Piramal Enterprises Limited (Revised)

August 3, 2023

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Non-convertible debentures (Public NCD) (proposed)	3,000.00	CARE AA; Stable	Assigned
Non-convertible debentures	4,000.00	CARE AA; Stable	Assigned
Long-term / Short-term bank facilities	3,000.00	CARE AA; Stable / CARE A1+	Reaffirmed
Market linked debentures	898.00 (Reduced from 1,000.00)	CARE PP-MLD AA; Stable	Reaffirmed
Market linked debentures	1,000.00	CARE PP-MLD AA; Stable	Reaffirmed
Market linked debentures	1,000.00	CARE PP-MLD AA; Stable	Reaffirmed
Non-convertible debentures	100.00	CARE AA; Stable	Reaffirmed
Non-convertible debentures	200.00 (Reduced from 250.00)	CARE AA; Stable	Reaffirmed
Non-convertible debentures	334.00	CARE AA; Stable	Reaffirmed
Non-convertible debentures	460.00 (Reduced from 2,210.00)	CARE AA; Stable	Reaffirmed
Non-convertible debentures	-	-	Withdrawn
Commercial paper	5,000.00	CARE A1+	Reaffirmed
Commercial paper	1,000.00	CARE A1+	Reaffirmed
Short-term- Short-term instruments	250.00	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of the ratings assigned to the various debt instruments and bank facilities of Piramal Enterprises Limited (PEL) continues to factor in the long track record of the Piramal group, moderate leverage supported by comfortable capitalisation levels with a consolidated tangible net worth (TNW) of ₹31,059 crore (as on March 31, 2023), and demonstrated financial flexibility through fund raising through diversified sources, the latest being from the stake sale in Shriram Finance Ltd during Q1FY23 for ₹4,820 crore which has bolstered its liquidity.

The ratings also take note of the group's plan to bring in more granularity to the loan book by focusing on the retail segment which would comprise diversified products apart from home loans while undertaking reduction of the legacy wholesale book (wholesale 1.0) largely comprising real estate. During FY23, the proportion of retail loan book increased and stood at 50% as on March 31, 2023 (PY: 33%).

The ratings remain constrained on account of sector concentration within Wholesale 1.0 which is dominated by real estate loans having large ticket-size, of which, a significant proportion is still under moratorium as on March 31, 2023. The concentration of top exposures continues to be sizeable and has not reduced materially over the past 3 years despite overall real estate exposure coming down significantly. The real estate portfolio remains susceptible to asset quality shocks due to higher concentration.

The asset quality parameters have seen moderation during FY23 as PEL recognised stress emanating from the wholesale 1.0 portfolio and classified significant proportion of assets from Stage 1 to Stage 2 and Stage 3. GS3 stood at 3.76% as on March 31, 2023, as against 3.40% as on March 31, 2022. The profitability has been impacted due to one-time incremental provisioning and higher operational cost due to retail expansion. PEL had provisioning of 6.2% of overall asset under management (AUM) and 10.5% on wholesale AUM (34% on Stage 2 and 3) as on March 31, 2023, which provides comfort against future asset quality shocks.
The scale-up of the retail lending franchise and reducing the legacy wholesale portfolio while maintaining asset quality and capitalisation, improvement in profitability with stabilisation of credit cost and the ability of PEL to raise funds from diverse sources at competitive rates are the key rating monitorable.

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

Rating sensitivities: Factors likely to lead to rating actions

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

- Substantial reduction in exposure to the real estate segment in overall loan book/AUM.
- Sizeable reduction in concentration of group exposure in the wholesale lending book with increase in granularity on a sustained basis.
- Significant improvement in the asset quality and profitability.

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

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

Analytical approach:

CARE Ratings Limited (CARE Ratings) has taken a consolidated view of PEL

Outlook: Stable

The "stable" outlook factors in the continuation of diversification and granularisation of overall portfolio and limited impact on the net worth base and capitalisation levels despite higher credit costs and moderation in profitability. CARE Ratings expects improvement in the financial performance post recognition of stress in wholesale portfolio and improvement in overall asset quality profile.

Detailed description of the key rating drivers:

Key strengths

Comfortable capitalisation and gearing levels

Over the last four years, the Piramal group has raised a significant amount of equity capital which has significantly scaled up the consolidated net worth of PEL. During FY20 and FY21, PEL raised nearly ₹18,173 crore of capital through multiple channels including sale of 10% stake in Shriram Transport Finance Company Ltd (₹2,300 crore in June 2019), rights issue of equity shares (₹3,650 crore including promoter investment of ₹1,600 crore in January 2020), preferential allotment of equity shares 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 Piramal Pharma Limited (PPL; to which the pharmaceuticals business of the group was transferred in FY23) to the Carlyle group (₹3,523 crore in October 2020), which were used to deleverage the balance sheet and provide capital for its financial services business. During FY23, the group demerged its pharmaceutical (pharma) business from PEL and PEL got converted into a non-banking finance company (NBFC) post receiving the license from RBI on July 21, 2022, and a majority of the net worth has been retained in PEL for financial services business post the restructuring of business.

PEL has a consolidated net worth of ₹31,059 crore as on March 31, 2023, with an overall gearing of 1.6x (March 31, 2022: 1.8x) and capital adequacy ratio (CAR) of 31% (March 31, 2022: 21%). The net worth other than lending is deployed towards other assets like alternatives (₹1,126 crore), insurance & others (₹1,235 crore) and Shriram investments (₹6,211 crore). PEL has strong fund-raising capability as demonstrated by multiple equity raise in the past. PEL sold its entire 8.3% stake in Shriram Finance Ltd during June 2023 for a consideration of ₹4,820 crore which has supported the resource and liquidity profile of the company. The stakes in other unlisted Shriram Group companies, valued at approximately ₹2,400 crore at the time of business restructuring, continues to be held by PEL.

PCHFL on a standalone basis reported CAR of 26.80% (March 31, 2022: 22.01%) with Tier-I CAR of 25.90% (March 31, 2022: 21.11%) as on March 31, 2023, whereas PEL's standalone CAR was at 43.63% as on March 31, 2023. High proportion of net worth provides the company with strong cushion to absorb any unforeseen shock in terms of deterioration in asset quality. As the company plans to reduce its wholesale 1.0 lending book and scale up its retail business, it is expected to see an increase in the gearing levels. CARE Ratings expects the consolidated gearing to remain under 3x over the medium term.

Strong and resourceful promoters along with experienced management team

PEL is the holding company of the Piramal Group headed by the Chairman, Ajay Piramal. The promoter 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 of PEL comprises eminent individuals from the industry providing their experience and governance to the group. The senior management team comprises of professionals 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 and rebuild the wholesale portfolio going forward. Jairam Sridharan is the Managing Director (MD of PCHFL), heading its retail finance business which is expected to scale up in the medium term. He has over two decades of retail domain experience and specialises in setting up and scaling new businesses. Yesh Nadkarni is responsible for rebuilding a wholesale portfolio while reducing the old one. The group is in the process of building teams, systems and processes as it undertakes retail book expansion post-acquisition of DHFL.

Increase in retail lending in AUM mix

PEL has been focusing on increasing the proportion of retail lending portfolio and acquisition of DHFL during FY23, helped it to acquire a sizeable retail lending book (largely affordable housing). PEL has been diversifying its retail book 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 grow its retail financing business.

The AUM as on March 31, 2023 stood at ₹63,989 crore as against ₹65,185 crore as on March 31, 2022. The wholesale lending portfolio has decreased from ₹39,532 crore constituting 89% of total AUM as on March 31, 2021 to ₹31,845 crore constituting 50% of total AUM as on March 31, 2023. The proportion of retail lending portfolio increased to 33% of AUM as on September 30, 2021 post acquisition of DHFL and has increased to 50% of AUM as on March 31, 2023, as the company has increased disbursements in retail and resolved part of wholesale portfolio.

Housing loans continue to be the major proportion at 26% of the total AUM (largely on the books of PCHFL), followed by secured MSME lending at 11% and unsecured loans contributing 9% as on March 31, 2023 with the proportion of other newly launched products remaining relatively small.

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 have improved quarter-on-quarter post-acquisition of DHFL and has exceeded the run-off rate of the legacy DHFL retail loan book. The reduction of wholesale loans, especially real estate, also helped improve the AUM mix favourably.

The company is working on plans for reducing the proportion of its wholesale (largely older real estate) portfolio by way of exiting (wholesale 1.0) and building a new relatively granular wholesale portfolio (wholesale 2.0). The company has plans to increase the retail proportion to over two-thirds of AUM by FY27.

Key weaknesses

Concentration risk with sizeable amount of wholesale loan portfolio continuing

The lending portfolio of PEL in the past has predominantly been wholesale with high concentration on the real estate segment. The group is changing the AUM mix by increasing share of the retail book and reduction of wholesale book has helped reduce the wholesale proportion from 89% of AUM as on March 31, 2021 to 50% as on March 31, 2023 (March 31, 2022: 67%). The wholesale segment continues to be dominated by real estate exposures and a small proportion is contributed by corporate loans named as Emerging Corporate Lending (ECL), Corporate Finance Group (CFG) and Corporate Mid-Market Lending (CMML). Within the wholesale segment, the management is trying to reduce the legacy wholesale book (Wholesale 1.0) largely consisting of real estate portfolio (remaining is ECL and CMML) by refinancing and resolution of stressed assets especially the larger chunkier group exposures, the progress is slow as there has been few takers for large exposures. Furthermore, these exposures have not reduced materially over the past few years as many large projects continue to be under moratorium.

Top group exposures continue to remain high on absolute basis and is expected to take longer time to have it meaningfully reduced in the medium term. Top 20 group exposures constituted 23% of the total AUM as on March 31, 2023, as against 30% as on March 31, 2022. The management is building a new granular real estate portfolio with smaller ticket sizes targeting large and medium developers and a new corporate book (Wholesale 2.0) which are cashflow backed and have better capitalisation. Loans under Wholesale 2.0 would be extended to cashflow generating operating companies and not lending at holding company level. CARE Ratings continues to monitor PEL's ability to reduce the wholesale 1.0 book over near term.

Moderate asset quality of wholesale and unseasoned retail book

The Gross Stage 3 assets on entire loan book stood at 3.8% (3.2% on AUM) as on March 31, 2023, as compared with 3.4% (3.4% on AUM) as on March 31, 2022. The total provisions marginally improved to 6.2% of AUM as on March 31, 2023 vs 5.7% for the previous year. The asset quality of the retail segment continues to be comparatively better with lower delinquencies than wholesale. However, as the retail book had witnessed rapid growth in the recent past, the incremental book is largely unseasoned and its performance needs to be monitored over the medium term.

The asset quality parameters of PEL's wholesale book witnessed significant deterioration during FY23 as PEL classified an identified pool of stressed real estate exposures (non-DHFL) amounting to ₹5,888 crore including some corporate exposures from Stage 1 to Stage 2 and Stage 3, which resulted in deterioration of the asset quality ratios and increased provisions resulting in the PEL incurring losses.

The wholesale AUM reduced significantly during Q3FY23 and Q4FY23 as PEL wrote off stressed assets and undertook its sale through asset reconstruction companies (ARC) and others. The wholesale Gross Stage 2 and Stage 3 assets represented 20% of wholesale AUM as on March 31, 2023, and provisions cover 34% of Gross Stage 2 and Stage 3 assets. Although, as per the management, the recognition of stress in the wholesale portfolio is largely over with adequate provisioning on the same, the focus is more on resolution of the stress portfolio. CARE Ratings would continue to monitor the asset quality and resolution of wholesale portfolio and incremental slippages from Stage 1.

The management has indicated that the stressed assets in the wholesale book have been largely recognised and staging is done and does not envisage any large slippages over the medium term. Furthermore, the company held provision coverage ratio of 6% as on March 31, 2023, which provides comfort.

However, the ability of the company to maintain healthy asset quality of its retail book and wholesale book (especially the Wholesale 1.0 which is being scaled down) as it scales going forward would remain a monitorable.

Modest profitability due to high operating expense and credit cost

The interest income saw a modest increase of 4% Y-o-Y to ₹7,799 crore in FY23, primarily driven by an increase in performing AUM, was largely offset by a decline in yields (amid ongoing reduction of the wholesale loan book and a shift in the loan book mix towards retail). The yield on AUM fell from 12.9% for FY22 to 12% for FY23. The change is due to increase in the retail proportion having lower yields with simultaneous reduction of wholesale along with increase in non-yielding assets. The interest expenses for FY23 decreased by 6% y-o-y to ₹4,041 crore from ₹4,282 crore in FY22 due to lower borrowings during the year as the company saw decline in the AUM through reduction in wholesale book. The average cost of borrowings for PEL reduced from 9.6% for FY22 to 8.6% for FY23. However, going forward, the cost of borrowing may increase slightly during Q1FY24/H1FY24 because incremental borrowings are at a higher cost. The net interest income (calculated as 'Interest Income – Finance Cost') increased 15% YoY to ₹3,804 crore, amidst a shift in the loan book mix towards retail, interest reversal, and the impact of negative carry due to excess cash held on the balance sheet. The yields may move in upward trajectory to commensurate with the cost of borrowings and therefore the net interest margin (NIM) is expected to be stable.

The operating expenses (including fee and commission expenses) increased 84% y-o-y primarily due to full year impact of DHFL acquisition and expenses associated with expansion of the cost intensive retail lending branches from 309 branches as of FY22 to 404 branches as of FY23. Investments in building retail infrastructure like increase in branch network and employee headcount have led to increase in the operating expenses. With increase in book size, economies of scale will help taper this over time. The company is looking to add 500-600 branches taking the total to 1,000 locations. The overall provisions and fair value increased to ₹5,179 from ₹830 crore in FY22. The increase was primarily driven by resolution of legacy wholesale book, i.e., Wholesale 1.0. During Q2FY23, the company made significant provisions and write-offs as it classified certain large wholesale accounts from Stage 1 to Stage 2 (of ₹5,888 crore). Net profit after tax (excluding profit from discontinued operations) for FY23 stood at

₹9,969 crore as compared with ₹1,662 crore in FY22 due to exceptional gain of ₹8,066 crore in FY23 pertaining to demerger-related transaction and a one-time DTL reversal of ₹3,978 crore (related to the DHFL transaction).

Ability to raise funds at competitive rates

Majority of the borrowings of PEL are in the form of non-convertible debentures (NCD) instruments and the largest category of lenders are banks as on March 31, 2023, due to issues of NCDs to the lenders in satisfaction of their claims during DHFL acquisition. These NCDs helped PEL reduce its cost of borrowings, elongate the weighted average tenor of borrowings in addition to increasing the proportion of fixed rate of borrowing. Around 59% of its borrowings are on fixed rate, whereas only 32% of its assets are on fixed rate as on March 31, 2023. 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 3.1 years as on March 31, 2023, which is lower than the wholesale loans it funds which has a term of 3 to 5 years and housing loans with tenors ranging over 10 years. PEL has, in the past, refinanced its debt and lowered its average borrowing cost but its average borrowing cost is still higher than similar rated NBFCs. PEL had liquidity of ₹7,430 crore as on March 31, 2023, which is around 15% of the total debt and scheduled collections from the loan portfolio and 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

PEL had liquidity of ₹7,430 crore as on March 31, 2023, which is around 15% of the total debt and scheduled collections from the loan portfolio and provides additional comfort. Shriram stake sale in Q1FY24 also bolstered the liquidity.

LCR for PEL and PCHFL on a standalone basis stood at 486% and 119%, respectively, as on March 31, 2023, over the regulatory requirements.

Environment, social, and governance (ESG) risks

- Climate strategies and emissions management.
- Adoption of the 5R waste hierarchy to manage resources including paper and e-waste, promoting responsible usage and disposal.
- Installation of sensor-based taps in corporate office washrooms and monitoring consumption to identify areas for improvement.
- Gender-neutral leave policy for primary caregivers, as well as a 'Parental Support Scheme' applicable to all employees.
- Introduction of second innings initiative which aims to reintroduce experienced female workers to the organisation who have previously taken a sabbatical from their professions.
- By leveraging different perspectives, experience, expertise, gender, and culture, the Board aims to maintain the company's competitive advantage and establish itself as a leading entity. PEL has a Board gender diversity of 36%.

Applicable criteria

Policy on default recognition
Consolidation
Factoring Linkages Parent Sub JV Group
Financial Ratios - Financial Sector
Rating Outlook and Credit Watch
Short Term Instruments
Housing Finance Companies
Market Linked Notes
Non Banking Financial Companies
Policy on Withdrawal of Ratings

About the company and industry

Industry classification

Macro-Economic Indicator	Sector	Industry	Basic Industry
Financial Services	Financial Services	Finance	Non-Banking Finance Company (NBFC)

Incorporated in April 1947, Piramal Enterprises Limited (PEL) is a systemically important non-deposit taking non-banking financial company (NBFC), which got registered with the Reserve Bank of India (RBI) w.e.f. July 22, 2022. Under the scale-based regulations of the RBI, PEL is classified as NBFC – Middle Layer. PEL along with its 100% subsidiary, PCHFL (Piramal Capital & Housing Finance Limited) collectively called the group has presence across retail lending, wholesale lending, and fund-based platforms with a network of over 400 branches across 26 states/UTs. The group provides end-to-end financing solutions in both wholesale and retail funding opportunities across sectors, such as real estate and infrastructure, renewable energy, hospitality, logistics, industrials and auto components.

Within retail lending, through its multi-product platform, the group offers home loans (through PCHFL), loans for small businesses and loans for working capital to customers in affordable housing and mass affluent segments across tier-I, tier-II, and tier-III cities. Within wholesale lending, the business provides financing to real estate developers, as well as corporate clients in select sectors.

PEL Consolidated Financials

Brief Financials (₹ crore)	31-03-2021 (A)	31-03-2022 (A)	31-03-2023 (A)
Total income	-	7,911	9,087
PAT	-	1,221	1,514
Total assets	-	99,873	83,752
Net NPA (%)	-	1.60	1.93
ROTA (%)	-	-	10.86

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

PEL Standalone Financials

Brief Financials (₹ crore)	31-03-2021 (A)	31-03-2022 (A)	31-03-2023 (A)
Total income	-	2,396	4,796
PAT	-	964	14,333*
Total assets	-	33,331	33,104
Net NPA (%)	-		2.27^
ROTA (%)	-		43.15

*Includes an exceptional gain of ₹11,912 crore on account of revaluation of Pharma assets before demerger
A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'
^As per NBFC Regulatory Disclosures

PCHFL Standalone Financials

Brief Financials (₹ crore)	31-03-2021 (A)	31-03-2022 (A)	31-03-2023 (A)
Total income	5,088	6,105	6,650
PAT	1,034	526	-7,425
Total assets	42,357	79,702	61,748
Net NPA (%)	1.84	1.16	1.87
ROTA (%)	2.50	0.94	-11.32

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

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

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

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/ST-Term loan	-	-	-	31-Mar-26	3,000.00	CARE AA; Stable / CARE A1+
Non-convertible debentures	INE140A07179	14-Jul-16	9.75%	14-Jul-26	35.00	CARE AA; Stable
Non-convertible debentures	INE140A07211	19-Jul-16	9.75%	17-Jul-26	5.00	CARE AA; Stable
Non-convertible debentures	INE140A07591	21-May-20	8.55%	19-May-23	-	Withdrawn
Non-convertible debentures	INE140A07732	10-Mar-23	8.75%	29-May-26	100.00	CARE AA; Stable
Non-convertible debentures	INE02LM07055	15-Dec-20	10.25%	30-Dec-22	-	Withdrawn
Non-convertible debentures	INE02LM07063	29-Jan-21	10.25%	30-Dec-22	-	Withdrawn
Non-convertible debentures	Proposed	-	-		4,954.00	CARE AA; Stable
Non-convertible debentures - Public	Proposed	-	-		3,000.00	CARE AA; Stable
Market-linked debentures	INE140A07641	12-Jul-21	8.15%	12-Jan-23	-	Withdrawn
Market-linked debentures	INE140A07633	28-Jun-21	8.25%	28-Jun-23	365.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07633	05-Jul-21	8.25%	28-Jun-23	125.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07658	27-Sep-21	8.00%	27-Mar-24	400.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07666	02-Mar-22	8.00%	02-Sep-24	125.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07666	28-Mar-22	8.00%	02-Sep-24	175.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07674	04-May-22	8.00%	04-Nov-24	100.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07682	24-May-22	8.00%	24-May-24	100.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07682	15-Jul-22	8.00%	24-May-24	70.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07682	02-Aug-22	8.00%	24-May-24	75.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07690	20-Sep-22	8.00%	20-Sep-24	215.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07708	23-Sep-22	8.10%	23-May-25	50.30	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07708	09-Nov-22	8.10%	23-May-25	50.50	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07682	01-Dec-22	8.00%	24-May-24	100.00	CARE PP-MLD AA; Stable
Market-linked debentures	Proposed		-	-	947.20	CARE PP-MLD AA; Stable
Inter-corporate deposit	Proposed	-	-	Upto 365 days	250.00	CARE A1+
Commercial paper	Proposed		-	7-365 days	3,820.75	CARE A1+
Commercial paper	INE140A14W91	12-Oct-22	7.80%	12-Oct-23	25.00	CARE A1+
Commercial paper	INE140A14X90	16-Dec-22	8.40%	31-Jul-23	10.00	CARE A1+
Commercial paper	INE140A14Y08	19-Dec-22	8.60%	15-Sep-23	200.00	CARE A1+
Commercial paper	INE140A14Y32	03-Jan-23	9.00%	01-Dec-23	150.00	CARE A1+
Commercial paper	INE140A14Y32	03-Jan-23	9.00%	01-Dec-23	50.00	CARE A1+
Commercial paper	INE140A14Y40	09-Jan-23	9.00%	29-Dec-23	200.00	CARE A1+

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Commercial paper	INE140A14Y57	09-Jan-23	9.00%	08-Jan-24	200.00	CARE A1+
Commercial paper	INE140A14X90	24-Jan-23	8.50%	31-Jul-23	25.00	CARE A1+
Commercial paper	INE140A14Y73	31-Jan-23	8.75%	26-Oct-23	150.00	CARE A1+
Commercial paper	INE140A14Y81	01-Feb-23	8.75%	27-Oct-23	150.00	CARE A1+
Commercial paper	INE140A14Z23	10-Feb-23	8.50%	09-Aug-23	10.00	CARE A1+
Commercial paper	INE140A14Z72	27-Feb-23	8.90%	20-Sep-23	150.00	CARE A1+
Commercial paper	INE140A140A7	10-Mar-23	9.05%	07-Mar-24	34.00	CARE A1+
Commercial paper	INE140A14Z72	28-Mar-23	8.90%	20-Sep-23	20.00	CARE A1+
Commercial paper	INE140A140F6	31-Mar-23	8.90%	26-Sep-23	100.00	CARE A1+
Commercial paper	INE140A140G4	06-Apr-23	8.80%	03-Oct-23	50.00	CARE A1+
Commercial paper	INE140A140H2	12-Apr-23	8.50%	11-Jul-23	255.25	CARE A1+
Commercial paper	INE140A140I0	13-Apr-23	8.90%	28-Mar-24	10.00	CARE A1+
Commercial paper	INE140A140J8	18-Apr-23	9.00%	15-Jan-24	5.00	CARE A1+
Commercial paper	INE140A140L4	24-Apr-23	8.70%	20-Oct-23	26.00	CARE A1+
Commercial paper	INE140A140M2	02-May-23	8.40%	01-Aug-23	5.00	CARE A1+
Commercial paper	INE140A140M2	02-May-23	8.40%	01-Aug-23	5.00	CARE A1+
Commercial paper	INE140A140M2	03-May-23	8.40%	01-Aug-23	20.00	CARE A1+
Commercial paper	INE140A140M2	03-May-23	8.40%	01-Aug-23	3.00	CARE A1+
Commercial paper	INE140A14Y81	03-May-23	8.60%	27-Oct-23	10.00	CARE A1+
Commercial paper	INE140A140N0	09-May-23	8.70%	02-Feb-24	5.00	CARE A1+
Commercial paper	INE140A140O8	11-May-23	8.60%	07-Nov-23	15.00	CARE A1+
Commercial paper	INE140A14Z23	12-May-23	8.35%	09-Aug-23	20.00	CARE A1+
Commercial paper	INE140A140P5	16-May-23	8.40%	14-Sep-23	40.00	CARE A1+
Commercial paper	INE140A140R1	26-May-23	8.60%	22-Nov-23	6.00	CARE A1+
Commercial paper	INE140A140S9	29-May-23	8.30%	28-Aug-23	10.00	CARE A1+
Commercial paper	INE140A140S9	01-Jun-23	8.30%	28-Aug-23	10.00	CARE A1+
Commercial paper	INE140A140T7	09-Jun-23	8.30%	07-Sep-23	25.00	CARE A1+
Commercial paper	INE140A140U5	19-Jun-23	8.30%	14-Sep-23	125.00	CARE A1+
Commercial paper	INE140A140V3	22-Jun-23	8.70%	20-Mar-24	5.00	CARE A1+
Commercial paper	INE140A140W1	27-Jun-23	8.50%	24-Jan-24	25.00	CARE A1+
Commercial paper	INE140A140X9	30-Jun-23	8.45%	14-Dec-23	30.00	CARE A1+

*Details of Instruments as on June 30, 2023

Annexure-2: Rating history of last three years

		Current Ratings	Rating History

Sr. No.	Name of the Instrument/Bank Facilities	Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	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
1	Debentures-Non Convertible Debentures	-	-	-				
2	Debentures-Non Convertible Debentures	LT	100.00	CARE AA; Stable	-	1)CARE AA; Stable (20-Dec-22) 2)CARE AA; Stable (08-Jul-22) 3)CARE AA (CW with Developing Implications) (06-Apr-22)	1)CARE AA (CW with Developing Implications) (11-Oct-21)	1)CARE AA (CW with Developing Implications) (31-Mar-21) 2)CARE AA (CW with Developing Implications) (28-Jan-21) 3)CARE AA; Stable (30-Dec-20)
3	Commercial Paper-Commercial Paper (Standalone)	ST	5000.00	CARE A1+	-	1)CARE A1+ (20-Dec-22) 2)CARE A1+ (08-Jul-22) 3)CARE A1+ (06-Apr-22)	1)CARE A1+ (11-Oct-21)	1)CARE A1+ (31-Mar-21) 2)CARE A1+ (28-Jan-21) 3)CARE A1+ (30-Dec-20) 4)CARE A1+ (28-Apr-20)
4	Fund-based - LT/ ST-Term loan	LT/ST*	2000.00	CARE AA; Stable / CARE A1+	-	1)CARE AA; Stable / CARE A1+ (20-Dec-22) 2)CARE AA; Stable (08-Jul-22) 3)CARE AA (CW with Developing Implications) (06-Apr-22)	1)CARE AA (CW with Developing Implications) (11-Oct-21)	1)CARE AA (CW with Developing Implications) (31-Mar-21) 2)CARE AA (CW with Developing Implications) (28-Jan-21) 3)CARE AA; Stable (30-Dec-20)
5	Inter Corporate Deposit	ST	250.00	CARE A1+	-	1)CARE A1+ (20-Dec-22) 2)CARE A1+ (08-Jul-22)	1)CARE A1+ (11-Oct-21)	1)CARE A1+ (31-Mar-21) 2)CARE A1+ (28-Jan-21)

						3)CARE A1+ (06-Apr-22)		3)CARE A1+ (30-Dec-20)
6	Commercial Paper-Commercial Paper (Standalone)	ST	1000.00	CARE A1+	-	1)CARE A1+ (20-Dec-22) 2)CARE A1+ (08-Jul-22) 3)CARE A1+ (06-Apr-22)	1)CARE A1+ (11-Oct-21)	1)CARE A1+ (31-Mar-21) 2)CARE A1+ (28-Jan-21) 3)CARE A1+ (30-Dec-20) 4)CARE A1+ (28-Apr-20)
7	Non-fund-based - ST-BG/LC	ST	-	-	-	-	-	1)Withdrawn (30-Dec-20)
8	Fund-based - LT/ ST-Term loan	LT/ST*	1000.00	CARE AA; Stable / CARE A1+	-	1)CARE AA; Stable / CARE A1+ (20-Dec-22) 2)CARE A1+ (08-Jul-22) 3)CARE A1+ (06-Apr-22)	1)CARE A1+ (11-Oct-21)	1)CARE A1+ (31-Mar-21) 2)CARE A1+ (28-Jan-21) 3)CARE A1+ (30-Dec-20)
9	Debentures-Non Convertible Debentures	ST	-	-	-	1)Withdrawn (08-Jul-22) 2)CARE A1+ (06-Apr-22)	1)CARE A1+ (11-Oct-21)	1)CARE A1+ (31-Mar-21) 2)CARE A1+ (28-Jan-21) 3)CARE A1+ (30-Dec-20)
10	Debentures-Non Convertible Debentures	LT	-	-	-	1)CARE AA; Stable (20-Dec-22) 2)CARE AA; Stable (08-Jul-22) 3)CARE AA (CW with Developing Implications) (06-Apr-22)	1)CARE AA (CW with Developing Implications) (11-Oct-21)	1)CARE AA (CW with Developing Implications) (31-Mar-21) 2)CARE AA (CW with Developing Implications) (28-Jan-21) 3)CARE AA; Stable (30-Dec-20)
11	Debentures-Non Convertible Debentures	LT	200.00	CARE AA; Stable	-	1)CARE AA; Stable (20-Dec-22) 2)CARE AA; Stable (08-Jul-22)	1)CARE AA (CW with Developing Implications) (11-Oct-21)	1)CARE AA (CW with Developing Implications) (31-Mar-21)

						3)CARE AA (CW with Developing Implications) (06-Apr-22)		2)CARE AA (CW with Developing Implications) (28-Jan-21) 3)CARE AA; Stable (30-Dec-20)
12	Debentures-Non Convertible Debentures	LT	334.00	CARE AA; Stable	-	1)CARE AA; Stable (20-Dec-22) 2)CARE AA; Stable (08-Jul-22) 3)CARE AA (CW with Developing Implications) (06-Apr-22)	1)CARE AA (CW with Developing Implications) (11-Oct-21)	1)CARE AA (CW with Developing Implications) (31-Mar-21) 2)CARE AA (CW with Developing Implications) (28-Jan-21) 3)CARE AA; Stable (30-Dec-20) 4)CARE AA; Stable (24-Apr-20)
13	Debentures-Market Linked Debentures	LT	898.00	CARE PP-MLD AA; Stable	-	1)CARE PP-MLD AA; Stable (20-Dec-22) 2)CARE PP-MLD AA; Stable (08-Jul-22) 3)CARE PP-MLD AA (CW with Developing Implications) (06-Apr-22)	1)CARE PP-MLD AA (CW with Developing Implications) (11-Oct-21) 2)CARE PP-MLD AA (CW with Developing Implications) (17-Jun-21)	-
14	Debentures-Market Linked Debentures	LT	1000.00	CARE PP-MLD AA; Stable	-	1)CARE PP-MLD AA; Stable (20-Dec-22) 2)CARE PP-MLD AA; Stable (08-Jul-22) 3)CARE PP-MLD AA (CW with Developing Implications)	1)CARE PP-MLD AA (CW with Developing Implications) (11-Oct-21)	-

						(06-Apr-22)		
15	Debentures-Market Linked Debentures	LT	1000.00	CARE PP-MLD AA; Stable	-	1)CARE PP-MLD AA; Stable (20-Dec-22) 2)CARE PP-MLD AA; Stable (08-Jul-22)	-	-
16	Debentures-Non Convertible Debentures	LT	460.00	CARE AA; Stable	-	1)CARE AA; Stable (20-Dec-22)	-	-
17	Debentures-Non Convertible Debentures	LT	3000.00	CARE AA; Stable				
18	Debentures-Non Convertible Debentures	LT	4000.00	CARE AA; Stable				

*Long term / Short term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities – Not Available

Name of the Instrument	Detailed Explanation
A. Financial covenants	
I	
B. Non financial covenants	
I	

Annexure-4: Complexity level of various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Commercial Paper-Commercial Paper (Standalone)	Simple
2	Debentures-Market Linked Debentures	Highly Complex
3	Debentures-Non Convertible Debentures	Simple
4	Fund-based - LT/ ST-Term loan	Simple
5	Inter Corporate Deposit	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please click here

Annexure 6: Entities considered for consolidation as on March 31, 2023

Sr. no.	Subsidiary	Extent of Consolidation (%)	Rationale for consolidation
1	Piramal Capital & Housing Finance Limited	100%	Wholly-owned subsidiary
2	Asset Resurgence Mauritius Manager	50%	Joint Venture
3	DHFL Advisory and Investment Private Limited	100%	Wholly-owned subsidiary
4	DHFL Changing Lives Foundation	100%	Wholly-owned subsidiary
5	DHFL Holdings Limited	100%	Wholly-owned subsidiary
6	DHFL Investments Limited	100%	Wholly-owned subsidiary
7	DHFL Ventures Trustee Company Private Limited	40%	Associate
8	India Resurgence ARC Private Limited	50%	Joint Venture
9	India Resurgence Asset Management Business Private Limited	50%	Joint Venture
10	INDIAREIT Investment Management Co.	100%	Wholly-owned subsidiary
11	PEL Finhold Private Limited	100%	Wholly-owned subsidiary

Sr. no.	Subsidiary	Extent of Consolidation (%)	Rationale for consolidation
12	Piramal Alternatives Private Limited	100%	Wholly-owned subsidiary
13	Piramal Asset Management Private Limited, Singapore	100%	Wholly-owned subsidiary
14	Piramal Consumer Products Private Limited	100%	Wholly-owned subsidiary
15	Piramal Dutch IM Holdco B.V	100%	Wholly-owned subsidiary
16	Piramal Finance Sales & Services Private Limited	100%	Wholly-owned subsidiary
17	Piramal Fund Management Private Limited	100%	Wholly-owned subsidiary
18	Piramal International	100%	Wholly-owned subsidiary
19	Piramal Investment Advisory Services Private Limited	100%	Wholly-owned subsidiary
20	Piramal Payment Services Limited	100%	Wholly-owned subsidiary
21	Piramal Securities Limited	100%	Wholly-owned subsidiary
22	Piramal Systems & Technologies Private Limited	100%	Wholly-owned subsidiary
23	Piramal Technologies SA	100%	Wholly-owned subsidiary
24	Pramerica Life Insurance Limited	50%	Joint Venture
25	PRL Agastya Private Limited (w.e.f. December 12, 2022)	100%	Wholly-owned subsidiary
26	Shriram General Insurance Company Limited	13.33%	Associate
27	Shriram GI Holdings Private Limited	20%	Associate
28	Shriram Investment Holdings Limited	20%	Associate
29	Shriram LI Holdings Private Limited	20%	Associate
30	Shriram Life Insurance Company	14.91%	Associate
31	Virdis Infrastructure Investment Managers Private 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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