

Piramal Capital & Housing Finance Limited (Revised)
(Erstwhile Dewan Housing Finance Corporation Limited)

December 20, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	23,000.00	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
Total bank facilities	23,000.00 (₹ Twenty-three thousand crore only)		
Subordinate debt	500.00	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
Market linked debentures*	950.00 (Reduced from 1,100.00)	CARE PP-MLD AA; Stable (Principal Protected-Market Linked Debentures Double A; Outlook: Stable)	Reaffirmed
Non-convertible debentures*	29,185.00 (Reduced from 29,485.00)	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
Non-convertible debentures (Public NCDs)	2,000.00	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
Total long-term instruments	32,635.00 (₹ Thirty-two thousand six hundred thirty-five crore only)		
Commercial paper	3,000.00	CARE A1+ (A One Plus)	Reaffirmed
Inter-corporate deposit	500.00	CARE A1+ (A One Plus)	Reaffirmed
Total short-term instruments	3,500.00 (₹ Three thousand five hundred crore only)		

Details of instruments/facilities in Annexure-1

* Reduction is on account of redemption

Detailed rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has taken a consolidated view of Piramal Enterprise Limited (PEL), which has now become the non-banking financial company (NBFC) of the group post receipt of license in July 2022 and its 100% owned housing finance company subsidiary, 'Piramal Capital and Housing Ltd. (PCHFL; erstwhile Dewan Housing Finance Ltd [DHFL])'.

The restructuring exercise within the Piramal Group involving demerger of the pharmaceuticals business of PEL and amalgamation of PHL Fininvest Pvt. Ltd (PFPL) into PEL, its 100% NBFC subsidiary into PEL has been completed post receipt of approval from National Company Law Tribunal (NCLT) in August 2022, with the scheme becoming effective from April 01, 2022. Post restructuring, the erstwhile financial services business (PEL FS) of PEL continues to be operated under PEL and PCHFL. PEL has retained all the non-pharma-related assets, including the shareholding in the Shriram group.

Earlier, PCHFL acquired DHFL and got reverse merged into DHFL on September 30, 2021, and was subsequently renamed 'Piramal Capital and Housing Finance Limited', which continues to remain a wholly-owned subsidiary of PEL.

The ratings continue to factor in the long track record of the PEL in financial services business and moderate leverage supported by strong capitalisation levels, and demonstrated financial flexibility through fund raising leading through diversified sources.

The ratings also take note of PEL's plan to bring in more granularity to the loan book by focusing on the retail segment and reduction of wholesale book as well as the increase in proportion of retail lending business from 33% of assets under management (AUM) as on March 31, 2022 to 39% of AUM as on September 30, 2022, post the acquisition of DHFL.

The rating strengths are partially constrained by moderation in asset quality, moderate profitability due to provisioning made on potentially weaker assets as well as significant exposure to and concentration in the real estate loan portfolio, which although

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

the group has been taking measures to reduce, remains sizeable. The ability of PEL to raise funds from diverse sources at competitive rates remains a key rating monitorable.

Rating sensitivities

Positive factors – Factors that could lead to positive rating action/upgrade:

- Substantial reduction in exposure to the real estate segment in overall loan book and single group exposure of net worth on a sustained basis.
- Significant improvement in the asset quality.

Negative factors – Factors that could lead to negative rating action/downgrade:

- Increase in the proportion of real estate loan book on a sustained basis.
- Mismatch in asset liability maturities and challenges in raising long-term funding.
- Deterioration in asset quality with net non-performing asset (NNPA)/ net worth of over 10%.
- Increase in the overall gearing beyond 3.5x.

Detailed description of the key rating drivers

Key rating strengths

Strong and resourceful promoters along with experienced management team: PEL is the main financial lending entity of the Piramal Group headed by the Chairman, Ajay Piramal. The group has presence in diversified businesses like financial services through PEL, pharma (CDMO, Critical Care, OTC) through Piramal Pharma Ltd (PPL), and real estate development and consulting (through a separate company). The Board of Directors comprises eminent individuals from the industry providing their experience and governance to the group. The Board is supported by experienced senior management team heading various verticals with adequate and relevant experience in their respective fields.

The group has experience of lending in the real estate industry for over a decade, and forayed into mortgage lending around five years back.

The focus of the group has now shifted towards building the retail portfolio in the financial services segment, and has appointed Jairam Sridharan as the Managing Director (MD of PCHFL) to head and scale up its retail finance business in the medium term. He has over two decades of retail domain experience and specialises in setting up and scaling new businesses. The group is in the process of building team, systems and process to undertake retail book expansion. Furthermore, acquisition of DHFL has helped the group to diversify its retail book.

Demonstrated financial flexibility through fund raising leading to comfortable capitalisation and gearing levels:

PEL has demonstrated strong fund-raising capability in the recent past, has raised the equity capital, and has been providing growth capital to its subsidiaries, including pharma and financial services business. During FY20 and FY21 (refers to the period April 1 to March 31), PEL raised nearly ₹18,173 crore of capital by way of sale of 10% stake in Shriram Transport Finance Company Ltd (₹2,300 crore in June 2019), Rights issue (₹3,650 crore including promoter investment of ₹1,600 crore in January 2020), preferential allotment to Caisse de dépôt et placement du Québec (CDPQ) (₹1,750 crore in December 2019), sale of its DRG business (₹6,750 crore in February 2020), and stake dilution by 20% in PPL to the Carlyle group (₹3,523 crore in October 2020). These funds were used to deleverage the balance sheet and provide capital for its financial services business. Furthermore, PEL has financial flexibility in terms of its holdings in the Shriram group (20% in Shriram Capital and 10% in Shriram City Union Finance), which will become 10% of Shriram Finance Limited making its investment liquid as the group restructuring has been complete.

Majority of the borrowings of PEL are in the form of NCD instruments as on September 30, 2022, and the largest category of lenders are banks. However, PEL is currently relying more on bank borrowings than capital markets instruments for its incremental funding requirements. The weighted average maturity profile of borrowings in PEL is 3.5 years as on September 30, 2022. PEL has, in the past, refinanced its debt and lowered its average borrowing cost. Around 78% of its borrowings are on fixed rate, whereas only 32% of its assets are on fixed rate. PEL had liquidity of ₹6,984 crore as on September 30, 2022, which is around 15% of the total debt and scheduled collections from the loan portfolio and prepayments of housing portfolio acquired from DHFL provides additional comfort. The ability of PEL to raise long-term funds at competitive rates from varied sources to fund its incremental loan book as well as repay its debt is a key rating sensitivity.

PEL had a consolidated net worth of ₹27,472 crore as on September 30, 2022, with an overall gearing of 1.7x (March 31, 2022: 1.8x) and capital adequacy ratio (CAR) of 23% (March 31, 2022: 21%) based on lending net worth of ₹19,273 crore. PCHFL (standalone) reported CAR of 18.90% (March 31, 2022: 22.01%) with Tier-I CAR of 17.90% (March 31, 2022: 21.11%) as on September 30, 2022.

Diversification into retail lending: PEL has started to diversify its retail book post acquisition of DHFL portfolio by launching new products, such as unsecured loans, small and medium enterprises (SME) credit, used vehicle financing, personal loans, etc. and have made partnerships with fintech and consumer tech firms to get business. PEL is also expanding geographically by opening new branches to the already existing branches acquired from DHFL. The retail portfolio is gaining traction as the disbursements are improving quarter-on-quarter post acquisition of DHFL and has exceeded the run-off rate of the legacy DHFL retail loan book from Q1FY23 onwards. Housing loans continue to be dominant at 63% of retail AUM followed by secured MSME lending at 26% of retail AUM as on September 30, 2022, with the proportion of other newly launched product remaining small. The company has plans to increase the retail proportion to over 60% of AUM by FY27. However, the ability of the company to maintain healthy asset quality of its retail book as it scales going forward would remain a monitorable.

Key rating weaknesses

Concentration risk: The lending portfolio of PEL has predominantly been wholesale with high concentration on the real estate segment. The group is focused on growing the retail book, and the acquisition of DHFL has helped reduce the wholesale proportion from 89% of AUM as on March 31, 2021 to 61% as on September 30, 2022 (March 31, 2022: 67%). However, the same continues to be remain high and is expected to reduce in the medium term as the company scales up its retail business. Although the real estate exposure has also come down from 78% of the AUM as on March 31, 2021 to 44% of the AUM as on September 30, 2022 (March 31, 2022: 45%), the sector risk still persists.

While the management is trying to reduce the wholesale exposure especially in real estate and client concentrations on an absolute basis, the progress has been slower than expected. The wholesale loan book is gradually reducing. Top 10 group exposures constituted around 18% of AUM as on September 30, 2022 (March 31, 2022: 19%; and March 31, 2021: 28%).

Moderate asset quality: The gross NPA (GNPA) ratio (Stage-3) and Stage-2 assets of PEL increased from 3.4% and 6.2% of overall AUM as on March 31, 2022 to 3.7% and 16.0%, respectively, as on September 30, 2022, as it classified certain large potential stressed real estate group exposures of approximately ₹5,888 crore (9% of AUM) during Q2FY23 from Stage-1 to Stage-2, which as per the management are not entirely delinquent, however, the company wants to get out of such exposures. PEL continues to keep sufficient provisions at 8.6% of AUM as on September 30, 2022 (March 31, 2022: 5.7%), to insulate itself from any further asset quality shocks. Emergency Credit Line Guarantee Scheme (ECLGS) loans constitute around 1.8% of AUM, whereas approximately 32% of the wholesale book is under moratorium as on September 30, 2022. While PEL has adequate provisioning on its Stage-2 and Stage-3 assets, the quality of the entire wholesale portfolio, especially real estate, will remain key monitorable going forward.

DHFL's Stage-3 and Stage-2 assets, as on merger date (amounting to face value of ₹9,488 crore), have been classified as Purchased or Originated Credit Impaired (POCI) at a fair value of ₹3,204 crore in PEL's book as on September 30, 2022, and these accounts will not get reclassified as Stage-1 / 2 / 3 assets in their lifecycle.

Moderation in profitability with higher provisioning: The net interest income of PEL FS was lower by 13% at ₹2,406 crore during FY22 on account of the interest reversals on some assets that were moved from Stage-1 to Stage-2 and due to negative carry for maintaining excess liquidity on the balance sheet. The fee income increased as off-balance sheet securitised assets (₹18,747 crore as on March 31, 2022) acquired with DHFL generated fee income of around 1.6%. Furthermore, operating expenses increased substantially during FY22 as PEL FS took over DHFL increasing the employee count and expenses for reopening branches causing the Pre-Provision Operating Profit (PPOP) to be lower by 25% in FY22 at ₹1,694 crore as compared with the previous year. The provisions were high during FY22, mainly on account of some large assets being classified as Stage-2 in Q4FY22 requiring incremental provisioning. As a result, profit after tax (PAT) was lower by 55% at ₹743 crore for FY22 as compared with ₹1,668 crore for the previous year. Return on total assets (ROTA) was 1.3% for FY22 (FY21: 3.3%).

PEL reported loss during Q2FY23 and H1FY23 as it reclassified a significant proportion of its wholesale real estate assets from Stage-1 to Stage-2 requiring incremental provisions.

Ability to raise funds at competitive rates: Majority of the borrowings of PEL are in the form of NCD instruments as on September 30, 2022, and the largest category of lenders are banks. However, PEL is currently relying more on bank borrowings than capital markets instruments for its incremental funding requirements. The weighted average maturity profile of borrowings in PEL is 3.5 years as on September 30, 2022. PEL has, in the past, refinanced its debt and lowered its average borrowing cost. Around 78% of its borrowings are on fixed rate, whereas only 32% of its assets are on fixed rate. PEL had liquidity of ₹6,984 crore as on September 30, 2022, which is around 15% of the total debt and scheduled collections from the loan portfolio and prepayments of housing portfolio acquired from DHFL provides additional comfort. The ability of PEL to raise long-term funds at competitive rates from varied sources to fund its incremental loan book as well as repay its debt is a key rating sensitivity.

Liquidity: Adequate

According to the Structural Liquidity Statement as on September 30, 2022, there were no negative cumulative mismatches as per the asset-liability management (ALM) of PEL in time buckets up to six months. PEL had free cash and bank balance including liquid investments including unutilised bank lines of around ₹5,900 crore as on September 30, 2022, as against repayments due of ₹6,597 crore over H2FY23 and ₹7,948 crore over FY24. PEL also has access to the capital market and raise funds through CP. Furthermore, it also has minority stake in the Shriram group companies, which acts as an additional buffer. PEL on a standalone basis had a free cash and bank balance including liquid investments of around ₹1,250 crore as on September 30, 2022, and had a debt repayment of ₹3,870 crore for H2FY23 including CP of ₹2,718 crore, which generally gets rolled over.

PCHFL had a free cash and bank balance including liquid investments of around ₹4,500 crore as on September 30, 2022, and had a debt repayment of ₹2,727 crore for H2FY23.

Analytical approach:

CARE Ratings has taken a consolidated view of PCHFL and its parent, PEL.

Applicable criteria

[Policy on default recognition](#)

[Consolidation](#)

[Financial Ratios - Financial Sector](#)

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Market Linked Notes](#)

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[Policy on Withdrawal of Ratings](#)

About the company – Piramal Enterprises Ltd

Piramal Enterprises Limited (PEL) is a non-banking financial company (NBFC), which was registered with the Reserve Bank of India (RBI) w.e.f. July 22, 2022. PEL, the NBFC along with its 100% subsidiary PCHFL (Piramal Capital & Housing Finance Limited), a housing finance company (HFC) provides housing finance and other financing solutions in real estate 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 segment (other than real estate) has Corporate Finance Group (CFG) providing customised funding solutions to companies across sectors, such as infrastructure, renewable energy, roads, industrials, auto components, etc., while Emerging Corporate Lending (ECL) focuses on lending towards SMEs. PEL also has several tie-ups with leading international partners like Bain Capital (for stressed asset), APG (mezzanine investment in Infra), Ivanhoe Cambridge (Residential real estate platform), CDPQ (Senior Debt in non-Real Estate, non-Infra sectors), CPPIB (InvIT platform of Renewables), etc.

As part of the corporate restructuring exercise, Piramal Pharma Ltd (PPL; the erstwhile pharma subsidiary of PEL) got demerged from PEL and was separately listed on stock exchanges. Furthermore, PFPL, the 100% NBFC subsidiary of PEL, was merged into PEL w.e.f. August 12, 2022.

PEL had a consolidated AUM of ₹63,780 crore (March 31, 2022: ₹65,185 crore) and standalone AUM of ₹12,394 crore as on September 30, 2022.

PEL Consolidated (Pre-restructuring)

Brief Financials (₹ crore)	31-03-2021 (A)	31-03-2022 (A)
Total income	12,809	13,993
PBILDT	7,828	7,170
PAT	1,413	1,999
Overall gearing (times)	1.19	1.49
Interest coverage (times)	1.86	1.60

PEL Consolidated (Post Restructuring)

Brief Financials (₹ crore)	31-03-2022#	H1FY23 (UA)
Total income	7,910	4,077
PAT	1,662	6,619
Total Assets	80,839	99,873
Net NPA (%)*	1.6	1.2
ROTA (%)	NM	NM

*Based on AUM

Restated, NM: Not Meaningful

PEL Standalone (Post Restructuring)

Brief Financials (₹ crore)	31-03-2022#	H1FY23 (UA)
Total income	2,820	952
PAT	964	11,498
Total Assets	33,185	28,690
Net NPA (%)*	4.7	1.2
ROTA (%)	NM	NM

*Based on AUM

Restated, NM: Not meaningful

PEL FS (Key financial indicators)

Brief Financials (₹ crore)	31-03-2021	31-03-2022	H1FY23 (UA)
Total operating income	2,883	2,768	NA
PAT	1,667	743	NA
Net NPA (%)*	2.1	1.6	NA
ROTA (%)	3.3	1.3	NA

*Based on AUM, NA: Not available

About the company – PHL Fininvest Pvt. Ltd. (PFPL)

PHL Fininvest Private Ltd. (PFPL) was a wholly-owned NBFC subsidiary of PEL, engaged in the financial services business until it was amalgamated with PEL. The company was incorporated in June 1994 in the name of NPIL Fininvest Private Limited. Later, the name of the company was changed to PHL Fininvest Private Limited w.e.f. December 26, 2008. In June 2000, PFPL received a certificate for commencing business of non-banking financial institution without accepting public deposit from the RBI. The company had no material operations till FY18. During FY19, a part of the loan portfolio (largely corporate lending and real estate-related loans) was transferred to PFPL from PEL and Piramal Capital and Housing Finance Limited (PCHFL).

PFPL Standalone

Brief Financials (₹ crore)	31-03-2021 (A)	31-03-2022 (A)	H1FY23 (UA)
Total operating income	2,008	1,568	NA
PAT	491	423	NA
Total assets	13,001	11,079	NA
Net NPA (%)*	2.3	2.8	NA
ROTA (%)	3.5	3.5	NA

A: Audited; UA: Unaudited

*Based on AUM, NA: Not available

About the company – Piramal Capital and Housing Finance Ltd. (PCHFL)

Piramal Housing Finance Limited (PHFL) was a housing finance company, incorporated in February 2017, as a wholly-owned subsidiary of Piramal Finance Limited. With effect from March 31, 2018, Piramal Finance Limited and Piramal Capital Limited have amalgamated with PHFL, and subsequently, the name of the entity was changed to Piramal Capital & Housing Finance Limited (PCHFL). Pursuant to the resolution plan and take over by the Piramal group, PCHFL was reverse merged into DHFL with effect from September 30, 2021, as contemplated under scheme of arrangement provided under the resolution. DHFL was subsequently renamed as 'Piramal Capital & Housing Finance Limited' since November 2021. PCHFL had AUM of ₹51,386 crore as on September 30, 2022 (March 31, 2022: ₹51,808 crore).

PCHFL Standalone

Brief Financials (₹ crore)	31-03-2021 (A)	31-03-2022 (A)	H1FY23 (UA)
Total operating income	5,088	6,104	3,118
PAT	1,034	526	-1,270
Total assets	42,357	69,466	63,057
Net NPA (%)*	1.9	1.2	1.3
ROTA (%)	2.50	0.94	-3.83

A: Audited; UA: Unaudited

*Based on AUM

Status of non-cooperation with previous CRA:

Not applicable

Any other information:

Not applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure-4**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term loan	-	-	6.5-8.5%	29-Mar-29	23,000.00	CARE AA; Stable
Non-convertible debentures	INE641O07086	04-May-17	8.75%	03-May-24	25.00	CARE AA; Stable
Non-convertible debentures	INE641O07185	05-Oct-18	9.25%	03-Oct-25	35.00	CARE AA; Stable
Non-convertible debentures	INE641O07193	02-Nov-18	9.75%	02-Nov-23	25.00	CARE AA; Stable
Non-convertible debentures	INE516Y07014	19-Dec-18	9.27%	19-Dec-28	500.00	CARE AA; Stable
Non-convertible debentures	INE516Y07063	11-Mar-19	9.51%	09-Mar-29	1,500.00	CARE AA; Stable
Non-convertible debentures	INE516Y07139	14-Jun-19	10.00%	08-Nov-24	180.00	CARE AA; Stable
Non-convertible debentures	INE516Y07121	16-Sep-19	9.50%	16-Sep-22	-	Withdrawn
Non-convertible debentures	INE516Y07147	13-May-20	8.75%	12-May-23	500.00	CARE AA; Stable
Non-convertible debentures	INE516Y07154	30-Jun-20	8.75%	31-May-23	325.00	CARE AA; Stable
Non-convertible debentures	INE516Y07188	31-Jul-20	8.50%	31-Jul-23	500.00	CARE AA; Stable
Non-convertible debentures	INE516Y07246	03-Nov-20	9.32%	01-Nov-30	50.00	CARE AA; Stable
Non-convertible debentures	INE516Y07261	12-Mar-21	9.25%	12-Mar-26	2,000.00	CARE AA; Stable
Non-convertible debentures	INE516Y07279	19-Mar-21	9.25%	19-Mar-26	2,050.00	CARE AA; Stable
Non-convertible debentures	INE516Y07287	26-Mar-21	8.50%	23-Jan-23	50.90	CARE AA; Stable
Non-convertible debentures	INE516Y07295	30-Mar-21	9.00%	28-Mar-31	25.00	CARE AA; Stable
Non-convertible debentures	INE516Y07329	29-Jun-21	8.85%	27-Jun-31	20.00	CARE AA; Stable
Non-convertible debentures	INE516Y07444	28-Sep-21	6.75%	26-Sep-31	19,532.53	CARE AA; Stable
Non-convertible debentures	Proposed				1,866.57	CARE AA; Stable
Non-convertible debentures	INE516Y07337	23-Jul-21	8.10%	23-Sep-23	5.25	CARE AA; Stable
Non-convertible debentures	INE516Y07386	23-Jul-21	8.35%	23-Sep-23	346.64	CARE AA; Stable
Non-convertible debentures	INE516Y07345	23-Jul-21	8.10%	23-Sep-23	1.23	CARE AA; Stable
Non-convertible debentures	INE516Y07394	23-Jul-21	8.35%	23-Sep-23	49.55	CARE AA; Stable
Non-convertible debentures	INE516Y07352	23-Jul-21	8.25%	23-Jul-24	1.38	CARE AA; Stable
Non-convertible debentures	INE516Y07402	23-Jul-21	8.50%	23-Jul-24	154.26	CARE AA; Stable
Non-convertible debentures	INE516Y07360	23-Jul-21	8.50%	23-Jul-26	10.75	CARE AA; Stable
Non-convertible debentures	INE516Y07410	23-Jul-21	8.75%	23-Jul-26	80.87	CARE AA; Stable
Non-convertible debentures	INE516Y07378	23-Jul-21	8.75%	23-Jul-31	0.12	CARE AA; Stable
Non-convertible debentures	INE516Y07428	23-Jul-21	9.00%	23-Jul-31	154.01	CARE AA; Stable
Non-convertible debentures	Proposed		-		1,195.95	CARE AA; Stable
Market-linked debentures	INE516Y07303	07-Apr-21	8.50%	07-Oct-22	-	Withdrawn
Market-linked debentures	INE516Y07311	16-Apr-21	8.25%	14-Apr-23	120.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE516Y07311	03-May-21	8.25%	14-Apr-23	50.00	CARE PP-MLD AA; Stable
Market-linked debentures	Proposed				780.00	CARE PP-MLD AA; Stable
Subordinate debt	INE641O08035	08-Mar-17	9.55%	08-Mar-27	500.00	CARE AA; Stable
Commercial paper	-	-	-	7-365 days	3,000.00	CARE A1+
Inter-corporate deposit	Proposed	-	-	Upto 365 days	500.00	CARE A1+

Annexure-2: Rating history of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Loan-Long term	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
2	Debentures-Non-convertible debentures	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
3	Debentures-Non-convertible debentures	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
4	Debt-Subordinate debt	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
5	Debentures-Non-convertible debentures	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
6	Debentures-Non-convertible debentures	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
7	Fund-based - LT-LC/BG	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
8	Debt-Subordinate debt	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
9	Term loan-Long term	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
10	Fixed deposit	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (FD) (25-Aug-21)	1)CARE D (FD) (15-Feb-21)	1)CARE D (FD) (20-Mar-20) 2)CARE D (FD) (05-Jun-19) 3)CARE BBB-(FD) (CW with Negative Implications)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
								(14-May-19)
11	Debentures-Non-convertible debentures	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
12	Debt-Perpetual debt	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BB+(CW with Negative Implications) (14-May-19)
13	Fund-based - LT-Term loan	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
14	Fund-based - LT-Term loan	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
15	Fund-based - LT-Term loan	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
								(14-May-19)
16	Debt-Subordinate debt	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
17	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
18	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
19	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
20	Debt-Subordinate debt	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
								(14-May-19)
21	Fund-based - LT-Term loan	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
22	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
23	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
24	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (16-Nov-21) 2)CARE D (25-Aug-21)	1)CARE D (15-Feb-21)	1)CARE D (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications) (14-May-19)
25	Borrowings-Secured long-term borrowings	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (05-Jun-19) 3)CARE BBB-(CW with Negative Implications)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
								(14-May-19)
26	Preference Shares- Redeemable	LT	-	-	-	-	-	1)Withdrawn (20-Mar-20) 2)CARE D (RPS) (05-Jun-19) 3)CARE BBB-(RPS) (CW with Negative Implications) (14-May-19)
27	Debentures-Market linked debentures	LT	950.00	CARE PP-MLD AA; Stable	1)CARE PP-MLD AA; Stable (08-Jul-22)	1)CARE PP-MLD AA (CW with Developing Implications) (10-Dec-21)	-	-
28	Commercial paper- Commercial paper (Standalone)	ST	3000.00	CARE A1+	1)CARE A1+ (08-Jul-22)	1)CARE A1+ (22-Nov-21)	-	-
29	Debentures-Non-convertible debentures	LT	29185.00	CARE AA; Stable	1)CARE AA; Stable (08-Jul-22)	1)CARE AA (CW with Developing Implications) (10-Dec-21)	-	-
30	Inter corporate deposit	ST	500.00	CARE A1+	1)CARE A1+ (08-Jul-22)	1)CARE A1+ (10-Dec-21)	-	-
31	Fund-based - LT-Term loan	LT	23000.00	CARE AA; Stable	1)CARE AA; Stable (08-Jul-22)	1)CARE AA (CW with Developing Implications) (10-Dec-21)	-	-
32	Debt-Subordinate debt	LT	500.00	CARE AA; Stable	1)CARE AA; Stable (08-Jul-22)	1)CARE AA (CW with Developing Implications) (10-Dec-21)	-	-
33	Debentures-Non-convertible debentures	LT	2000.00	CARE AA; Stable	1)CARE AA; Stable (08-Jul-22)	1)CARE AA (CW with Developing Implications) (10-Dec-21)	-	-

* Long term / Short term

Annexure-3: Detailed explanation of covenants of the rated instrument/facilities

Name of the Instrument	Detailed Explanation
A. Financial covenants	
I Net Owned Fund to be at least ₹3,000 crore at all times	-
II Security cover to be greater than 1.1x	-
B. Non-financial covenants	
I PEL to hold at least 51% in PCHFL	-

Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of Instrument	Complexity Level
1	Commercial paper (Standalone)	Simple
2	Inter-corporate deposit	Simple
3	Non-convertible debentures	Simple
4	Fund-based - LT-Term loan	Simple
5	Debt-subordinate debt	Complex
6	Market-linked debentures	Highly Complex

Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please [click here](#)

Annexure 6: Entities considered for consolidation

Sr. no.	Subsidiary	Extent of Consolidation (%)	Rationale for consolidation
1	PHL Fininvest Private Limited (until merger)	100	Wholly-owned subsidiary
2	Piramal Capital & Housing Finance Limited	100	Wholly-owned subsidiary

Note on complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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