

## **Piramal Fund Management expands offering to include construction finance; Approves transactions worth INR1100cr in the first instance**

**Tuesday, February 24, 2015, Mumbai:** Piramal Fund Management had announced its intention to enter the construction finance space in Q3 FY15. Today, it announces that has approved 9 construction finance proposals totalling INR1100cr.

The initial transaction volume is spread across Mumbai, Delhi NCR, Bangalore, Pune and Chennai, with projects located in micro markets with robust demand fundamentals. The funds have been earmarked across a combination of late stage, mid-market residential developments in both city centric as well as suburban locations. In one instance, funds are also intended for construction of a brown-field commercial office development. These facilities range from 3-5 years each, with a sufficient principal moratorium period to allow the project cash-flows to stabilize.

Piramal Fund Management is uniquely capable of catering to the entire capital stack – right from early stage equity to late stage debt and now construction finance and is therefore able to act as a perpetual provider of capital within this space. Typically, structured equity or structured debt investments would often get refinanced by banks or other NBFCs once the projects would achieve certain milestones - with construction finance, the platform is able to extend the overall tenure of their relationship with a project by not requiring the development partner to refinance once the project matures.

**Khushru Jijina, Managing Director, Piramal Fund Management** said, “With construction finance, we have consciously completed the last remaining element in our our suite of product offerings. This makes sense for our platform as well as for our development partners as we are now able to further our engagement with them and fund the entire project life. We are looking at many more such investments where the developers are experienced, projects are profitable and de-risked, and our investment is ring fenced.”

### **About Piramal Enterprises Limited**

Piramal Enterprises Limited (PEL) is one of India’s large diversified companies, with a presence in healthcare, healthcare information management and financial services. PEL’s consolidated revenues were \$ 750 million in FY2014, with approx. 70% of revenues from outside India.

In healthcare, PEL is one of the leading players globally in CRAMS (custom research and manufacturing services) as well as in the critical care segment of inhalation and injectable anaesthetics. It also has a strong presence in the OTC segment in India. The Molecular Imaging Division was formed in 2012 with presence in Europe and USA.

PEL’s healthcare information management business, Decision Resources Group, is amongst the top 20 US market research organizations which provide information services to the healthcare industry.

In financial services, PEL, through its Piramal Fund Management Division, provides comprehensive financing solutions to real estate companies. Its Structured Investments Division invests in various sectors including infrastructure. The total funds under management under these businesses are around USD 2 billion. The Company also has strategic alliances with top global pension funds like CPPIB Credit Investment Inc. and APG Asset Management. PEL has also made long term equity investments of around USD 1 billion in Shriram Group, a leading financial conglomerate in India.

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

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