

Piramal Capital & Housing Finance Commits ~INR 650 crore to SAMHI Group; Targets Hospitality Book Size of INR 10,000 crore in Next 3 Years

- *Additionally sanctions ~INR 450 crore across 5 hotel assets, including the soon to be operational Taj Theog luxury resort near Shimla*
- *Deployed ~INR 2000 crore towards Hospitality since its foray in January 2018*

Mumbai; 23rd July 2018: Piramal Capital & Housing Finance Limited (PCHFL), the wholly owned subsidiary of Piramal Enterprises, recently announced its investment of ~INR 650 crore in the Gurgaon based SAMHI Group. Samhi Group owns ~29 hotels and has marquee investors. This structured debt investment will allow Samhi Group to support their growth plans and refinance existing lenders across three assets – The Courtyard and Fairfield by Marriott in Bangalore, the Sheraton in Hyderabad and the Hyatt Regency in Pune.

This is the third significant investment made by PCHFL in the hospitality sector over last 6 months. Prior to this, PCHFL had invested ~INR600 crore with the Gurgaon based Vatika Group (against the Westin Gurgaon and the Westin Sohna) and ~INR600 crore with Advantage Raheja Group (against the JW Marriott, Bangalore and the Crowne Plaza, Pune). All loans are against operational assets.

PCHFL has also concluded 5 other transactions, totalling to ~INR450 crore against 5 hotel assets, (three operational and two in final stages of construction and fit out) operated by top tier brands like Taj, Hyatt, Radisson, etc. across regions like Bangalore, Hyderabad, Shimla and Goa. Of this, INR100 crore will be extended as last mile funding towards the completion of the first Taj Luxury Resort in Himachal Pradesh coming up in Theog, near Shimla. The Taj Theog is a 99 key full service five star luxury property built over a hilltop of ~5 acres with a 360° view of the Himalayan range and is expected to be operational within the next six to nine months.

Mr. Khushru Jijina, Managing Director, Piramal Capital & Housing Finance Ltd said “We believe that this is an opportune time to target the hospitality sector with ‘intelligent’ capital. As the traditional lenders are unable to provide ‘holistic’ solutions, expertise of our Group and our presence across the capital stack enables us to cater to this industry with unique customized solutions and innovative structures. Our ability to act as a catalyst between owners and operators alike further adds to our distinct competitive advantage over others. Over a span of 6 months, we have deployed INR ~2000 crore towards the hospitality sector as we scale our offerings within this vertical to reach a target book size of INR 10,000cr in the next 3 years. The industry is firmly on a path of growth, ably supported both domestic and foreign tourism, has higher disposable income and is witnessing a general change in spending habits of target customers.”

Mr. Ashish Jhakanwala, Founder and CEO of SAMHI Group said “We continue to see accretive acquisition opportunities in hotel sector and we are perhaps best positioned to take advantage of these. We have found, in Piramal, a partner of choice given their unique understanding of the sector coupled with their ability to provide flexible and targeted funding that allows us to pursue growth while maintaining the right capital structure.”

About Piramal Capital & Housing Finance Limited:

Piramal Capital & Housing Finance Limited (PCHFL), wholly owned subsidiary of Piramal Enterprises Limited (the flagship company of Piramal Group), is registered as a housing finance company with National Housing Bank (NHB) and engaged in various financial services businesses. It provides both wholesale and retail funding opportunities across sectors. In real estate, the platform provides housing finance and other financing solutions across the entire capital stack ranging from early stage private equity, structured debt, senior secured debt, construction finance and flexi lease rental discounting. The wholesale business in non-real estate sector includes separate verticals- Corporate Finance (CFG) and Emerging Corporate Lending (ECL).

CFG provides customized funding solutions to companies across sectors such as infrastructure, renewable energy, roads, industrials, auto components etc. while ECL focuses on lending towards Small and Medium Enterprises (SMEs).

PCHFL through its group companies provides customized strategies for institutional and retail investors such as Mumbai Redevelopment Fund and Apartment Fund (through Piramal Fund Management) and strategic partnerships with leading global pension funds such as CPPIB, APG and Ivanhoe Cambridge.

About Piramal Enterprises Ltd:

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\$1.6 billion in FY2018, with around 46% of revenues generated from outside India.

In Financial Services, Piramal Capital & Housing Finance Ltd is registered as a housing finance company with National Housing Bank (NHB) and engaged in various financial services businesses. It provides both wholesale and retail funding opportunities across sectors. In real estate, the platform provides housing finance and other financing solutions across the entire capital stack ranging from early stage private equity, structured debt, senior secured debt, construction finance, and flexi lease rental discounting. The wholesale business in non-real estate sector includes separate verticals - Corporate Finance Group (CFG) and Emerging Corporate Lending (ECL). CFG provides customized funding solutions to companies across sectors such as infrastructure, renewable energy, roads, industrials, auto components etc. while ECL focuses on lending towards Small and Medium Enterprises (SMEs). PCHFL through its group companies provides customized strategies for institutional and retail investors such as Mumbai Redevelopment Fund and Apartment Fund focused (through Piramal Fund Management) and strategic partnerships with leading global pension funds such as CPPIB, APG and Ivanhoe Cambridge. The division has also launched a Distressed Asset Investing platform with Bain Capital Credit - IndiaRF that will invest in equity and/or debt in assets across sectors (other than real estate) to drive restructuring with active participation in turnaround. 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 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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