July 05, 2023

Piramal Capital & Housing Finance Limited (erstwhile Dewan Housing Finance Corporation Limited): Ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures	2,030	2,030	[ICRA]AA(Stable); reaffirmed
Non-convertible debentures	19,550	19,550	[ICRA]AA(Stable); reaffirmed
Retail NCD programme	2,000	2,000	[ICRA]AA(Stable); reaffirmed
Principal protected market-linked debenture (PP-MLD) programme	500	500	PP-MLD [ICRA]AA(Stable); reaffirmed
Subordinated (tier-II) bonds	1,500	1,500	[ICRA]AA(Stable); reaffirmed
Long-term fund-based bank lines – cash credit	900	900	[ICRA]AA(Stable); reaffirmed
Long-term fun-based bank lines - term loans	4,650	4,650	[ICRA]AA(Stable); reaffirmed
Total	**31,130**	**31,130**	

**Instrument details are provided in Annexure I*

Rationale

To arrive at the ratings, ICRA has taken a consolidated view of the credit profiles of Piramal Enterprises Limited (PEL) and its wholly-owned subsidiary, i.e. Piramal Capital & Housing Finance Limited {PCHFL; erstwhile Dewan Housing Finance Corporation Limited (DHFL), together referred to as PEL or the company}, as the companies have operational and business synergies in addition to a shared name and management oversight.

The ratings continue to factor in PEL's comfortable capitalisation, with a consolidated net worth of Rs. 31,059 crore, a gross gearing of 1.6 times and a capital adequacy ratio of 31% as of March 31, 2023, domain experience given the Group's presence across the real estate industry value chain and its experienced management team. The ratings also factor in the increase in the share of retail loans, accounting for ~50% of the assets under management (AUM) as of March 31, 2023 compared to 11% as of June 2021. The company has aggressively diversified its retail product offerings in recent quarters, in line with its growth ambitions for the medium term. While reaffirming the ratings, ICRA also notes the sustained rundown in the legacy wholesale AUM[1], although the same remains large at Rs. 31,845 crore with a sizeable vulnerable portfolio. Nonetheless, PEL's established position in the real estate lending segment and provision cover (~10% on the wholesale AUM) provide some comfort.

The ratings are constrained by the portfolio vulnerability emanating from the high sectoral concentration in the real estate segment, with large-ticket exposures in the wholesale lending portfolio (notwithstanding the decline in the concentration level in recent years), and the limited seasoning of the retail lending book. PEL intends to scale up its retail lending operations, leveraging the multi-product retail lending platform across the risk-reward spectrum, through an expanded branch network, a digital presence and partnerships with fintech and consumer tech firms. Meanwhile, the company intends to continue with its stated plan of pruning the share of the wholesale book. However, it plans to build a new wholesale 2.0 AUM that would be comparatively more diverse and granular with a smaller ticket size, targeting mid-sized developers across markets. In this regard, its ability to effectively manage the ambitious scale-up across a wide spectrum of products and maintain healthy asset quality would remain a monitorable. Inability to maintain adequate asset quality would exert further pressure on the profitability, which has already

[1] *Includes security receipts, project receivables and land assets acquired in lieu of debt*

been impacted by the one-time additional provisions in recent quarters and elevated operating costs amidst the ongoing expansion in the retail segment.

ICRA takes note of the management's efforts to diversify and elongate the liabilities profile, given the past challenges in resource mobilisation faced by the company. The resource mobilisation trajectory will remain a monitorable. While the merger with DHFL led to greater diversification in the asset profile, PEL also witnessed elongation in the weighted average tenor of the borrowings, higher share of fixed rate borrowings and the moderation[2] in the cost of funds since March 2020. Going forward, PEL's ability to continue to raise funds at competitive rates from diverse sources would remain a monitorable, though it is noted that the high share of fixed rate borrowings (while the share of the variable rate loan book is high) is likely to limit the adverse impact of the rising systemic interest rate trajectory. ICRA also notes the financial flexibility enjoyed by the company owing to its investments in Shriram Group companies (fair value of Rs. 6,211 crore as of March 31, 2023), a part of which was sold in Jun 2023 for a consideration of ~Rs. 4,823 crore.

Key rating drivers and their description

Credit strengths

Comfortable capitalisation – PEL's consolidated net worth (post restructuring and demerger of pharma business) stood at Rs. 31,059 crore with a gearing of 1.6 times (net gearing of 1.3 times) and a total capital adequacy ratio of 31% as of March 31, 2023. Of this, Rs. 22,487 crore was deployed to the lending business while the balance is deployed towards other assets like alternatives (Rs. 1,126 crore), insurance & others (Rs. 1,235 crore) and Shriram investments (Rs. 6,211 crore; of which Rs. 4,823 crore was monetised in June 2023). The company's consolidated capitalisation trajectory has been supported by fund-raising in recent years, besides the gains on investments in Shriram Group and the reversal of the deferred tax liability (DTL) related to the DHFL transaction. During FY2020-FY2021, PEL raised Rs. 18,173 crore of equity funds through various avenues, part of which was allocated to the financial services business. Moreover, PEL's accretion to reserves in FY2023, despite the large provisions and impairments, was supported by exceptional items/fair value gains related to the investment book and deferred tax. It is noted that the gains on the fair valuation of the pharma business have not impacted the residual balance sheet as those were demerged as a part of the pharma business demerger.

Notwithstanding the provisions and impairments in recent quarters, the current capitalisation (CRAR of 31% as of March 2023) remains comfortable for the company's high growth ambitions for the near to medium term, predominantly on the retail side. The company also sold its 8.34% stake in Shriram Finance Limited in June 2023, which would augment capital available for lending business. The remaining investments may be sold to unlock further capital, if required. However, ICRA notes that while PEL's solvency metric (net stage 3/net worth), basis the reported net stage 3 figure, is comfortable, the adjusted metric is elevated (net vulnerable portfolio/lending business' net worth) and remains a monitorable.

Established position in real estate lending and experienced management team – PEL has an established position in real estate lending and draws domain experience, given the Group's experience in real estate-based private equity investments, advisory services, and the development space. Further, given its extensive experience in the real estate lending segment, the company leverages the large network of developers with relationships built over a period of time. PEL also has an experienced management team. While the company's experience in retail lending remains limited, it has hired seasoned professionals to build its franchise in this segment. PEL has also engaged external consultants for framing its credit policies and credit appraisal systems, expansion strategy and operational policies. Nonetheless, ICRA notes that the company's ability to leverage the aforesaid management bandwidth and investments to scale up the retail book, while maintaining a healthy asset quality and earnings profile, would be a key monitorable.

[2] *~280 bps since March 2020 (including NCD raised for the DHFL transaction)*

As of March 31, 2023, PEL had consolidated AUM of Rs. 63,989 crore (excluding Rs. 13,433 crore of off-balance sheet retail assets acquired from DHFL, which is now being managed by PEL) compared to Rs. 47,181 crore as on June 30, 2021 (prior to DHFL acquisition). The proportion of retail assets in the overall AUM increased to ~50% as of March 31, 2023 from 11% as of June 30, 2021 (43% as of December 31, 2022). Going forward, PEL aims to be a diversified lender with a focus on becoming retail oriented. On the wholesale side, it plans to build a new wholesale 2.0 AUM that would be comparatively more diverse and granular with a smaller ticket size, targeting mid-sized developers across markets.

Credit challenges

Portfolio vulnerability, given sizeable exposure to real estate segment and limited seasoning of retail book – PEL's consolidated AUM comprised retail (50%) and wholesale (50%) loans as of March 31, 2023. While the share of wholesale loans has reduced consistently over the past few years, the same remained high at Rs. 31,845 crore as of March 31, 2023 (Rs. 43,633 crore as of March 31, 2022). Further, ~20% of the wholesale loan book was classified under stage 2 and 3 as of March 31, 2023 (compared to ~28% as of December 31, 2022). While the company has provisions on the book (provision cover of ~10% as of March 31, 2023), these exposures remain vulnerable to slippages. Further, the early stage of development of some of the underlying projects increases the portfolio vulnerability. Moreover, the book concentration remains significant with the top group exposures (including stressed groups) forming a high proportion of the overall book and net worth, though there has been a reduction in the overall wholesale loan book and group exposures over the past few years.

ICRA notes the increase in the reported headline asset quality indicators in preceding quarters, even though there were no additional non-performing accounts from the net loans acquired from DHFL on an amalgamated basis. The gross stage 3% increased to 6.6% as of December 31, 2022 from 3.3% as of December 31, 2021, primarily due to certain lumpy slippages in the wholesale book. However, the same moderated to ~3% as of March 31, 2023 due to resolution strategies such as asset sale to ARC etc. In this regard, while asset resolutions/sales would remain a part of the strategy to drive improvement in the headline asset quality indicators going forward, the nature of any associated residual exposures/risks on the balance sheet will remain a monitorable. ICRA also notes that the company will need to demonstrate its track record in retail lending, given the rapid scale-up of the retail AUM, which has limited seasoning. Nonetheless, ICRA notes that the company has made provisions in recent quarters to create a cushion against portfolio vulnerability (total provision cover of ~6% of the total AUM as of March 2023).

Profitability pressure; operating expenses to remain elevated owing to retail scale-up – PEL's profitability has remained under pressure in the recent past owing to the increased vulnerability of the wholesale book necessitating higher provisioning and the scale-up in retail lending resulting in elevated operating expenses. In FY2023, PEL reported a consolidated pre-provisioning operating profit of Rs. 2,830 crore compared to Rs. 2,457 crore in FY2022, notwithstanding the improvement in interest margins during this period. Further, the company reported large provisions, write-offs and fair valuation adjustments of Rs. 5,179 crore in FY2023 (compared to Rs. 830 crore in FY2022), thereby resulting in a loss from core operations. Nonetheless, the operating loss was offset by a one-time DTL reversal of Rs. 3,978 crore (related to the DHFL transaction) and an exceptional gain of Rs. 8,066 crore on the pharma business demerger. Given the lumpy nature of the wholesale book and the limited seasoning of the retail book, the asset quality may have an impact on the earnings profile and this would be further exacerbated by the elevated operating expenses in the near term.

Ability to raise funds at competitive rates from diverse sources – ICRA takes note of the challenges in resource mobilisation faced by the company in the past and the management's efforts to diversify and elongate the liabilities profile. PEL raised ~Rs. 6,000-crore long-term debt (excluding Rs. 19,532 crore for the DHFL transaction) in FY2022 and Rs. 8,462 crore in FY2023, following the Rs. 13,500-crore long-term debt raised in FY2020 and ~Rs. 20,000 crore in FY2021 for its financial services business. While the merger with DHFL has led to greater diversification in the asset profile, PEL also witnessed elongation in the weighted average tenor of borrowings, an increase in the share of fixed rate borrowings and some moderation in the cost of funds since March 2020.

The resource profile is moderately diversified, although non-convertible debentures (NCDs) remain the primary source of funds accounting for 60% of the borrowings as of March 31, 2023, followed by bank loans at 27%, commercial paper (CP) at 7% and others at 6%. Going forward, PEL's ability to continue to raise funds at competitive rates from diverse sources would remain a monitorable, though it is noted that the high share of fixed rate borrowings (while the share of the variable rate loan book is high) is likely to limit the adverse impact of the rising systemic interest rate trajectory.

Liquidity position: Adequate

PEL's (consolidated) liquidity position remains adequate with its asset-liability maturity profile (as of March 31, 2023) characterised by positive cumulative mismatches across buckets up to 1 year. It had cash/bank balances and liquid investments of ~Rs. 7,430 crore as of March 31, 2023 (about 15% of borrowings outstanding) on a consolidated basis compared to debt repayment of ~Rs. 8,900 crore till September 2023. The inflows from the stake sale in Shriram Finance are likely to further support the liquidity position. Moreover, the company's track record of successfully raising capital and refinancing debt repayments also provide some comfort. ICRA notes that PEL endeavours to maintain on-balance sheet liquidity sufficient to cover repayments falling due in the ensuing 3 months.

Rating sensitivities

Positive factors – ICRA could change the outlook to Positive or upgrade the long-term rating if there is an improvement in the diversification and granularity of the asset profile while maintaining healthy asset quality and profitability. The demonstrated scale-up and proven track record of new products in the retail segment while maintaining the asset quality will also remain imperative for an upward revision in the long-term rating.

Negative factors – ICRA could downgrade the ratings if there is a material deterioration in the asset quality, affecting the financial profile. The ratings could also be downgraded in case of any sustained challenges in raising long-term funds at competitive rates, resulting in a deterioration in the liquidity.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Rating Methodology for Non-banking Finance Companies Rating Approach – Consolidation
Parent/Group support	Not applicable
Consolidation/Standalone	Consolidation; To arrive at the ratings, ICRA has taken a consolidated view of the credit profiles of PEL and its wholly owned subsidiary, i.e. PCHFL, together referred to as PEL or the company, as the companies have operational and business synergies in addition to a shared name and management oversight.

About the company

PCHFL, a wholly-owned subsidiary of PEL, was incorporated in February 2017 and received a housing finance licence from National Housing Bank (NHB) in September 2017. PCHFL provides real estate lending, housing finance, corporate lending, and emerging corporate lending across sectors. As of March 31, 2023, PCHFL's AUM stood at Rs. 50,427 crore compared to Rs. 51,808 crore as of March 31, 2022.

Dewan Housing Finance Corporation Limited (DHFL) was incorporated as Dewan Housing and Leasing Company Limited in 1984 with a focus on the housing finance business catering to the low-and-middle-income borrower segment. DHFL was admitted under the National Company Law Tribunal (NCLT) in December 2019 and, subsequently in January 2021, erstwhile PCHFL was chosen as the successful resolution applicant by DHFL's committee of creditors for the resolution of DHFL. As per the resolution plan approved by the NCLT, the existing liabilities of DHFL were discharged by erstwhile PCHFL and a consideration of Rs. 34,250 crore (comprising upfront cash of Rs. 14,700 crore and issuance of debt instruments of Rs. 19,550 crore) was paid to DHFL's creditors. The erstwhile PCHFL was reverse merged with DHFL with effect from September 30, 2021, and the amalgamated entity (DHFL) was rechristened Piramal Capital & Housing Finance Limited.

About the parent

Piramal Enterprises Limited (PEL) is a non-banking financial company (NBFC), which got registered with the Reserve Bank of India (RBI) w.e.f. July 22, 2022. It has a presence in retail lending, wholesale lending, and fund-based platforms, primarily through standalone operations and its wholly-owned subsidiary, i.e. Piramal Capital & Housing Finance Limited (PCHFL). The company's consolidated operations are backed by a network of about 404 branches across 26 states and Union Territories.

PEL received its NBFC licence as a part of a planned corporate restructuring exercise, whereby the pharma business was demerged from PEL [and housed under a separate listed entity – Piramal Pharma Limited (PPL)]. Further, PHL Fininvest Private Limited (PFPL), a wholly-owned subsidiary of PEL and the NBFC arm of the Group, was merged into PEL w.e.f. August 12, 2022.

PEL forayed into the financial services sector with PCHFL, a housing finance company (HFC) that provides both wholesale and retail finance across segments. PCHFL was earlier chosen as the successful resolution applicant by DHFL's Committee of Creditors for the resolution of DHFL, an HFC catering to the low-and-middle-income borrower segment. As per the resolution plan approved by the National Company Law Tribunal (NCLT), DHFL's existing liabilities were discharged by the erstwhile PCHFL and a consideration of Rs. 34,250 crore (comprising upfront cash of Rs. 14,700 crore and issuance of debt instruments of Rs. 19,550 crore) was paid to DHFL's creditors. The erstwhile PCHFL was reverse merged with DHFL, with effect from September 30, 2021, and the amalgamated entity (DHFL) was rechristened Piramal Capital & Housing Finance Limited (PCHFL).

Within retail lending, through its multi-product platform, PEL offers home loans to customers in the affordable housing and budget segments, secured and unsecured lending to small businesses, pre-owned car loans, loans against securities, and unsecured finance constituting microfinance, digital purchase finance, salaried personal loans, etc. Within wholesale lending, the business provides financing to real estate developers as well as corporate clients in select sectors.

PEL has also formed strategic partnerships with leading financial institutions such as The Canada Pension Plan Investment Board (CPPIB), APG Asset Management and Ivanhoe Cambridge (CDPQ) across investment platforms. Piramal Alternatives, the fund management business, provides customised financing solutions to select corporates through Piramal Credit Fund, a performing, sector-agnostic credit fund with capital commitment from CDPQ, and IndiaRF, a distressed asset investing platform with Bain Capital Credit, which invests in equity and/or debt across non-real estate sectors. PEL also has a 50% stake in Pramerica Life Insurance (a joint venture with Prudential International Insurance Holdings) and equity investments in Shriram Group.

Prior to the said corporate restructuring, PEL had a presence in the financial services and pharmaceutical businesses. The Group's financial services business was known as PEL FS and was housed under PCHFL and PFPL. Following the demerger, the erstwhile pharma business (valued at about Rs. 13,000 crore at the time of demerger) was moved to a separate listed entity – Piramal Pharma Limited (PPL).

Key financial indicators

	FY2021^		FY2022*	FY2023
	PEL FS	PEL Consolidated (post-DHFL transaction)	PEL Consolidated (post pharma demerger)	PEL Consolidated (Post pharma de-merger)
Net worth	18,073	35,489	30,120	31,059
AUM	48,891	65,185	65,185	63,989
Net debt	32,531	45,916	40,115#	41,393#
Net gearing (times)	1.8	1.3	1.3	1.3
Gross stage 3	4.1%	3.4%	3.4%	3.2%
Net stage 3	2.1%	1.6%	1.6%	1.7%
Solvency (Net stage 3/Net worth)	2.9%	2.8%	3.3%	3.3%
CRAR	36%	21%	21%	31%

*Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore; ^Audited; *Restated numbers; #As per ICRA estimates (gross debt less cash & liquid investments)*

Status of non-cooperation with previous CRA: Not applicable

Any other information: The company also faces prepayment risk, given the possibility of debt acceleration upon the breach of covenants, including financial covenants, operating covenants and rating-linked covenants. Upon failure to meet the covenants, if the company is unable to get waivers from the lenders/investors or the lenders/investors do not provide it with adequate time to arrange for alternative funding to pay off the accelerated loans, the ratings would face pressure.

Rating history for past three years

	Instrument	Current Rating (FY2024)					Chronology of Rating History for the Past 3 Years				
		Type	Amount Rated (Rs. crore)	Amount Outstanding as on June 27, 2023 (Rs. crore)	Date & Rating		Date & Rating in FY2023	Date & Rating in FY2022			Date & Rating in FY2021
					Jul 05, 2023	Apr 28, 2023	Apr 29, 2022	Dec 30, 2021	Nov 17, 2021	Jul 26, 2021	Jul 27, 2020
1	Non-convertible debentures	LT	2,030	1,125	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA&	-	-	-
2	Non-convertible debentures	LT	19,550	19,532.53	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA&	-	-	-
3	Retail NCD Programme	LT	2,000	804.05	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA&	-	-	-
4	MLD (PP) Programme	LT	500	Nil	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA&	-	-	-
5	Subordinated Bonds (Tier II)	LT	1,500	500	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA&	-	-	-
6	Long-term Bank Lines (Fund Based/CC)	LT	900	450	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA&	-	-	-
7	Long-term Bank Lines (Term Loan)	LT	4,650	4,650	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA&	-	-	-
8	Non-convertible debentures	LT	-	-	-	-	[ICRA]AA (Stable); withdrawn	[ICRA]AA&	-	-	-
9	CP Programme	ST	-	-	-	-	-	-	[ICRA]D; withdrawn	[ICRA]D	[ICRA]D

& Rating on Watch with Developing Implications; ; LT – long term; ST – short term

Rating history for past three years (PCHFL)

	Instrument	Rating in FY2022						Chronology of Rating History for the Past 3 Years							
		Type	Amount Rated (Rs. crore)	Amount Outstanding as on Sep 30, 2021 (Rs. crore)	Date & Rating			Date & Rating in FY2021			Date & Rating in FY2020		Date & Rating in FY2019		
					Dec 28, 2021	Oct 14, 2021	Aug 13, 2021	Mar 29, 2021	Feb 3, 2021 Oct 12, 2020	Jul 27, 2020	Jun 25, 2019	May 31, 2019 Apr 22, 2019	Sep 14, 2018 Sep 4, 2018	Jul 6, 2018	May 31, 2018
1	Non-convertible debentures	Long term	2,530	1,625	[ICRA]AA&; withdrawn	[ICRA]AA&	[ICRA]AA&	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA+ (Negative)	[ICRA]AA+ (Stable)	[ICRA]AA (Positive)	-
2	Non-convertible debentures	Long term	19,550	19,532	[ICRA]AA&; withdrawn	[ICRA]AA&	[ICRA]AA&	-	-	-	-	-	-	-	-
3	Retail NCD Programme	Long term	2,000	804.05	[ICRA]AA&; withdrawn	[ICRA]AA&	[ICRA]AA&	[ICRA]AA (Negative)	-	-	-	-	-	-	-
4	MLD (PP) Programme	Long term	500	0	PP-MLD [ICRA]AA&; withdrawn	PP-MLD [ICRA]AA&	PP-MLD [ICRA]AA&	PP-MLD [ICRA]AA (Negative)	-	-	-	-	-	-	-
5	Subordinated Bonds (Tier II)	Long term	1,500	500	[ICRA]AA&; withdrawn	[ICRA]AA&	[ICRA]AA&	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA+ (Negative)	[ICRA]AA+ (Stable)	[ICRA]AA (Positive)	-
6	Long-term Bank Lines (Fund Based/CC)	Long term	900	450	[ICRA]AA&; withdrawn	[ICRA]AA&	[ICRA]AA&	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA+ (Negative)	[ICRA]AA+ (Stable)	[ICRA]AA (Positive)	-
7	Long-term Bank Lines (Term Loan)	Long term	4,650	2,482	[ICRA]AA&; withdrawn	[ICRA]AA&	[ICRA]AA&	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA+ (Negative)	[ICRA]AA+ (Stable)	[ICRA]AA (Positive)	-
8	Commercial Paper Programme	Short term	-	-	-	-	-	-	-	[ICRA]A1+; withdrawn	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

& Rating on Watch with Developing Implications

Complexity level of the rated instruments

Instrument	Complexity Indicator
Non-convertible debentures	Simple
Retail NCD Programme	Simple
MLD (PP) Programme	Complex
Subordinated Bonds (Tier II)	Simple
Long-term Bank Lines (Fund Based/CC)	Simple
Long-term Bank Lines (Term Loan)	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click Here

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE641O07037	NCD	Mar 10, 2017	8.95%	Mar 08, 2024	5	[ICRA]AA (Stable)
INE641O07086	NCD	May 04, 2017	8.75%	May 03, 2024	25	[ICRA]AA (Stable)
INE641O07144	NCD	Sep 20, 2017	7.96% (monthly)	Sep 19, 2025	167	[ICRA]AA (Stable)
INE641O07144	NCD	Sep 20, 2017	7.96% (monthly)	Sep 18, 2026	167	[ICRA]AA (Stable)
INE641O07144	NCD	Sep 20, 2017	7.96% (monthly)	Sep 20, 2027	166	[ICRA]AA (Stable)
INE516Y07188	NCD	Jul 31, 2020	8.50%	Jul 31, 2023	500	[ICRA]AA (Stable)
INE516Y07246	NCD	Nov 3, 2020	9.32%	Nov 1, 2030	50	[ICRA]AA (Stable)
INE516Y07295	NCD	Mar 30, 2021	9.00%	Mar 28, 2031	25	[ICRA]AA (Stable)
INE516Y07329	NCD	Jun 29, 2021	8.85%	Jun 27, 2031	20	[ICRA]AA (Stable)
NA	NCD (proposed)	NA	NA	NA	905	[ICRA]AA (Stable)
INE516Y07444	NCD	Sep 28, 2021	6.75%	Sep 26, 2031	19,532.53	[ICRA]AA (Stable)
NA	NCD (proposed)	NA	NA	NA	17.47	[ICRA]AA (Stable)
INE516Y07337	Retail NCD	Jul 23, 2021	8.10%	Sep 23, 2023	5.25	[ICRA]AA (Stable)
INE516Y07345	Retail NCD	Jul 23, 2021	0.00%	Sep 23, 2023	1.23	[ICRA]AA (Stable)
INE516Y07352	Retail NCD	Jul 23, 2021	8.25%	Jul 23, 2024	1.38	[ICRA]AA (Stable)
INE516Y07360	Retail NCD	Jul 23, 2021	8.50%	Jul 23, 2026	10.75	[ICRA]AA (Stable)
INE516Y07378	Retail NCD	Jul 23, 2021	8.75%	Jul 23, 2031	0.12	[ICRA]AA (Stable)
INE516Y07386	Retail NCD	Jul 23, 2021	8.35%	Sep 23, 2023	346.64	[ICRA]AA (Stable)
INE516Y07394	Retail NCD	Jul 23, 2021	0.00%	Sep 23, 2023	49.55	[ICRA]AA (Stable)
INE516Y07402	Retail NCD	Jul 23, 2021	8.50%	Jul 23, 2024	154.26	[ICRA]AA (Stable)
INE516Y07410	Retail NCD	Jul 23, 2021	8.75%	Jul 23, 2026	80.87	[ICRA]AA (Stable)
INE516Y07428	Retail NCD	Jul 23, 2021	9.00%	Jul 23, 2031	154.01	[ICRA]AA (Stable)
NA	Retail NCD (proposed)	NA	NA	NA	1,195.94	[ICRA]AA (Stable)
INE641O08035	Subordinated Bonds (Tier II)	Mar 08, 2017	9.55%	Mar 08, 2027	500	[ICRA]AA (Stable)
NA	Subordinated Bonds (Tier II) (proposed)	NA	NA	NA	1,000	[ICRA]AA (Stable)
Long-term Bank Lines	WCDL/Cash Credit	NA	NA	NA	450	[ICRA]AA (Stable)
Unallocated	WCDL/Cash Credit	NA	NA	NA	450	[ICRA]AA (Stable)
Long-term Bank Lines (Term Loans)	Long-term Bank Lines – Term Loans	FY 2014-2020	8.75%-11.50%	FY 2022-2024	4,100	[ICRA]AA (Stable)
Long-term Bank Lines – Term Loans	Long-term Bank Lines – Term Loans (proposed)	NA	NA	NA	550	[ICRA]AA (Stable)
NA	MLD (PP) Programme (Proposed)	NA	NA	NA	500	PP-MLD[ICRA]AA (Stable)

Source: PCHFL; ISIN details as on March 31, 2023

[*Please click here to view details of lender-wise facilities rated by ICRA*]

Annexure II: List of entities considered for consolidated analysis

Company Name		Consolidation Approach
Piramal Enterprises Limited	Holding Company	Full Consolidation
Piramal International	Subsidiary	Full Consolidation
Piramal Holdings (Suisse) SA (until December 9, 2022)	Subsidiary	Full Consolidation
Piramal Dutch IM Holdco B.V.	Subsidiary	Full Consolidation

Company Name		Consolidation Approach
Piramal Capital & Housing Finance Limited	Subsidiary	Full Consolidation
DHFL Advisory and Investment Private Limited	Subsidiary	Full Consolidation
DHFL Holdings Limited	Subsidiary	Full Consolidation
DHFL Investments Limited	Subsidiary	Full Consolidation
DHFL Changing Lives Foundation	Subsidiary	Full Consolidation
PRL Agastya Private Limited (w.e.f. December 12, 2022)	Subsidiary	Full Consolidation
Piramal Fund Management Private Limited	Subsidiary	Full Consolidation
INDIAREIT Investment Management Co	Subsidiary	Full Consolidation
Piramal Asset Management Private Limited	Subsidiary	Full Consolidation
Piramal Alternatives Private Limited	Subsidiary	Full Consolidation
Piramal Investment Advisory Services Private Limited	Subsidiary	Full Consolidation
Piramal Investment Opportunities Fund	Subsidiary	Full Consolidation
Piramal Securities Limited	Subsidiary	Full Consolidation
Piramal Systems & Technologies Private Limited	Subsidiary	Full Consolidation
Piramal Technologies SA	Subsidiary	Full Consolidation
PEL Finhold Private Limited	Subsidiary	Full Consolidation
Piramal Consumer Products Private Limited	Subsidiary	Full Consolidation
Virdis Power Investment Managers Private Limited (w.e.f. October 17, 2020)	Subsidiary	Full Consolidation
Virdis Infrastructure Investment Managers Private Ltd. (w.e.f. October 22, 2020)	Subsidiary	Full Consolidation
Piramal Finance Sales & Services Pvt. Ltd.	Subsidiary	Full Consolidation
Piramal Payment Services Limited (w.e.f. 29 April 2022)	Subsidiary	Full Consolidation
Piramal Alternatives Trust	Subsidiary	Full Consolidation
Pramerica Life Insurance Limited	Joint Venture	Full Consolidation
India Resurgence ARC Private Limited	Joint Venture	Full Consolidation
India Resurgence Asset Management Business Private Limited	Joint Venture	Full Consolidation
India Resurgence Fund - Scheme 2	Joint Venture	Full Consolidation
Piramal Structured Credit Opportunities Fund	Joint Venture	Full Consolidation
Asset Resurgence Mauritius Manager	Joint Venture	Full Consolidation
Shrilekha Business Consultancy Private Limited (Until November 9, 2022)	Joint Venture	Full Consolidation
DHFL Ventures Trustee Company Private Limited	Joint Venture	Full Consolidation
Shriram Capital Limited (Until November 9, 2022)	Joint Venture	Full Consolidation

Source: Company; As of December 31, 2022

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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