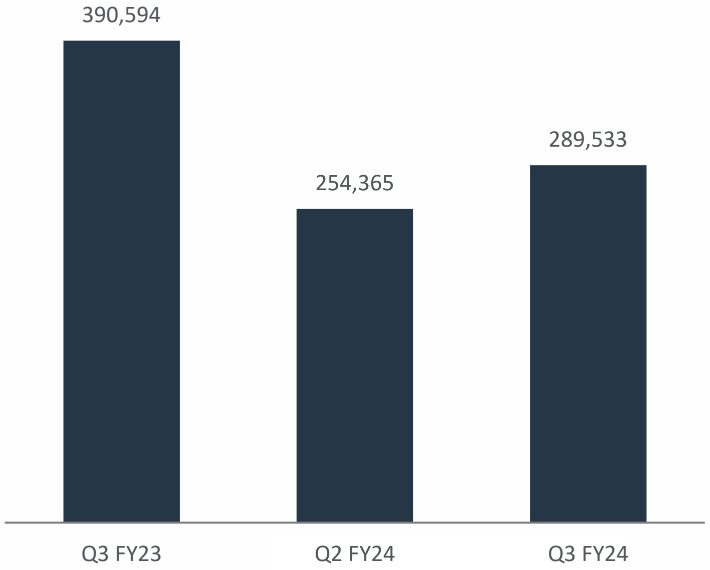
Expanded customer franchise to 3.9 mn

Customer franchise[1]

 # Mn

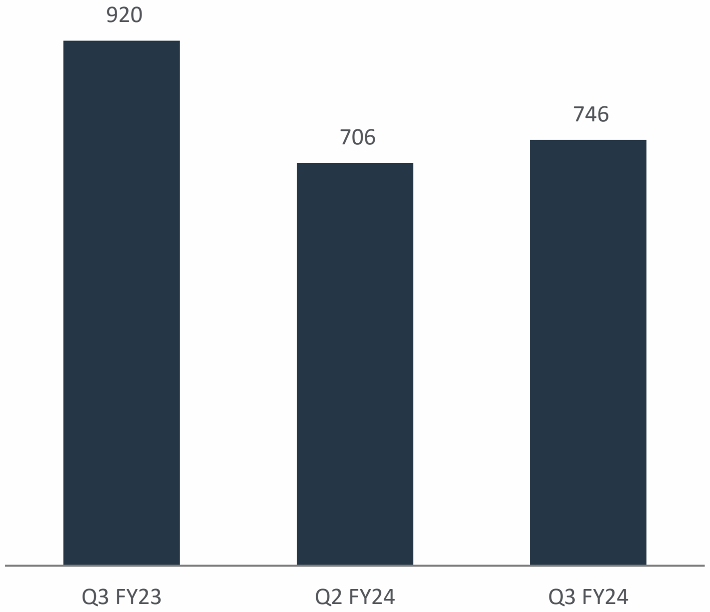


New customers acquired



Cross-sell disbursements

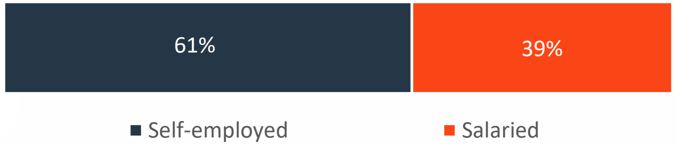
In INR Cr



Retail AUM by category

- We continue to grow our customer franchise
- 1.2 mn active customers

Retail AUM by customer type

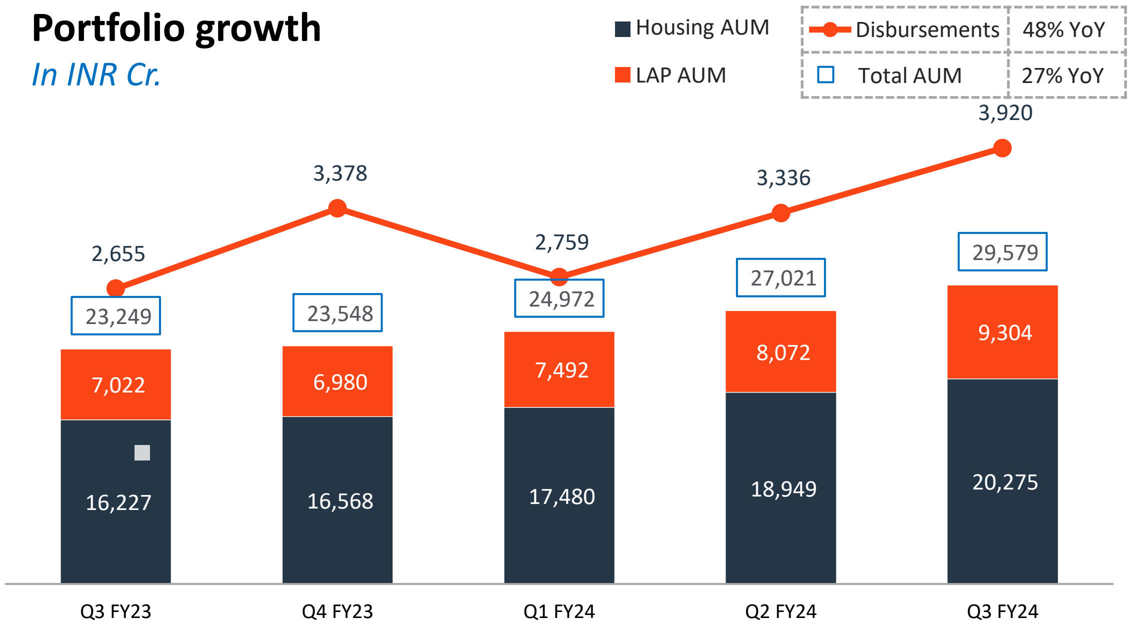


Note: (1) Customer franchise includes existing / past borrowers as well as co-borrowers

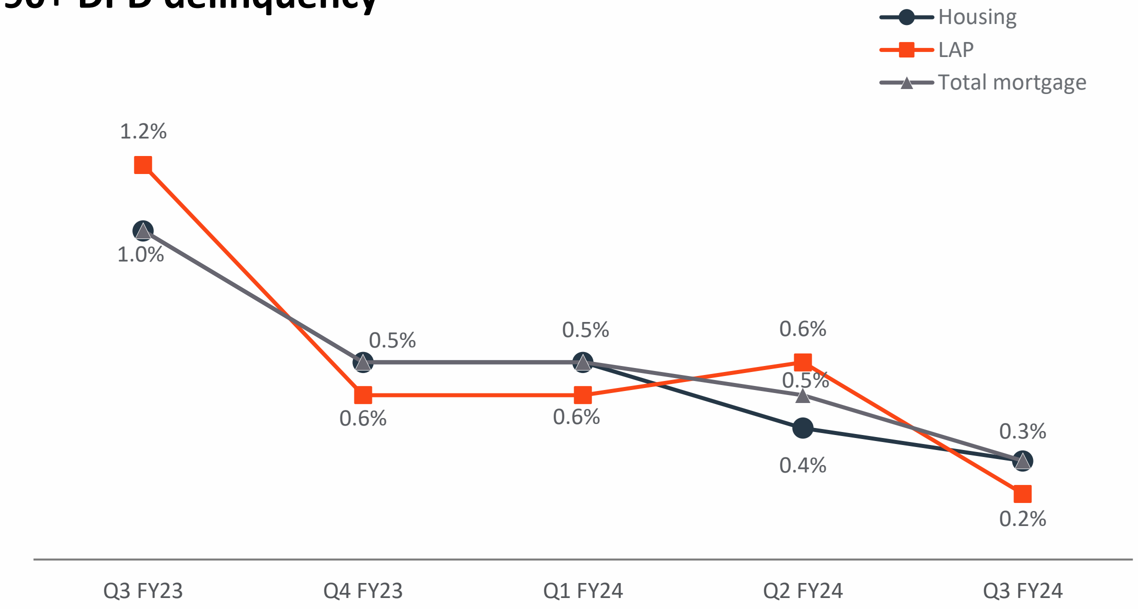
Mortgage: *72% of retail AUM, up 27% YoY; at-scale lender in affordable housing (1/3)*

Portfolio growth

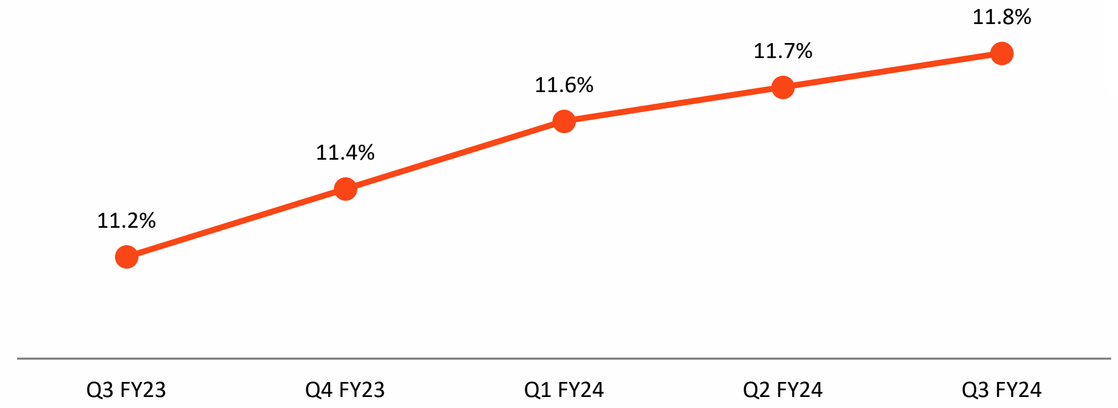
In INR Cr.



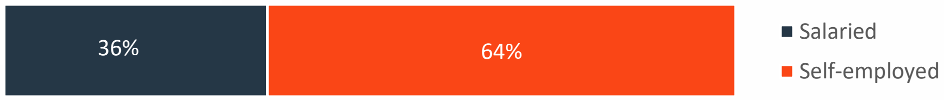
90+ DPD delinquency[1]



Disbursement yields



AUM by customer type



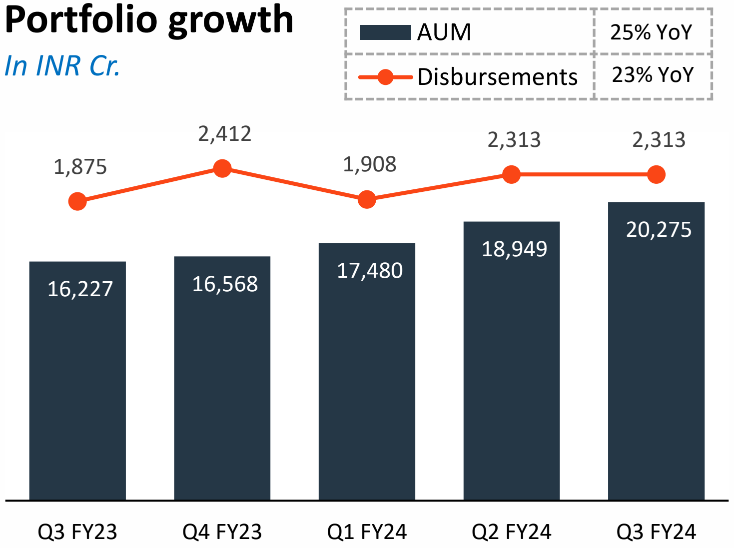
- Mortgage is the hook product in retail segment
- For any new branch, we start with mortgage before launching other products after some time

Note: (1) 90+ DPD delinquency = 90 to 179 days DPD

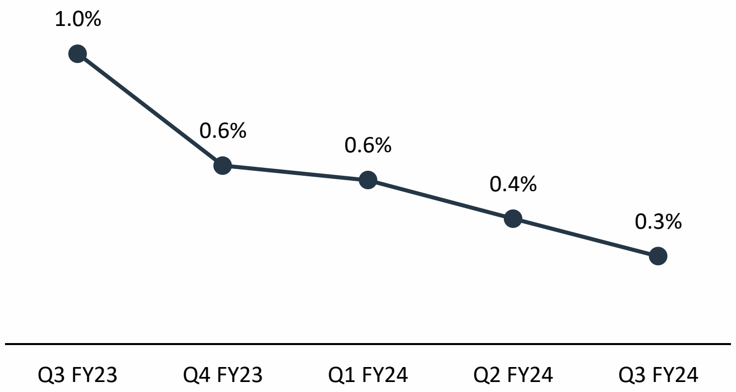
Mortgage - Housing loans: sustained *growth momentum - improving portfolio quality (2/3)*

Portfolio growth

In INR Cr.



90+ DPD delinquency[1]



68%

Lending in tier 2/3 cities

19 Lac

Average ticket size

59%

Average LTV

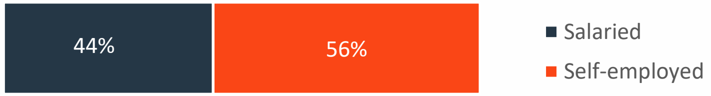
751

Average CIBIL score

11.2%

Disbursement yield

Housing AUM by customer type



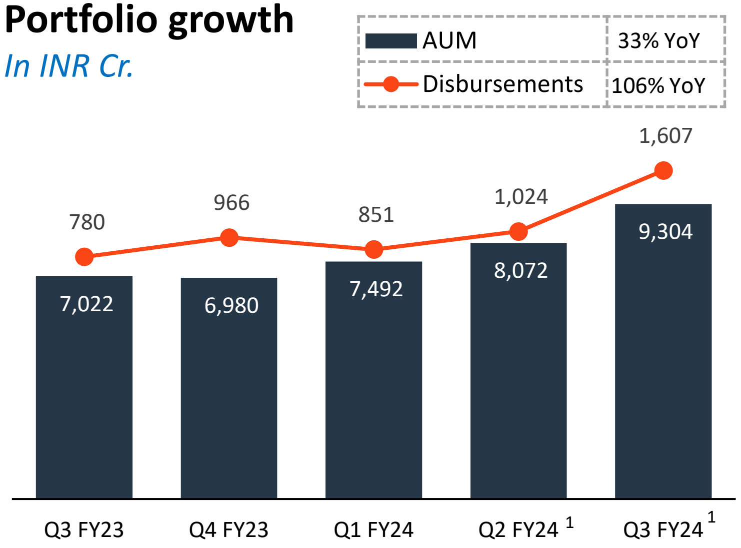
Housing AUM by stage of construction

Note: (1) 90+ DPD delinquency = 90 to 179 days DPD

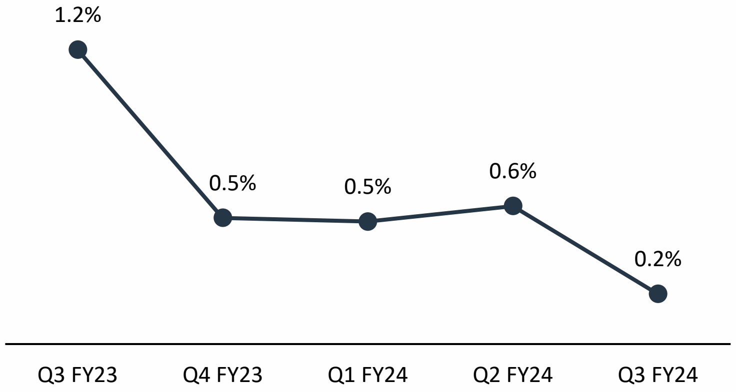
Mortgage – LAP: *AUM up 33% YoY; sharp uptick in disbursements (3/3)*

Portfolio growth

In INR Cr.



90+ DPD delinquency[2]



65%
Lending in tier 2/3 cities

23 Lac
Average ticket size

45%
Average LTV

751
Average CIBIL score

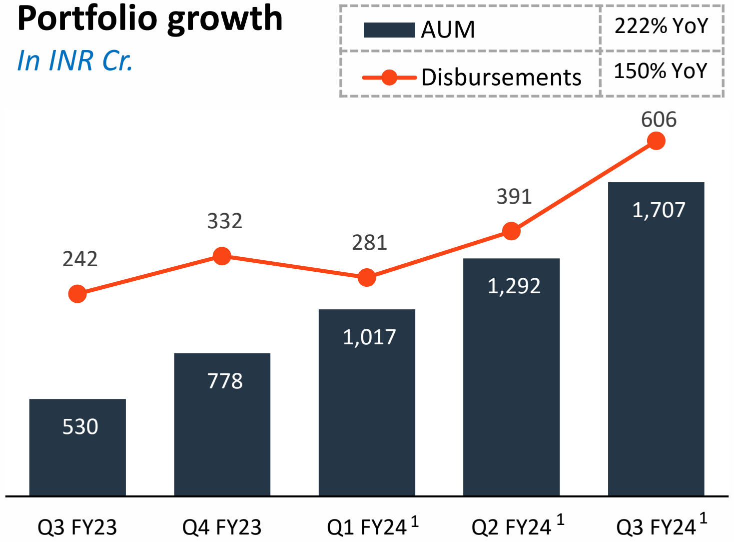
12.6%
Disbursement yield

Notes: (1) Concluded a DA sale transaction of INR 193 Cr in Q3 FY24 and INR 342 Cr in Q2 FY24
(2) 90+ DPD delinquency = 90 to 179 days DPD

Other secured loans: *steep growth trajectory in used car loans*

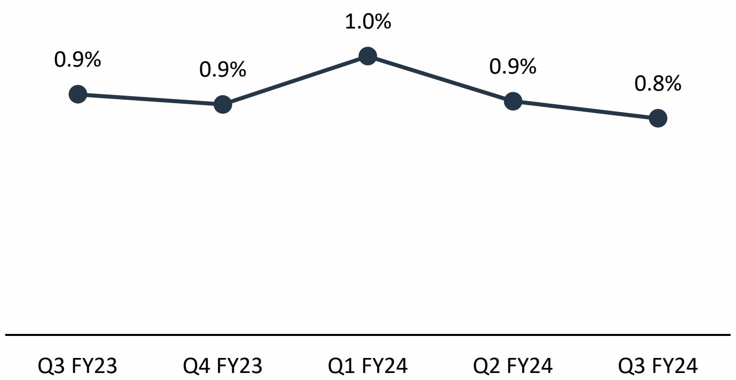
Portfolio growth

In INR Cr.



	Q3 FY23	Q4 FY23	Q1 FY24[1]	Q2 FY24[1]	Q3 FY24[1]
AUM	530	778	1,017	1,292	1,707
Disbursements	242	332	281	391	606

90+ DPD delinquency[2]



Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24
0.9%	0.9%	1.0%	0.9%	0.8%

60%
Lending in tier 2/3 cities

6 Lac
Average ticket size

77%
Average LTV

743
Average CIBIL score

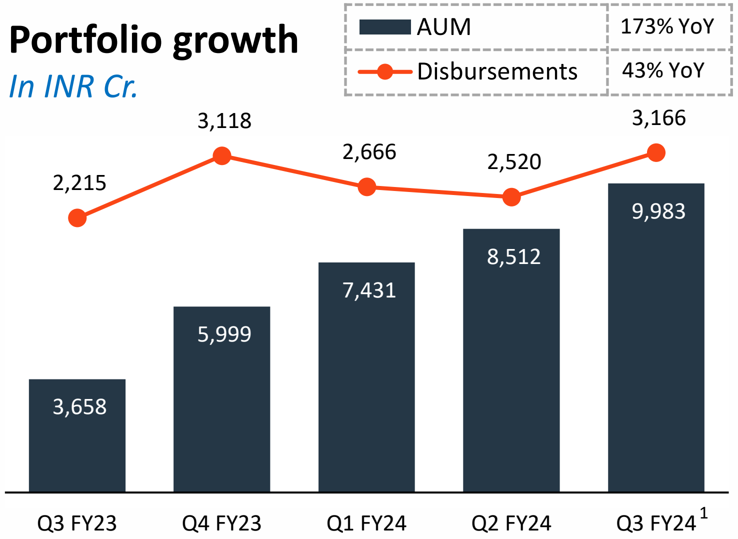
15.1%
Disbursement yield

Note: (1) Includes Loan against mutual fund (LAMF) AUM of INR 96 Cr as of Q3 FY24, INR 37 Cr as of Q2 FY24 and INR 9 Cr as of Q1 FY24
(2) 90+ DPD delinquency = 90 to 179 days DPD

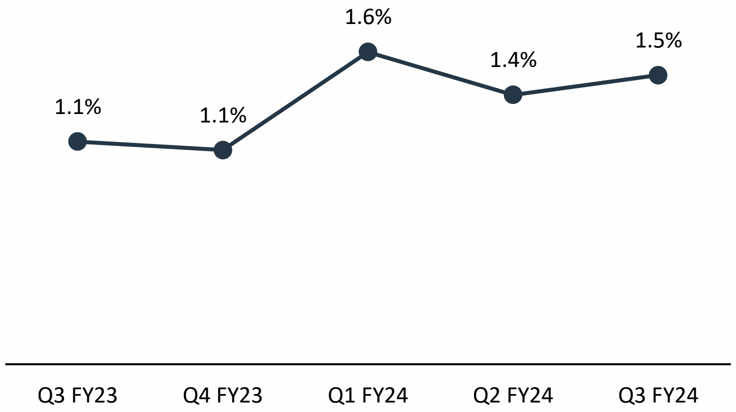
Unsecured loans: *disbursement controlled in last 9 months, risk is under control (1/4)*

Portfolio growth

In INR Cr.



90+ DPD delinquency[2]



15,29,422

Customers served

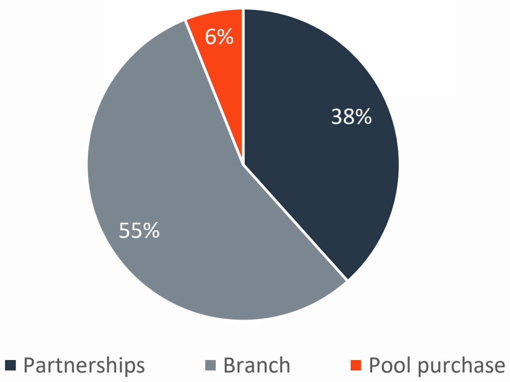
762

Average CIBIL score

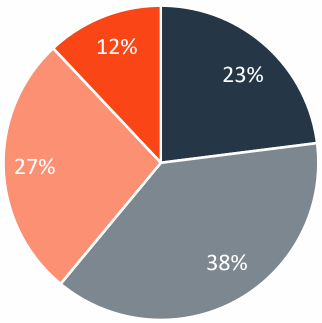
18%

Disbursement yield

AUM by channel



AUM by product



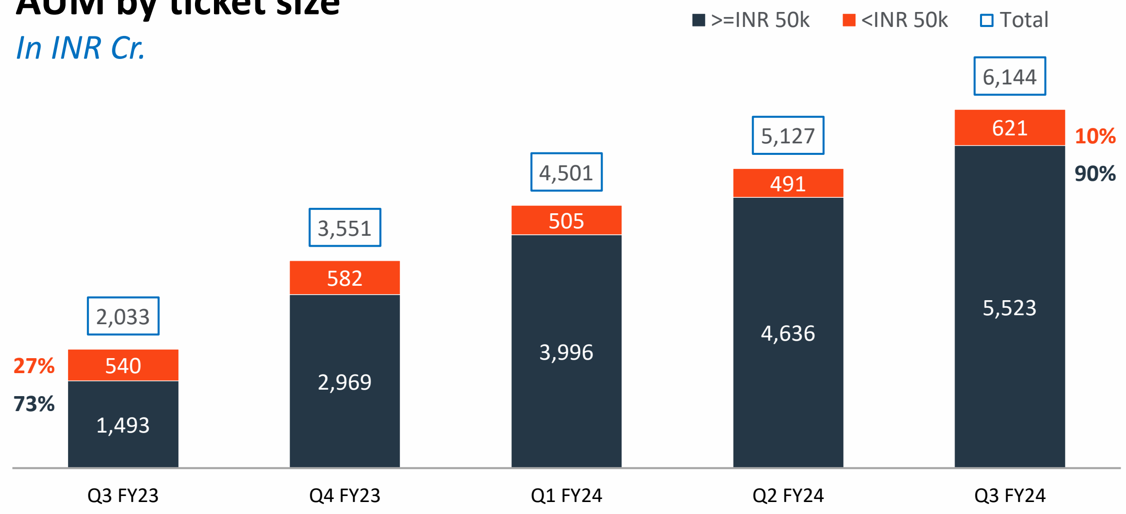
Product type	Avg. ticket size	Disb. yield
Unsecured consumer loans		
■ Salaried PL	INR 2.9 L	18.3%
■ Digital loan	INR 0.5 L	16.7%
Unsecured business loans		
■ Business loan	INR 7.8 L	20.1%
■ Microfinance	INR 0.4 L	18.7%

Notes: (1) Concluded a DA sale transaction of INR 143 Cr in Q3 FY24
(2) 90+ DPD delinquency = 90 to 179 days DPD

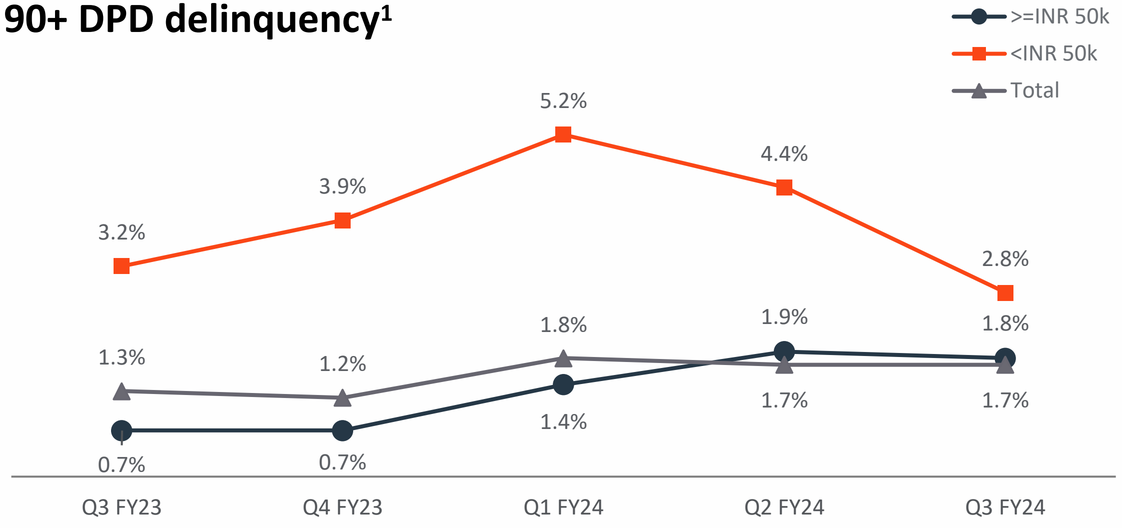
Unsecured consumer loans: *reduced contribution and risk of small ticket PL (2/4)*

AUM by ticket size

In INR Cr.

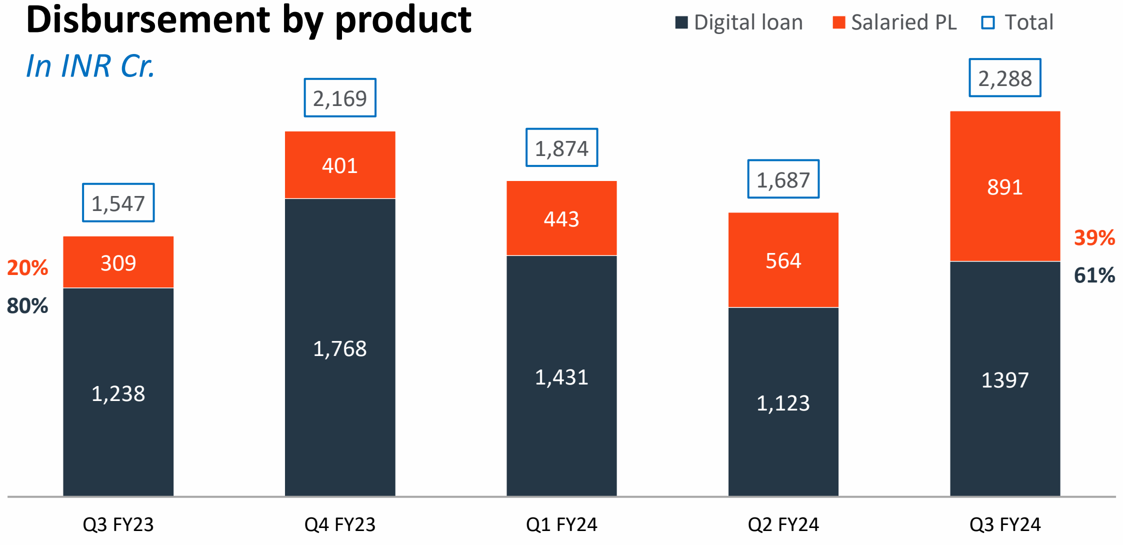


90+ DPD delinquency[1]

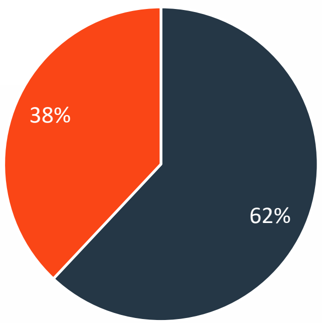


Disbursement by product

In INR Cr.



AUM by product



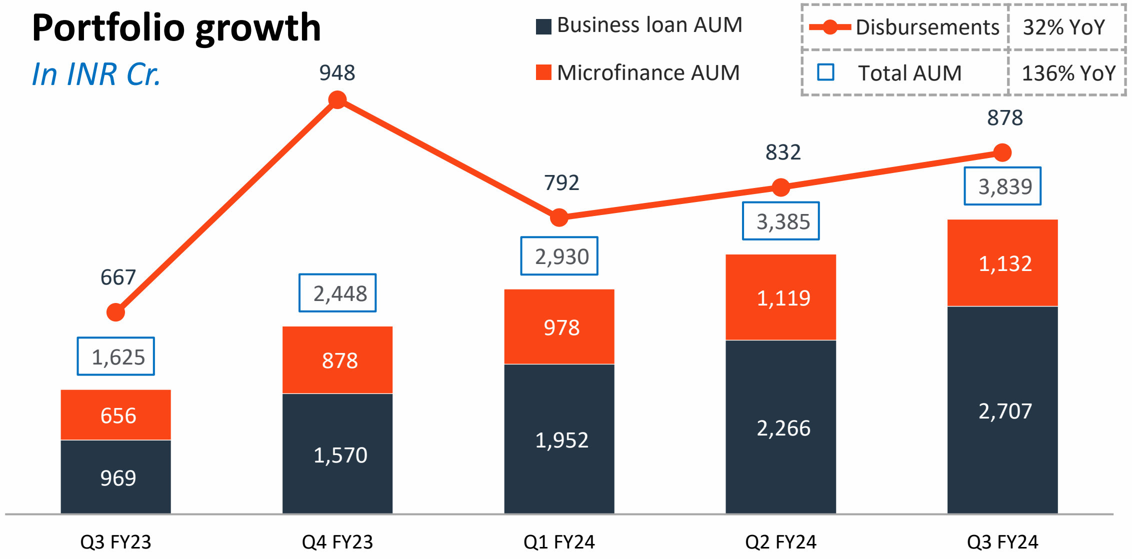
Product type	Avg. ticket size	Disb. yield
■ Digital loan	INR 0.5 L	16.7%
■ Salaried PL	INR 2.9 L	18.3%

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

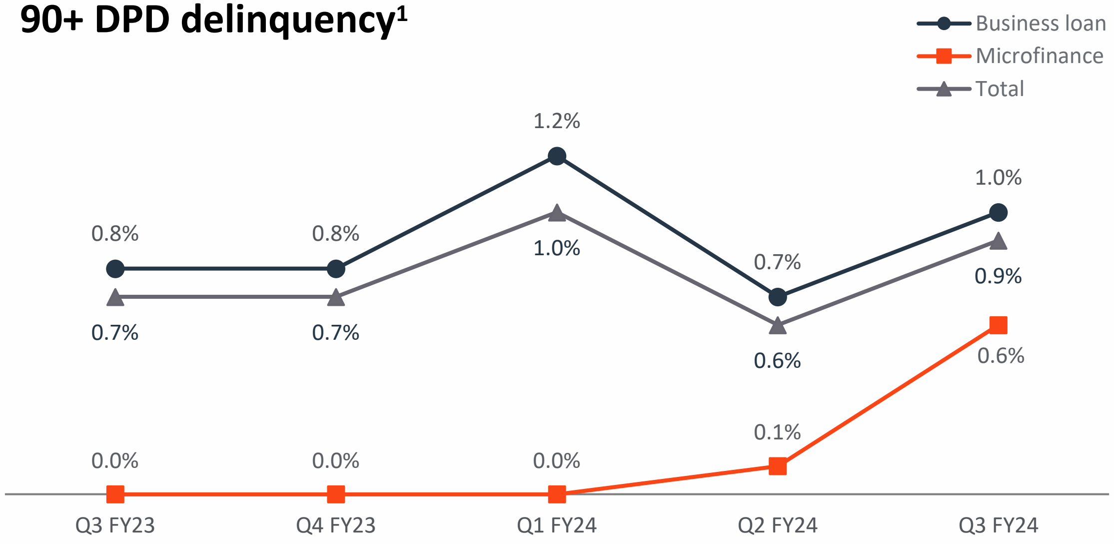
Unsecured business loans: *steady growth trends (3/4)*

Portfolio growth

In INR Cr.



90+ DPD delinquency[1]

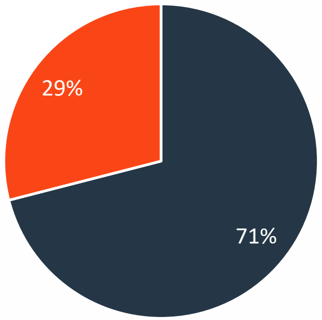


2,46,760
Customers served

760
Average CIBIL score

19.7%
Disbursement yield

AUM by product

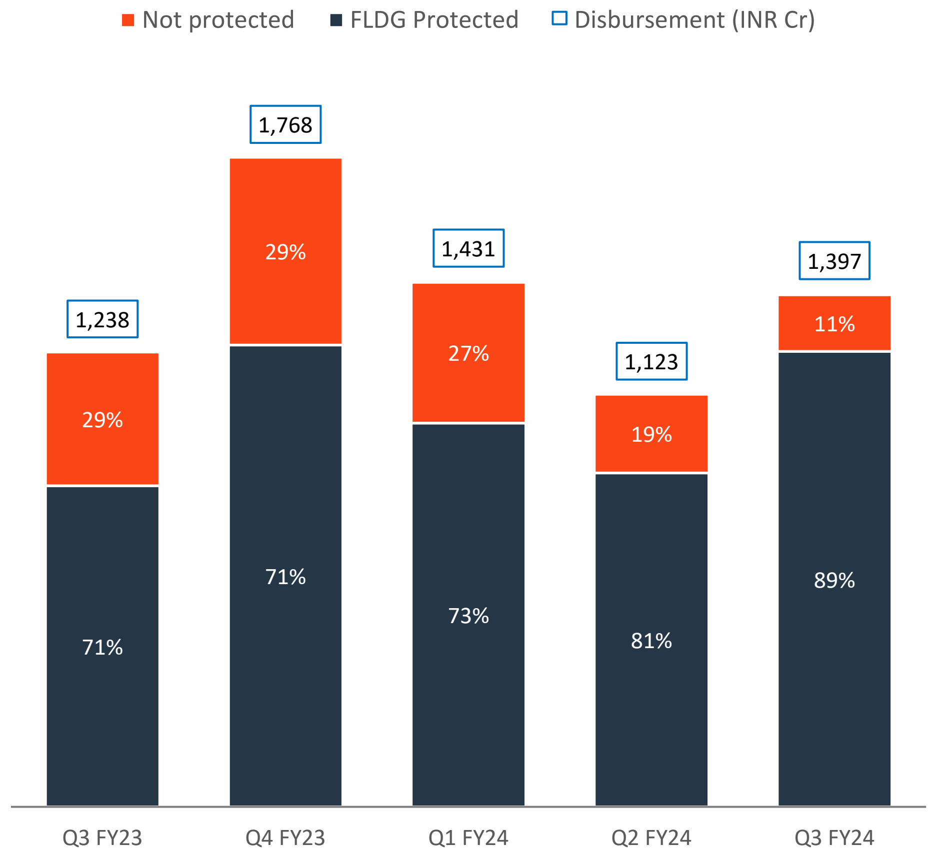


Product type	Avg. ticket size	Disb. yield
■ Business loan	INR 7.8 L	20.1%
■ Microfinance	INR 0.4 L	18.7%[2]

Note: (1) 90+ DPD delinquency = 90 to 179 days DPD
(2) Net of opex (payoff to BC partners)

Digital embedded finance: scaling-up partnerships with fintech & consumer tech firms (4/4)

~90% of digital loan disbursement is FLDG protected



25 programs live across 15 partners

Fintech NBFCs	Transaction platforms	Service providers	Edtechs / Education institutes
MSME platforms	OEMs	Gold collateral companies	Product manufacturers

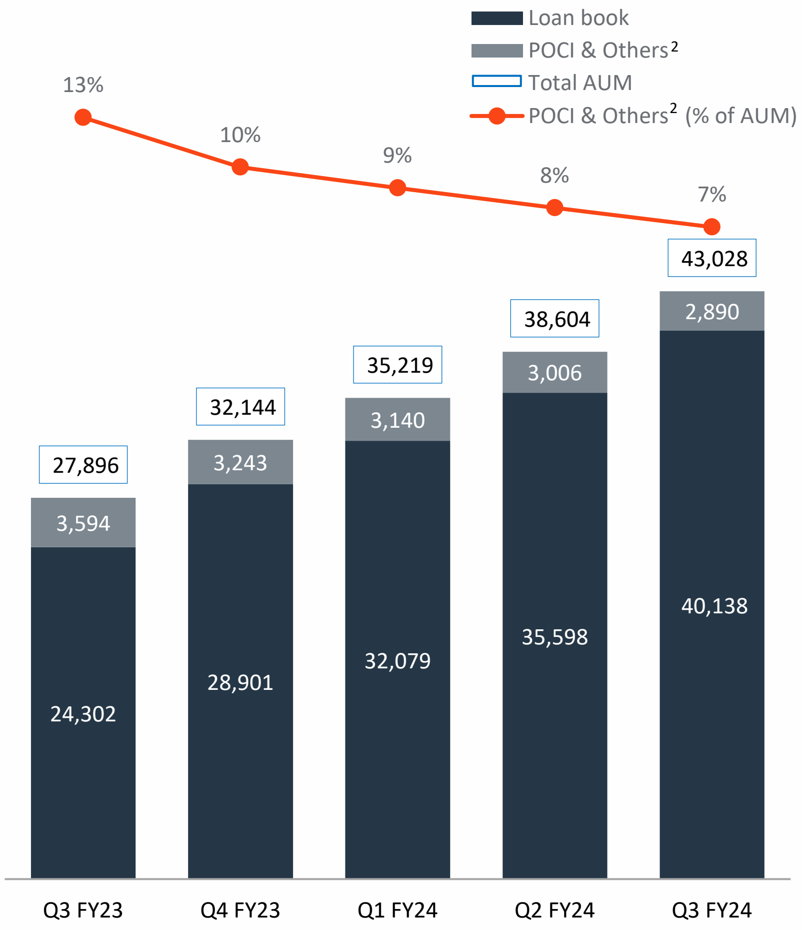
Our live partners

- Money View
- Fibe
- navi
- CarDekho
- KUWY
- Spinny
- WISHFIN
- LENDINGKART
- Paytm
- paisabazaar.com
- KreditBee
- Jio Finance
- onsitego NEW
- finnable NEW
- BharatPe NEW

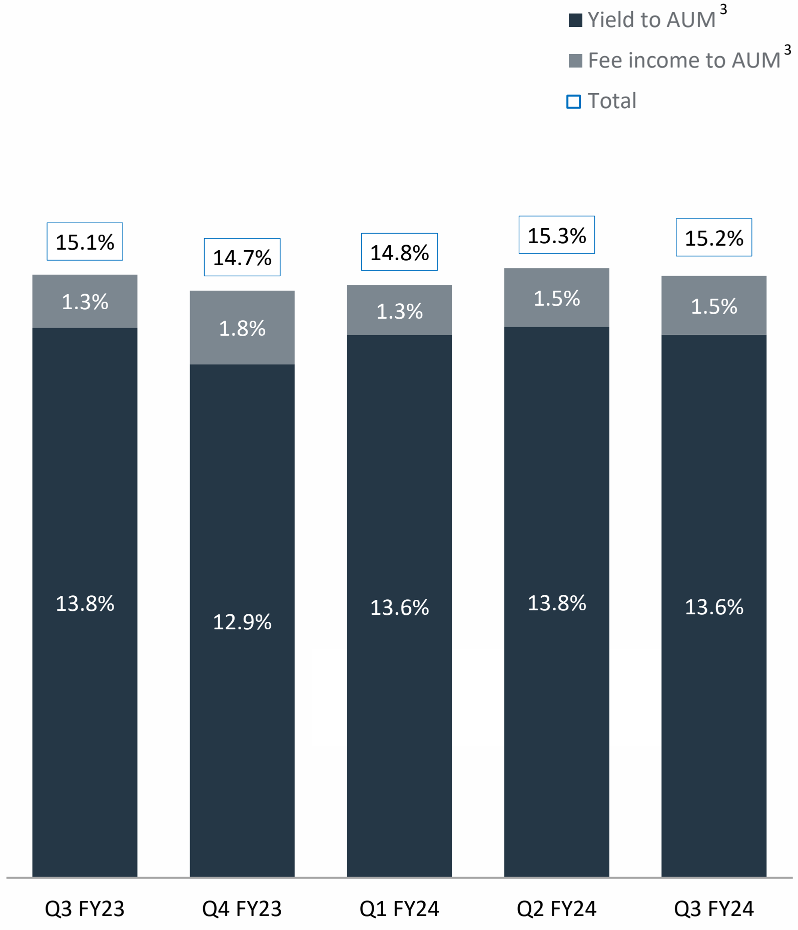
Our exposure to customers originated through the partnership with Zest Money is INR 56.4 Cr as of Jan 15, 2024
The accounts have been taken over by Piramal for collections

Stable income profile along with reduced POCI[1] book; opex ratios moderating

POCI & others[2] is now just 7% of AUM…

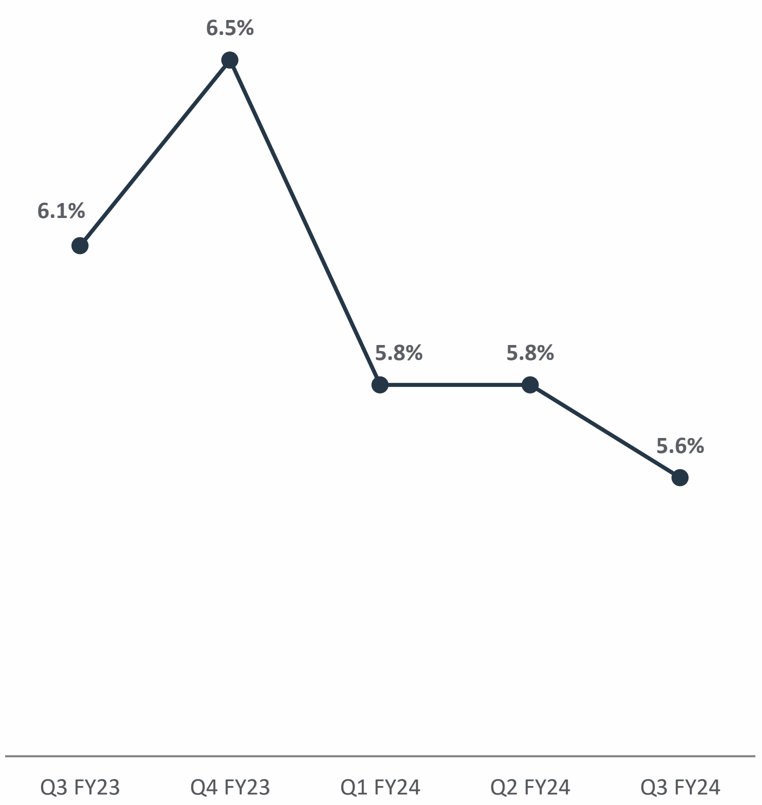


…the income level has been stable



Opex - gradually moderating

Long-range goal: 3.5% - 4.0%



Note: (1) Purchased or originated credit impaired (POCI)
(2) Includes SRs & PTC
(3) AUM includes loan book, POCI, SRs & PTC and excludes DA

2. Growth business

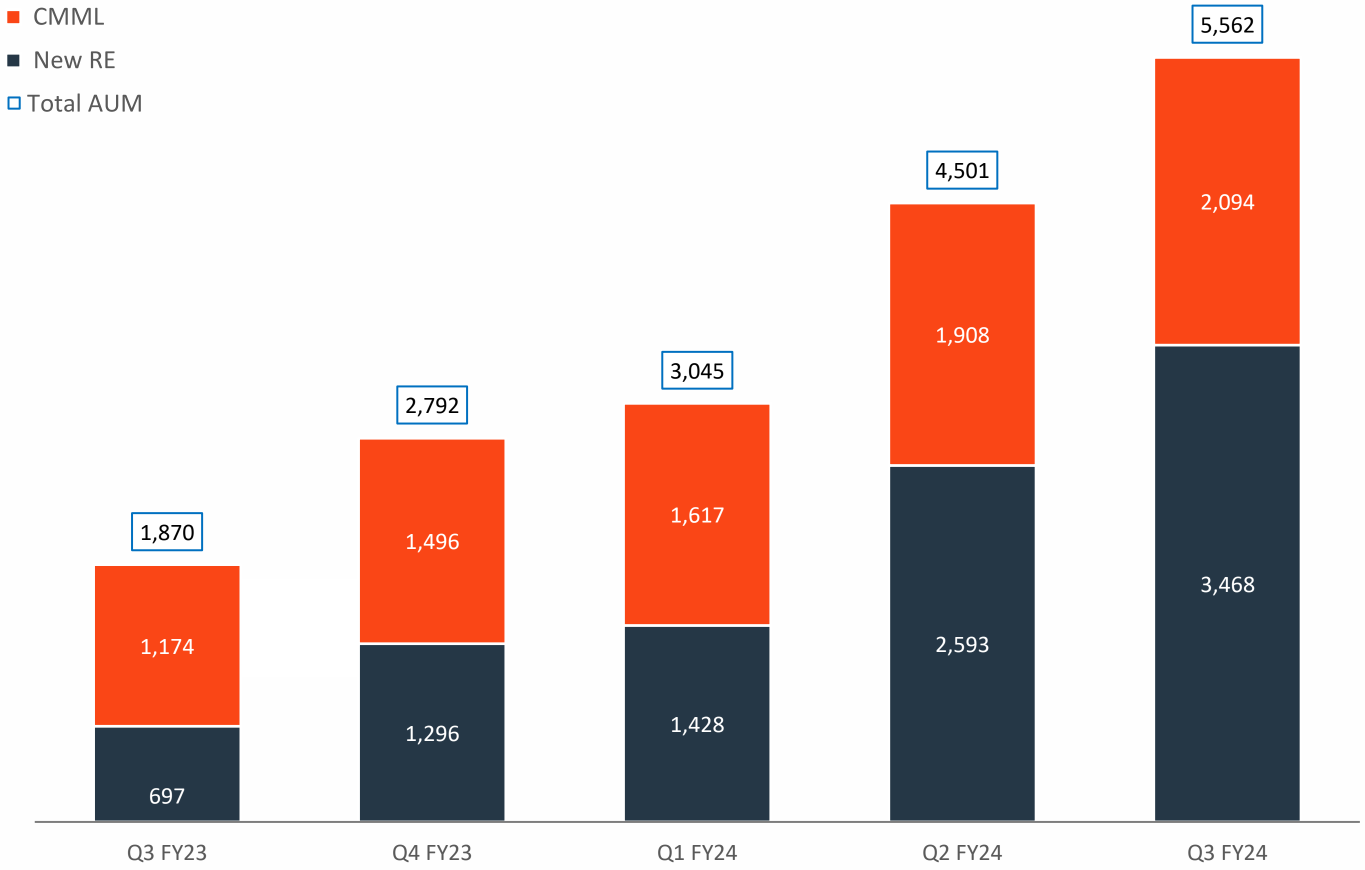
b. Wholesale 2.0

Piramal

Wholesale 2.0 - Building a diversified and granular book backed by cash flows and assets

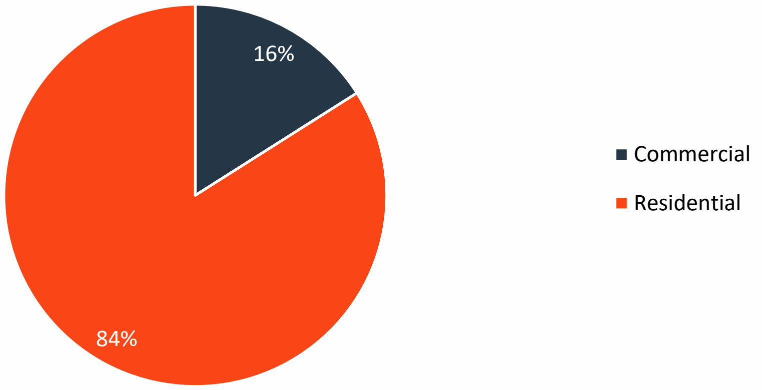
- **Wholesale 2.0 AUM** growth of 24% QoQ
- **Performing well**, in line with or ahead of underwriting, as reflected in prepayments
- **Disbursements** of INR 1,798 Cr in Q3 FY24; INR 1,005 Cr disbursed in Dec’2023
- **Pre-payments** received worth INR 1,175 Cr over last three quarters

In INR Cr.

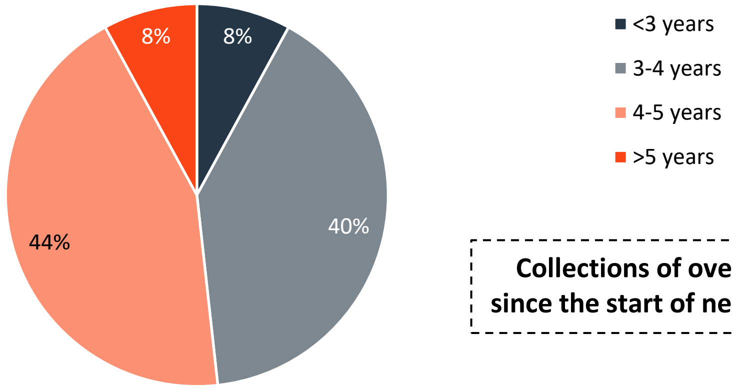


New real estate loans: *capitalizing on the market gap and leveraging our strengths*

By product[1]

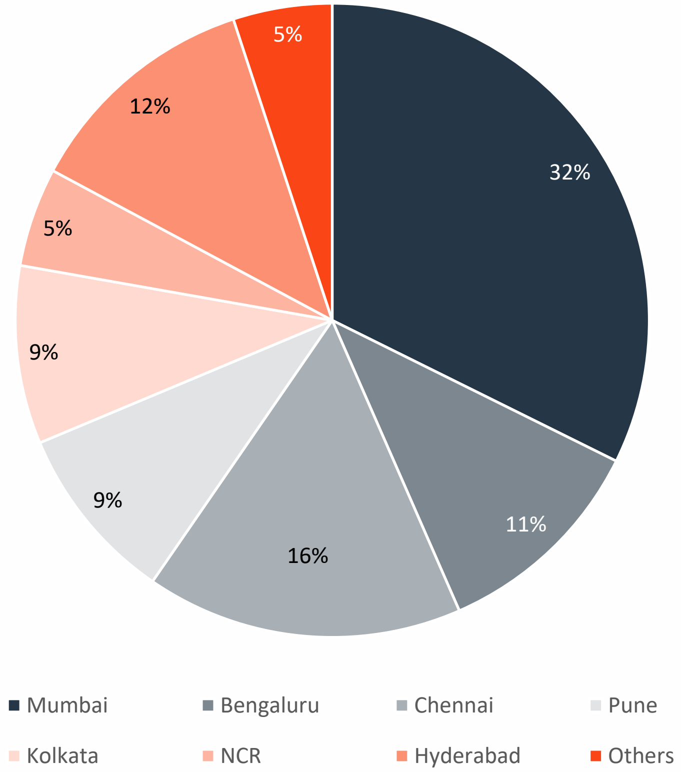


By original tenor[1]



Collections of over INR 980 Cr since the start of new RE business

By geographic exposure[1]



Average ticket size[1] / loan
INR 157 Cr

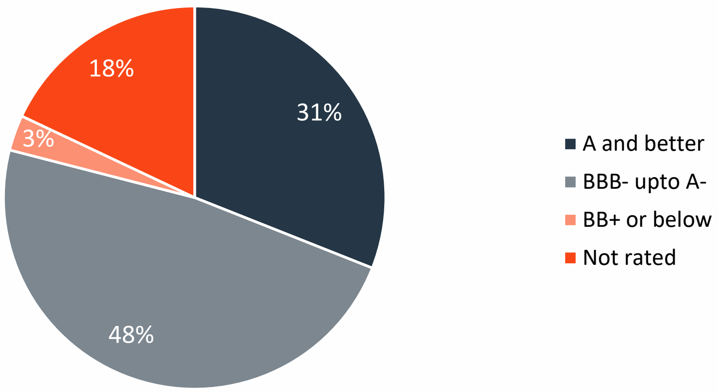
Average yield %[2]
13.9%

Average loan tenor [3]
4.5 years

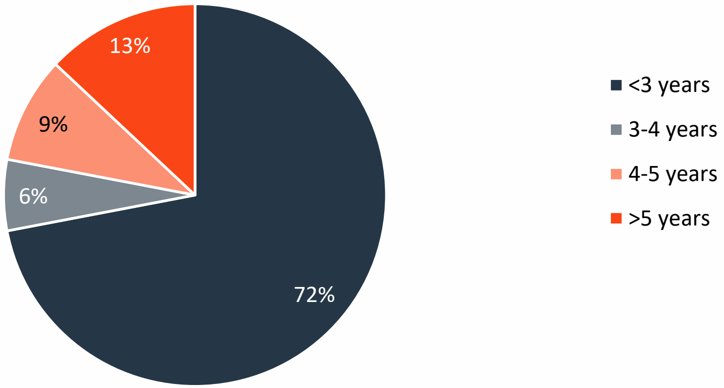
Notes: (1) Based on sanctioned value
(2) Average yield % includes fee income
(3) Based on sanctioned value & represents average door to door tenor

Corporate mid market lending: *building a granular book backed by cash flows*

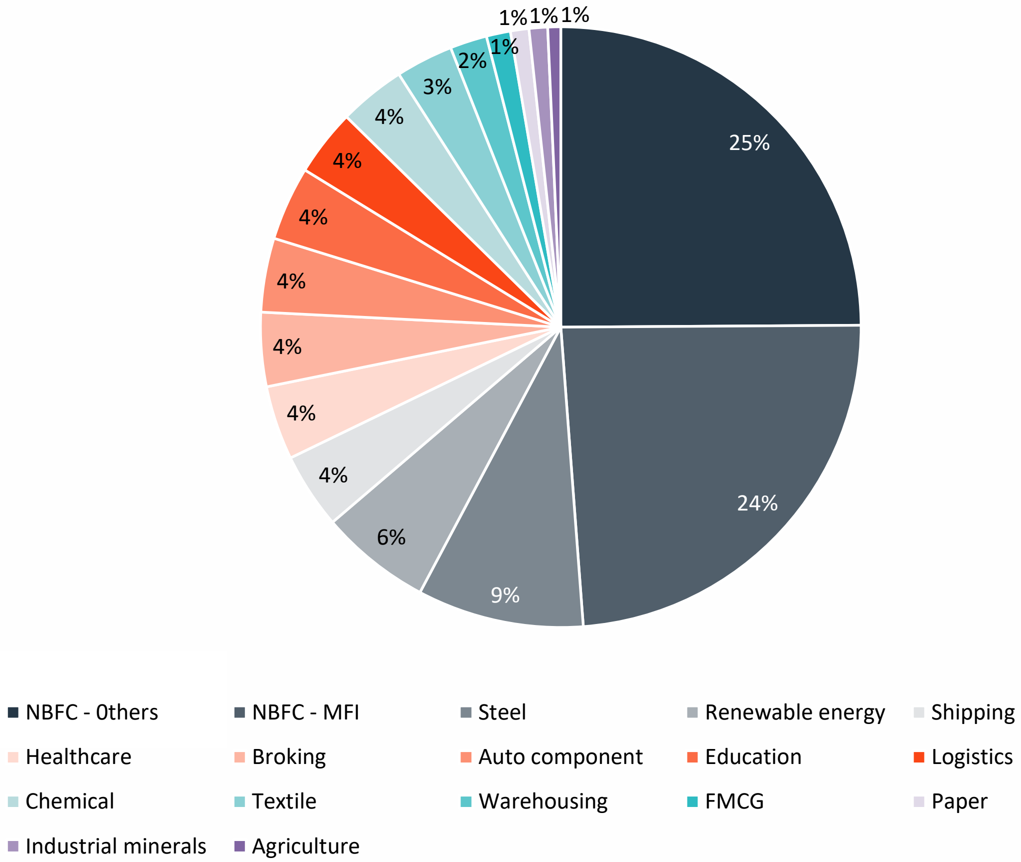
By ratings[1]



By original tenor[1]



By industry[1]



Average ticket size[1] / loan
INR 57 Cr

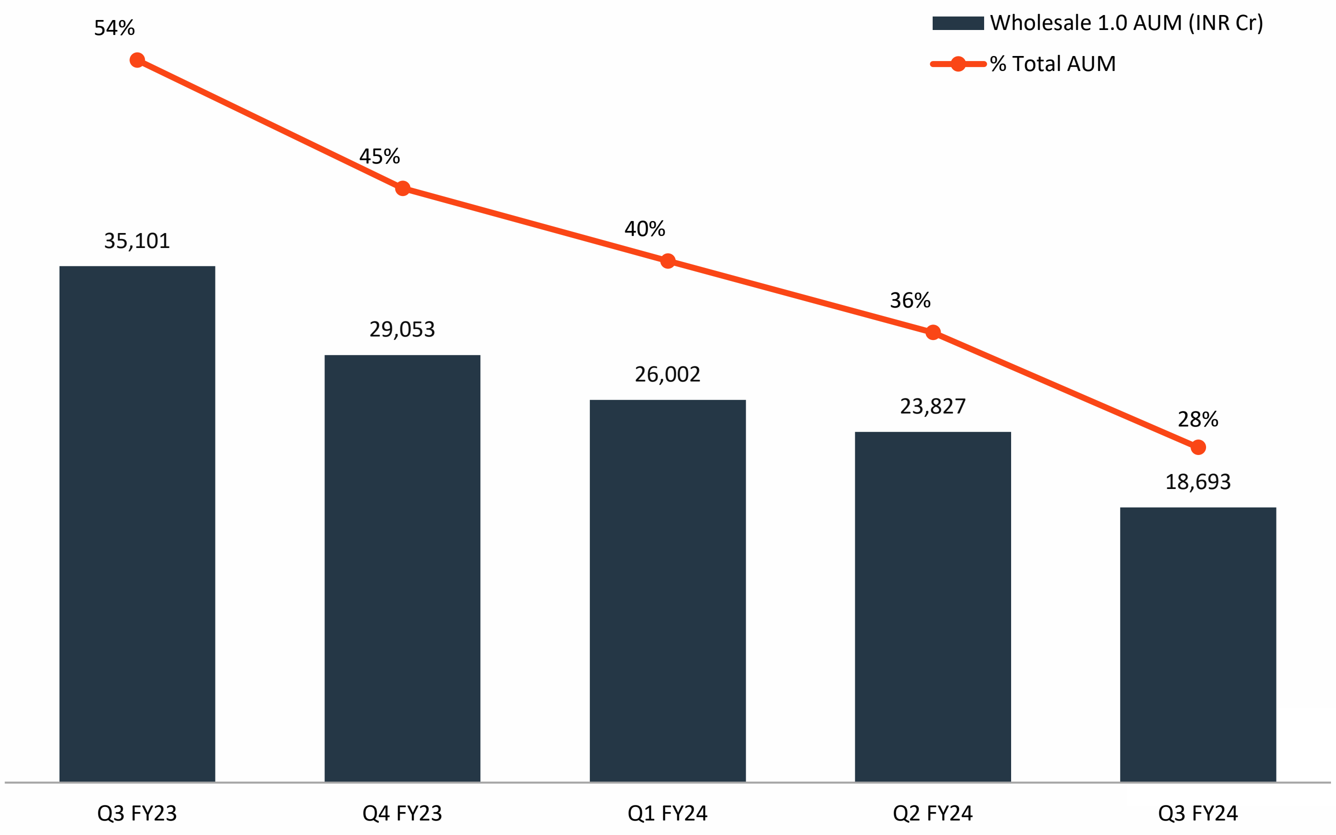
Average yield %[2]
12.6%

Average loan tenor[3]
3.1 years

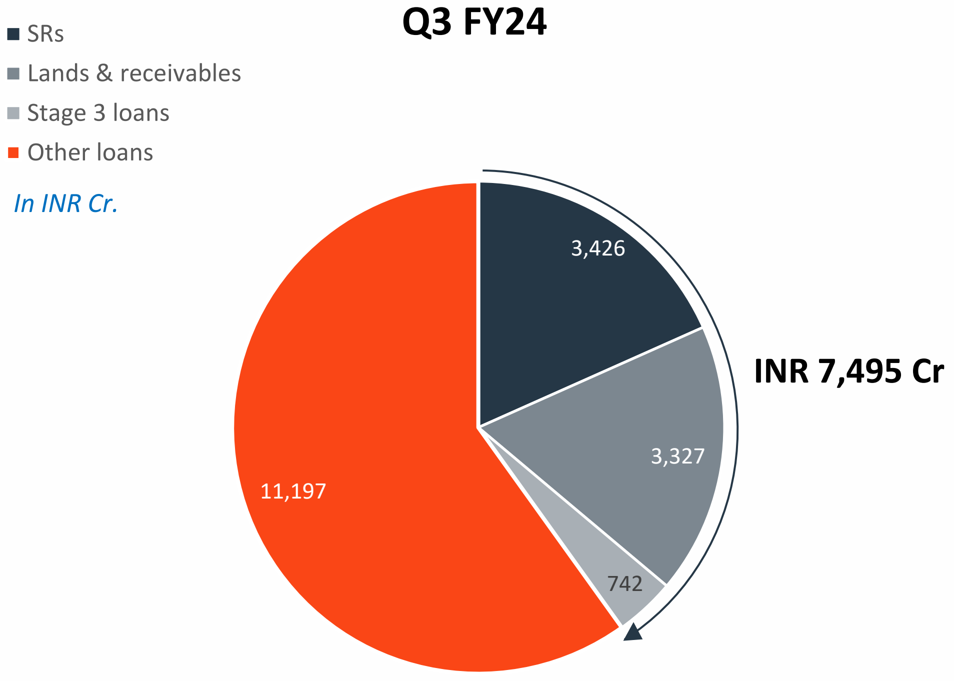
Notes:
(1) Based on sanctioned value
(2) Average Yield % includes fee income
(3) Based on sanctioned value & represents average door to door tenor

3. Legacy business

Continue to rapidly reduce Wholesale 1.0 AUM



- **Wholesale 1.0 AUM** down 22% QoQ & 47% YoY to INR 18,693 Cr
- Generated gross **liquidity** of ~INR 7,100 Cr over last 3 quarters
- Continue to **rundown** our legacy book in coming quarters also



INR 18,693 Cr
Wholesale 1.0 AUM

Average yields[1]

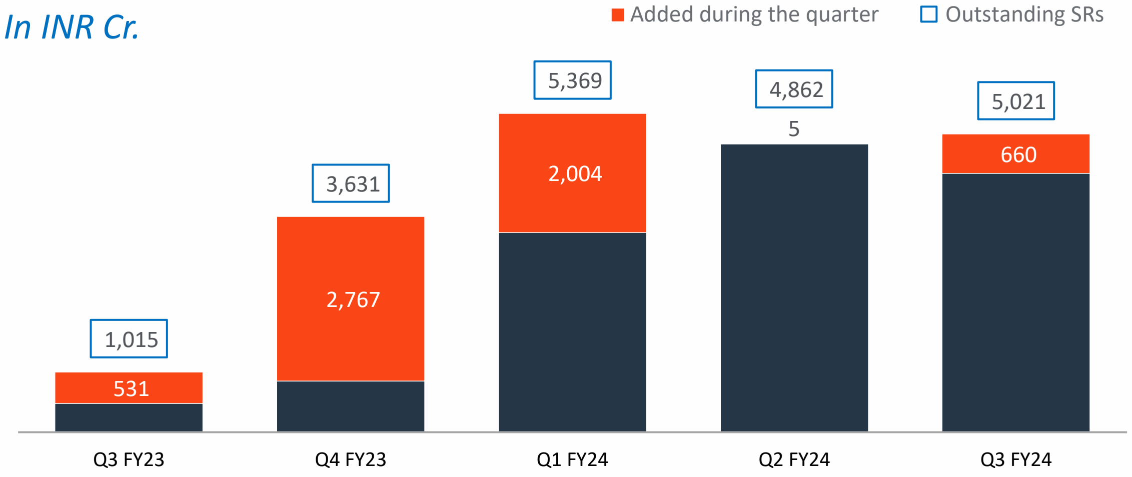
6.9%	11.6%
Total wholesale 1.0	Wholesale 1.0 loans, exc. Stage 3, SRs and land & receivables

Notes: (1) Average yield % includes fee income

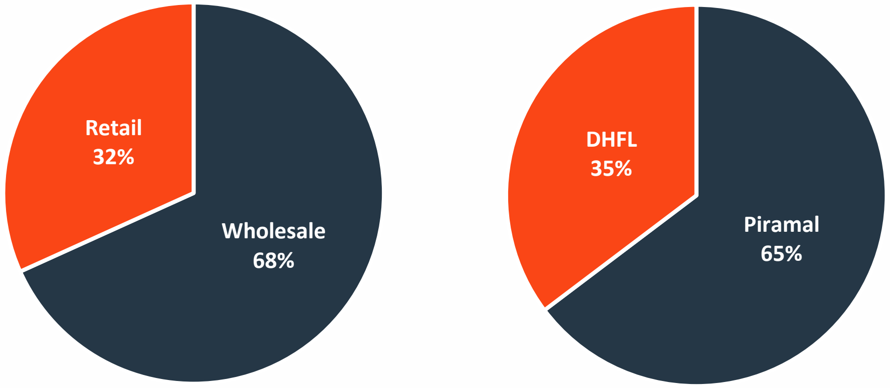
Overall security receipts portfolio – peaked in Q1 FY24

Outstanding SRs

In INR Cr.



Composition of SRs portfolio



- SRs down 6% since Q1 FY24, led by **cash realisation of INR 909 Cr.** With gross addition of INR 660 Cr in Q3 FY24, SR book stood at 5,021 Cr
- Concluded **2 ARC transactions** in Q3 FY24 with total deal value of INR 775 Cr under 15:85 structure. SR’s issued worth INR 660 Cr
- **SRs** were issued at 51% mark down to face value of underlying assets sold in Q3 FY24

As resolution processes continue, we expect our SR portfolio to reduce in near term

4. Financial performance

Piramal

Profit and loss statement

In INR Cr.

Consolidated income statement	Q3 FY24	Q2 FY24	QoQ %	Q3 FY23	YoY %	9M FY24	9M FY23	YoY %
Interest income	1,953	1,800	8%	2,006	(3%)	5,478	5,878	(7%)
Less: Interest expense	1,118	1,050	6%	973	15%	3,212	3,038	6%
Net interest income (A)	**835**	**750**	**11%**	**1,033**	**(19%)**	**2,266**	**2,840**	**(20%)**
Fee & commission	155	125	23%	84	83%	370	196	89%
Dividend	9	13	(31%)	-	-	99	-	-
Others	88[1]	26	241%	776	(89%)	157	870	(82%)
Other income (B)	**251**	**164**	**53%**	**861**	**(71%)**	**626**	**1,066**	**(41%)**
Total income (A+B)	**1,086**	**914**	**19%**	**1,893**	**(43%)**	**2,892**	**3,906**	**(26%)**
Less: Operating expenses (Opex)	697	664	5%	559	25%	1,989	1,541	29%
Pre-provision operating profit (PPOP)	**389**	**250**	**55%**	**1,335**	**(71%)**	**903**	**2,365**	**(62%)**
Less: Loan loss provisions & FV loss / (gain)	257	198	30%	1,535	(83%)	634	4,882	(87%)
Less: Shriram FV loss / (gain)	-	-	-	(260)	-	(855)	(260)	-
Profit before tax goodwill write-off	**132**	**53**	**151%**	**59**	**122%**	**1,123**	**(2,258)**	**-**
Less: Goodwill write-off	-	-	-	-	-	278	-	-
Profit before tax	**132**	**53**	**151%**	**59**	**122%**	**845**	**(2,258)**	**-**
Less: Current & deferred tax	39	25	-	(105)	-	237	(653)	-
Less: Tax adjustment of earlier years	(124)[2]	(14)	-	(3,327)	-	(139)	(3,327)	-
Profit after tax (PAT)	**217**	**42**	**419%**	**3,491**	**(94%)**	**747**	**1,723**	**(57%)**
Add: Associate income	73	71	3%	54	35%	165	376	(56%)
PAT before exceptional gain / (loss)	**290**	**113**	**158%**	**3,545**	**(92%)**	**912**	**2,098**	**(57%)**
Add: Exceptional gain / (loss)	(2,668)[3]	(64)	-	-	-	(2,732)	8,066	-
Reported net profit / loss after tax	**(2,378)**	**48**	**-**	**3,545**	**-**	**(1,821)**	**10,164**	**-**

Notes: (1) Includes INR 64 Cr pertaining to interest income from Income Tax refunds in Q3FY24
(2) Includes INR 124 Cr pertaining to litigative tax refund of eDHFL of FY 2019-20, which was released to us in December 2023 post receipt of favourable order from Income Tax Appellate Tribunal
(3) Provisions of INR 2,668 Cr (post tax) taken pursuant to the RBI circular on investments in AIFs dated 19th Dec 2023

Balance sheet and key ratios

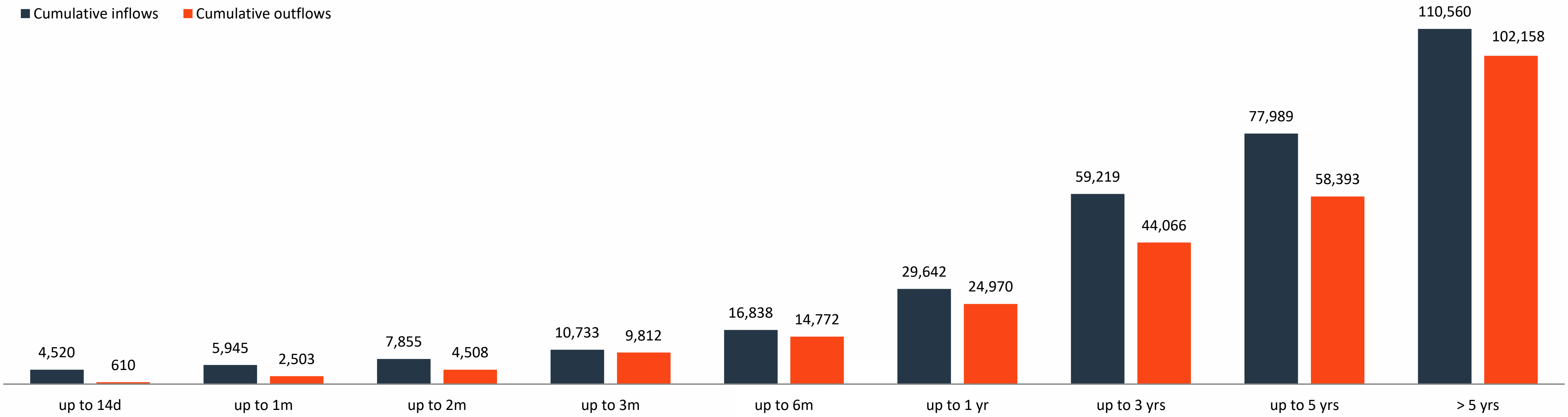
Consolidated balance sheet *(INR Cr.)*

Particulars	Q3 FY24	Q2 FY24
Assets		
Cash & liquid investments	6,588	6,588
Gross asset under management	*66,407*	*66,321*
ECL provision	*2,859*	*2,666*
Net assets under management	63,548	63,654
Investments in Shriram group	2,278	2,278
Investments in alternatives and others	2,658	2,398
Fixed assets	2,726	1,703
Net assets / (liability)	2,293	1,346
Total assets	**80,091**	**77,966**
Liabilities		
Net worth	26,376	28,710
Gross debt	53,715	49,256
Total liabilities	**80,091**	**77,966**
Key ratios		
Gross debt to equity (x)	2.0	1.7
Net debt to equity (x)	1.8	1.5

Asset-liability profile

In INR Cr.

As on Dec 31, 2023[1]



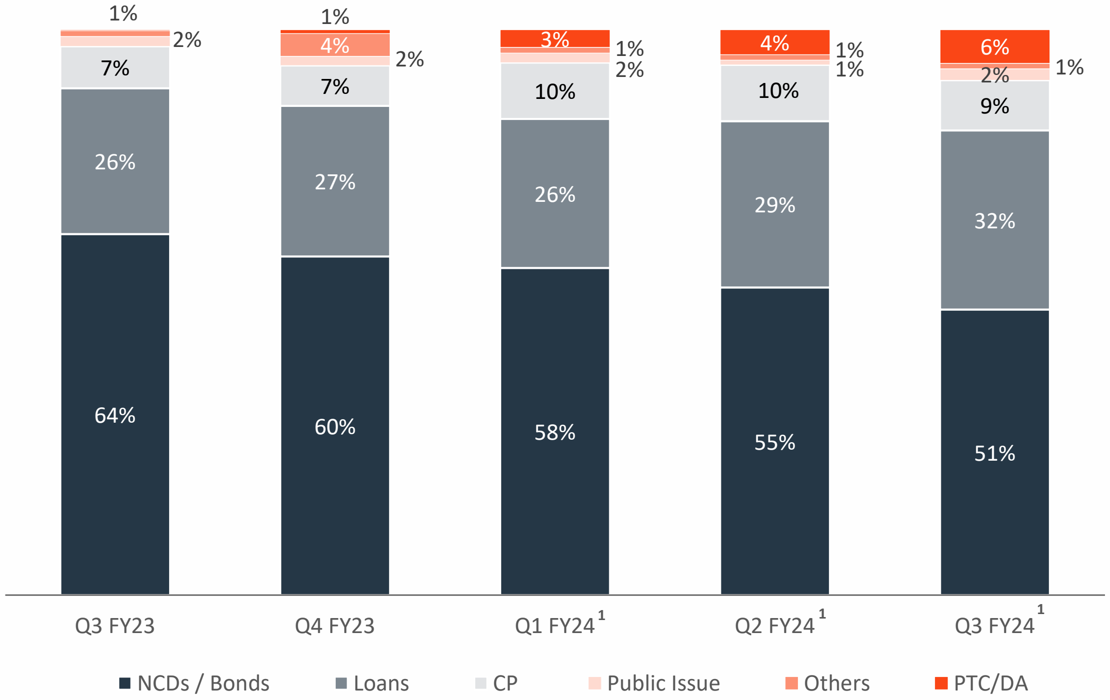
Cumulative GAP[2] (%)

+641%	+138%	+74%	+9%	+14%	+19%	+34%	+34%	+8%

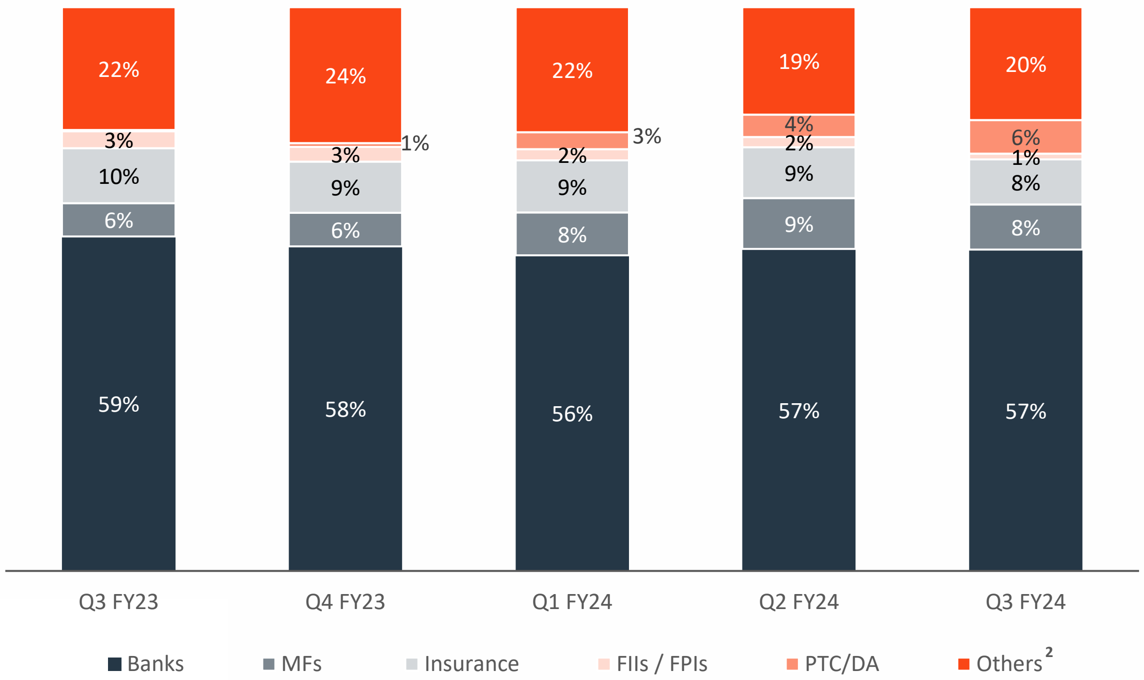
Notes: (1) Based on contractual ALM for wholesale and behavioral ALM for the retail portfolio
(2) Cumulative GAP (%) = net flows (i.e., cumulative inflows – cumulative outflows) as a % of cumulative outflows

Diversifying the borrowing mix

Breakdown of borrowing mix by type of instruments



Breakdown of borrowing mix by type of lender



Ratings update

Long term ratings

ICRA & CARE: AA

Outlook Stable

Short term ratings

CRISIL, ICRA, CARE: A1+

Notes: (1) Includes direct assignment (DA) of INR 875 Cr as of Q3 FY24, INR 612 Cr as of Q2 FY24 and INR 328 Cr as of Q1 FY24
(2) Includes employee benefit funds, NHB, other financial institutions and individuals/HUFs/corporates etc. which contribute 3%, 3%, 2% and 12% respectively to overall borrowings

5. Appendix

Piramal

Total assets: asset classification

Total assets (INR Cr.)	Q3 FY24	Q2 FY24	Q3 FY23
Stage 1	58,906	59,419	49,725
Stage 2	4,946	4,146	7,741
Stage 3	1,424	1,529	4,264
Sub-Total	**65,276**	**65,094**	**61,731**
POCI	1,132	1,227	3,137
Total AUM[1]	**66,408**	**66,321**	**64,867**
Total provisions (INR Cr.)	**Q3 FY24**	**Q2 FY24**	**Q3 FY23**
Stage 1	1,052	1,111	1,659
Stage 2	1,027	843	1,960
Stage 3	779	712	2,867
Total	**2,859**	**2,666**	**6,485**
Asset quality ratios (%)	**Q3 FY24**	**Q2 FY24**	**Q3 FY23**
Provision coverage ratio - stage 1	1.8%	1.9%	3.3%
Provision coverage ratio - stage 2	21%	20%	25%
Provision coverage ratio - stage 3	55%	47%	67%
Total provisions as a % of total AUM	**4.3%**	**4.0%**	**10.0%**
GNPA ratio (%)	**2.4%**	**2.7%**	**4.0%**
NNPA ratio (%)	**1.1%**	**1.5%**	**1.7%**

Note: (1) Excludes direct assignment (DA) of INR 875 Cr as of Q3 FY24 & INR 612 Cr as of Q2 FY24

Wholesale assets: asset classification

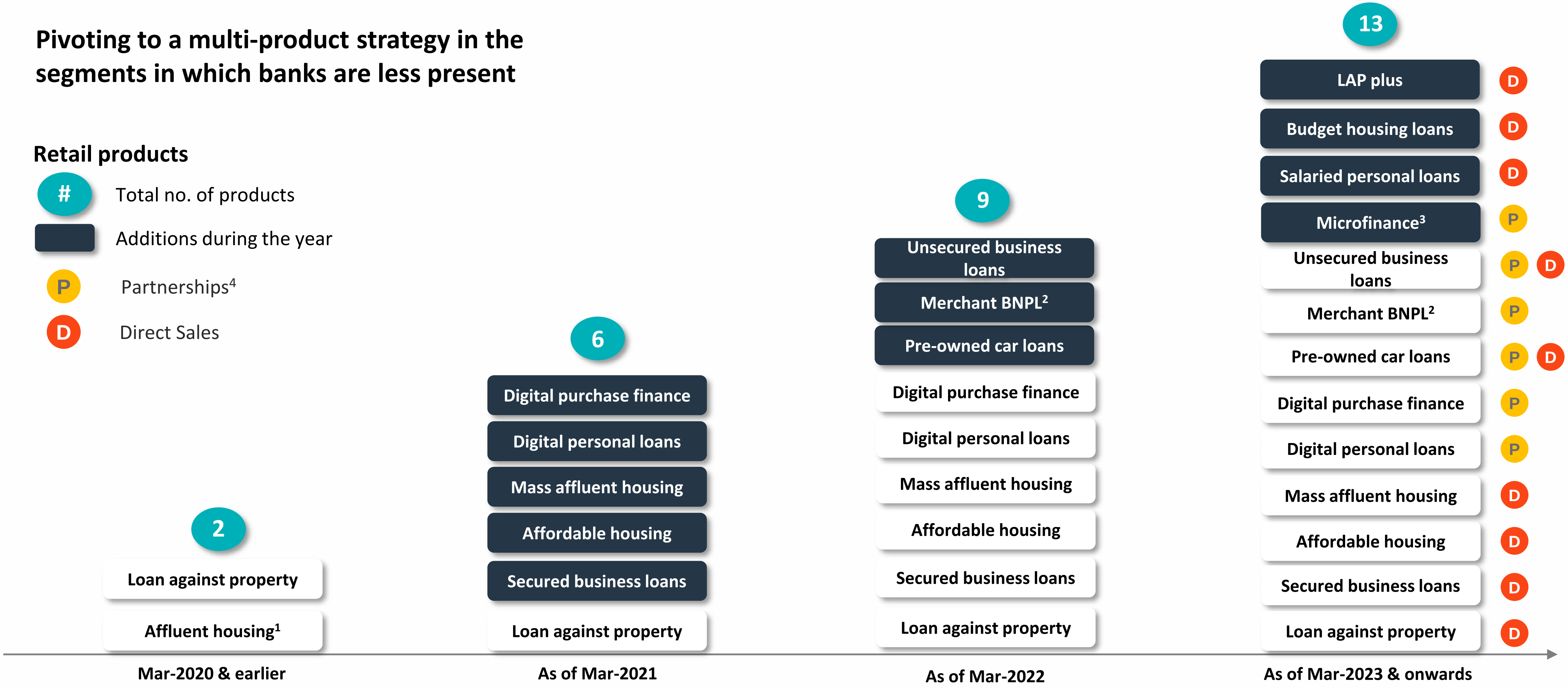
Total assets (INR Cr.)	Q3 FY24	Q2 FY24	Q3 FY23
Stage 1	19,533	24,202	26,603
Stage 2	3,979	3,258	6,598
Stage 3	742	868	3,770
Total AUM	**24,254**	**28,328**	**36,971**
Total provisions (INR Cr.)	**Q3 FY24**	**Q2 FY24**	**Q3 FY23**
Stage 1	571	695	1,346
Stage 2	995	814	1,915
Stage 3	531	488	2,722
Total	**2,097**	**1,997**	**5,983**
Asset quality ratios (%)	**Q3 FY24**	**Q2 FY24**	**Q3 FY23**
Provision coverage ratio - stage 1	2.9%	2.9%	5.1%
Provision coverage ratio - stage 2	25%	25%	29%
Provision coverage ratio - stage 3	72%	56%	72%
Total provisions as a % of total AUM	**8.6%**	**7.1%**	**16%**

Expanding retail product offerings across the spectrum

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

Retail products

#	Total no. of products
■	Additions during the year
P	Partnerships[4]
D	Direct Sales



Mar-2020 & earlier – 2
- Loan against property
- Affluent housing[1]

As of Mar-2021 – 6
- ■ Digital purchase finance
- ■ Digital personal loans
- ■ Mass affluent housing
- ■ Affordable housing
- ■ Secured business loans
- Loan against property

As of Mar-2022 – 9
- ■ Unsecured business loans
- ■ Merchant BNPL[2]
- ■ Pre-owned car loans
- Digital purchase finance
- Digital personal loans
- Mass affluent housing
- Affordable housing
- Secured business loans
- Loan against property

As of Mar-2023 & onwards – 13
- ■ LAP plus – D
- ■ Budget housing loans – D
- ■ Salaried personal loans – D
- ■ Microfinance[3] – P
- Unsecured business loans – P D
- Merchant BNPL[2] – P
- Pre-owned car loans – P D
- Digital purchase finance – P
- Digital personal loans – P
- Mass affluent housing – D
- Affordable housing – D
- Secured business loans – D
- Loan against property – D

Notes:
(1) Exited 'Affluent housing' (in terms of new business) as the business pivots towards 'Affordable' and 'Mass affluent' housing under the new strategy
(2) BNPL: Buy now, pay later
(3) Launched micro-finance through the business correspondent (BC) model in Q2 FY23
(4) Launched in partnership with leading fintech and consumer tech firms

Multi-product retail lending platform across the risk-reward spectrum – Q3 FY24

Product Segments	Products	Average disbursement ticket size (INR lakh)	Disbursement yield (%)	Share in disbursements (%)	AUM yield[1] (%)	Share in AUM (%)
Housing	Affordable housing Mass affluent housing Budget housing	19	11.2%	30.1%	11.4%	49.1%
Secured MSME (LAP)	Secured business loan Loan against property (LAP) LAP plus	23	12.6%	20.9%	12.7%	22.5
Other secured	Pre-owned car loans	6	15.1%	7.9%	15.0%	4.1%
Unsecured	Salaried personal loans	2.9	18.3%	11.6%	17.7%	5.7%
	Microfinance loans	0.4	18.7%	3.7%	18.8%	2.7%
	Unsecured business loans Merchant BNPL	7.8	20.1%	7.7%	20.0%	6.6%
	Digital purchase finance Digital personal loans	0.5	16.7%	18.2%	17.4%	9.2%
Total / weighted average		**12.3**	**14.2%**	**100%**	**13.2%**	**100%**

Note: (1) Weightage average yield excludes POCI and pertains to all customers outstanding as of 31st December 2023

Driving Change: Pioneering ESG for Strategic Impact

Social Stewardship

- Human Capital Development
- Community Development
- Customer Satisfaction

Impactful Growth

- Financial Inclusion
- Sustainable Finance
- Operational Eco- efficiency

Governance Excellence

- ESG Risk Management
- Corporate Governance
- Brand reputation & Communication

Resilient Technology

- Data Privacy
- Cyber Security
- Digitalisation

“As we embarked on our sustainability journey, we have conducted a materiality survey and identified four key pillars that will enhance our performance and guide our strategic focus.”

Key ESG Performance Metrics

100% of E-waste recycled in the Retail business

113 Million lives touched through CSR activities

9 Green Real Estate Projects Funded

83% of service queries of customers met through digital mediums

2,700+ beneficiaries of financial literacy programmes

40% of Corporate roles held by Women

Piramal Foundation: We focus on improving the lives of vulnerable communities by strengthening Government systems and leveraging the power of youth, with the spirit of service or “sewa bhaav”

Impact vulnerable communities

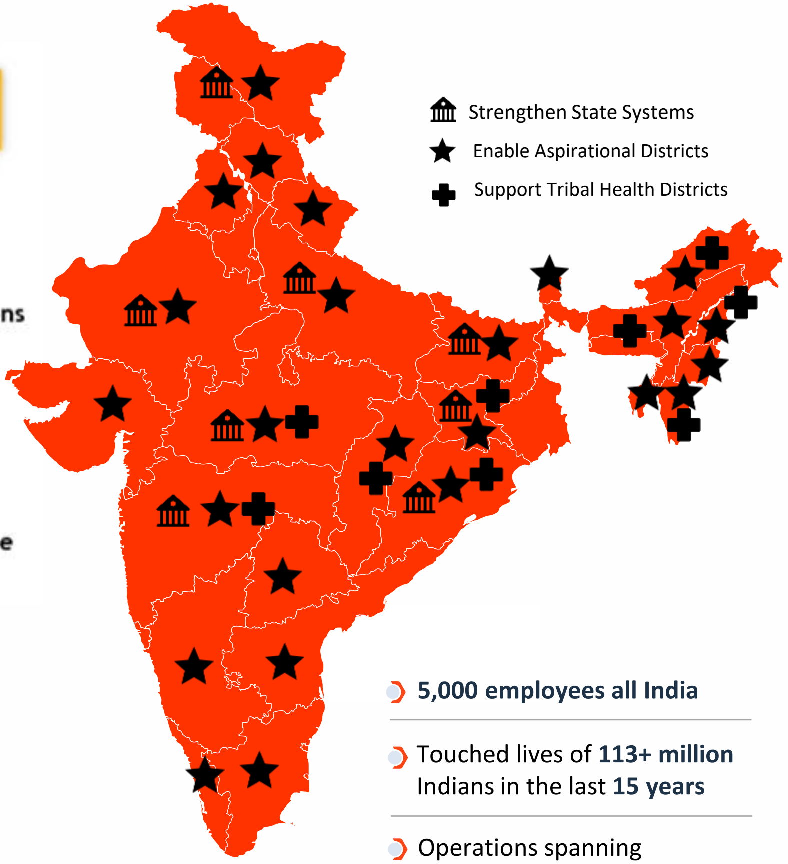
- **Aspirational districts**
  16% of population
- **Tribal Communities**
  9% of population
- **Children with Special Needs**
  ~1% of population

Strengthen systems to deliver better impact

- **Strengthen Institutions**
  Legal, Organisation Development, Communications
- **Build Leadership**
  Government functionaries
- **Digital Transformation**
  Develop Technology, integrate systems

Create future leaders

- **Youth**
  Nation Building
  Gandhi Fellowship
- **Rural Women**
  Strengthen communities
  Karuna Fellowship



🏛 Strengthen State Systems
★ Enable Aspirational Districts
✚ Support Tribal Health Districts

- **5,000 employees all India**
- Touched lives of **113+ million** Indians in the last **15** years
- Operations spanning **27 states + 2 UT**

Impact till date, across Health, Education and Water

87 Mn	2 Mn	1.4 Mn
Students	Children under 6	To-be and new mothers
1200	2.9 Bn liters	3 Mn
Nation Builders, Gandhi Fellows	Drinking water dispensed	Citizens during Covid

Operations across India to support Governments

5	8	170+
Central Ministries	States supported	Districts supported

Domain expertise in public health, education, water and gender

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 rules thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, 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.

Dial-in details for Q3 FY24 earnings conference call

Event details	Location & time	Telephone numbers
Conference call on **29th January 2024**	India – 5:00 PM (India standard time)	Universal dial-in +91 22 6280 1264 / +91 22 7115 8165
	USA – 6:30 AM (Eastern time – New York)	Toll free number 1 866 746 2133
	UK – 11:30 AM (London time)	Toll free number 0 808 101 1573
	Singapore – 7:30 PM (Singapore time)	Toll free number 800 101 2045
	Hong Kong – 7:30 PM (Hong Kong time)	Toll free number 800 964 448
	Online Registration: *We recommend to kindly pre-register using this link* DiamondPass™ Click here to Express*Join* the Call	*To enable the participants to connect to the conference call without having to wait for an operator, please register at the above-mentioned link. You will receive dial in numbers, passcode, and a pin for the concall on the registered email address provided by you. Kindly dial into the call on the Conference Call date and use the passcode & pin to connect to call.*

Please dial-in 10 minutes prior to the conference schedule to ensure that you are connected in time

Thank You

For Investors:

Ravi Singh
Head of Investor Relations
singh.ravi@piramal.com
+91 22 3046 6306

Ruchika Jain
AVP - Investor Relations
ruchika.jain@piramal.com
+91 22 3046 6305

Piramal