

May 10, 2024

## PNB Housing Finance Limited: Rating withdrawn for Rs. 300-crore NCD programme

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures (NCDs)	1,300.00	1,300.00	[ICRA]AA+ (Stable); outstanding
Tier II bonds	200.00	200.00	[ICRA]AA+ (Stable); outstanding
NCDs	300.00	0.00	[ICRA]AA+ (Stable); withdrawn
<b>Total</b>	<b>1,600.00</b>	<b>1,300.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

ICRA has withdrawn the [ICRA]AA+ (Stable) rating assigned to PNB Housing Finance Limited's (PNBHFL) Rs. 300.00-crore non-convertible debenture (NCD) programme as no amount is outstanding against the same. This is in accordance with ICRA's policy on the withdrawal of credit ratings. The key rating drivers, liquidity position, rating sensitivities, and key financial indicators have not been captured as the rated instrument is being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Rating Methodology for Non-banking Finance Companies</a> <a href="#">Policy on Withdrawal of Credit Ratings</a>
Parent/Group support	The rating factors in ICRA's expectation that PNB would be willing to extend support to PNBHFL, if needed, given its importance as well as the shared brand name
Consolidation/Standalone	The rating is based on the consolidated financial profile of the company

### About the company

Incorporated in 1988, PNBHFL is a deposit-accepting housing finance company. Punjab National Bank (PNB), the promoter of the company, held a 28.1% stake while Carlyle Group held 32.7% as on March 31, 2024. PNBHFL offers home loans, loan against property, builder loans and lease rental discounting. Its operations are geographically diversified with its portfolio spread across 20 states/Union Territories. As on March 31, 2024, it reported assets under management of Rs. 71,243 crore (Rs. 66,617 crore in March 2023).

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

Instrument	Type	Current Rating (FY2025)		Chronology of Rating History for the Past 3 Years							
		Amount Rated (Rs. crore)	Amount Outstanding as of April 29, 2024 (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2024					Date & Rating in FY2023	Date & Rating in FY2022
					May 10, 2024	Mar 28, 2024	Sep 04, 2023	Aug 22, 2023	Apr 11, 2023		
1 NCD programme	Long term	300	300	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA (Positive)	[ICRA]AA (Positive)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Negative)
2 Tier II bonds	Long term	200	200	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA (Positive)	[ICRA]AA (Positive)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Negative)
3 NCD programme	Long term	-	-	-	-	-	-	-	-	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Negative)
4 NCD programme	Long term	1,000	900	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA (Positive)	-	-	-	-	-

## Complexity level of the rated instruments

Instrument	Complexity Indicator
NCD programme	Very simple
Tier II bonds	Very 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	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
INE572E09239	NCD	Jan-31-2014	9.48%	Jan-31-2024	300	[ICRA]AA+ (Stable); withdrawn
INE572E07092	NCD	Mar-17-2023	8.70%	Sep-17-2024	150	[ICRA]AA+ (Stable)
INE572E07126	NCD	Sep-06-2023	8.52%	Sep-06-2028	400	[ICRA]AA+ (Stable)
INE572E07134	NCD	Sep-14-2023	8.43%	Mar-14-2025	650	[ICRA]AA+ (Stable)
Not issued	NCD	NA	NA	NA	100	[ICRA]AA+ (Stable)
INE572E09262	Tier II bonds	Nov-24-2014	8.70%	Nov-24-2024	200	[ICRA]AA+ (Stable)

Source: Company

**Annexure II: List of entities considered for consolidated analysis**

Company Name	PNBHFL Ownership	Consolidation Approach
PHFL Home Loans and Services Ltd.	100.00%	Full Consolidation

Source: PNBHFL

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