Swayam Trust May 2024

Originator: Piramal Finance Limited (erstwhile Piramal Capital and Housing Finance Limited)

January 02, 2026

Instrument	Amount (₹ crore)@	Balance Tenure (months)*	Credit Enhancement (₹ crore)		Rating[1]	Rating Action
			Cash Collateral	Over Collateral		
Series A1 PTC	56.52	34	13.56*	21.25	CARE AA+ (SO)	Reaffirmed

@After November 2025 payout.
*After Proposed CC Reset
*Tenure/door-to-door maturity may change due to prepayments or changes in interest rates.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed the rating of Series A1 PTCs issued by Swayam Trust May 2024, backed by personal loan receivables originated by Piramal Finance Limited, at 'CARE AA+ (SO)' [pronounced as Double A plus (Structured Obligation)].

Reaffirmation in the rating is primarily based on the performance of the underlying loans in the last 18 months post-securitisation, robust legal structure, well-defined payment mechanism, significant build-up in cash collateral (CC) - as a percentage of balance amount of pass-through certificates (PTCs), subordination of excess interest spread (EIS), servicing capability and overall performance of PFL.

Proposed reset of credit enhancement

PFL had requested to reset the credit enhancement (CE) for Swayam Trust May 2024. CareEdge Ratings has analysed the transaction for the rating to assess CC requirement after the November 2025 payout. Based on reserve floor suggested by Reserve Bank of India (RBI) and calculated requirement of CC for maintaining current rating of the transaction, CareEdge Ratings has concluded that there is scope for release of a part of the CC. The proposed CC reset calculation is presented below. The rating for the transaction will remain unchanged even after the proposed reset of the CC amount. However, according to regulatory guidelines, the amount of CC that can be released would be restricted to 60% of the difference between current CC amount and revised CC amount allowed by CareEdge Ratings.

Proposed CC reset shall be subject to approval of PTC investors.

Current CC (₹ crore) (a)	CC required to maintain the ratin (₹ crore) (b)	C proposed to be release (₹ cror (c)= 60%*(a-b)	vailable CC post proposed CC res (₹ crore) (d)= (a-c)
17.71	10.80	4.15	13.56

Rating sensitivities: Factors likely to lead to rating actions

Positive factors - Factors that could, individually or collectively, lead to positive rating action/upgrade:

- During the amortisation phase, delinquencies (90+ days past due [DPD]) of less than 2% and a sustained high collection efficiency (cumulative collection efficiency of over 98%).
- Sustained build-up of CC of over 2x the initial proposed (as a percentage of the balance principal outstanding [POS]).

Negative factors - Factors that could, individually or collectively, lead to negative rating action/downgrade:

- Delinquencies (90+ DPD as percentage of initial POS) of over 8% and the sustained lower collection efficiency (cumulative collection efficiency of less than 90%).
- Deterioration in credit profile of the originator.
- Utilisation of CC.
- Non-adherence to key transaction terms envisaged at the time of the rating.

Analytical approach

The rating reaffirmation is based on inter alia, observed and expected pool performance, presence of CE, and adherence to the transaction structure.

[1]Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Detailed description of key rating drivers

Pool performance:

The pool has amortised by ~56% in 18 months post-securitisation, with nil utilisation of CC. The pool has exhibited moderate delinquencies. As on November 2025, overdue (OD; as a percentage of the initial POS) is 2.55%. The CE available is sufficient to sustain ratings for the balance tenure.

Pool summary (as of November 2025 payout)	
Months post-securitisation	18
Pool amortisation	56.09%
30+ delinquency (percentage of the initial pool POS)	7.39%
90+ delinquency (percentage of the initial pool POS)	5.89%
Overdue amount (percentage of the initial pool POS)	2.55%
Cumulative Collection Efficiency (CCE)	95.12%
CC (percentage of the balance PTC POS)	23.99%
Cumulative prepayments	23.20%

Key strengths:

- CCE of 95.12% and amortisation of ~56% after 18 months post securitisation.
- CC as a percentage of PTC POS is ~24%, which remains unutilised.
- Well-defined payment mechanism and adherence to the transaction structure.

Key weaknesses:

- Underlying borrowers in the pool have volatile cash flow.
- Moderate delinquency with OD and 90+ DPD at 2.55% and 5.89% (both as a percentage of initial pool POS).

Liquidity: Strong

Inherent liquidity in the structure is strong. Interest payouts for Series A1 PTCs are promised monthly while the principal of Series A1 PTC is promised to be paid on or before the final legal maturity. Investors in Series A1 PTC may expect principal repayment monthly per the agreed waterfall mechanism. In case of delinquency, payouts are expected to be supported by CC (in the form of fixed deposits [FDs]), OC, and EIS.

Key rating assumptions and adequacy of credit enhancement:

CareEdge Ratings has analysed the transaction to assess whether CE is sufficient to cover shortfalls. Since the transaction is sensitive to credit quality of the underlying pool, CareEdge Ratings has analysed pool performance and overall portfolio performance of the originator. Considering borrower profile and nature of loan, pool characteristics and portfolio performance, CareEdge Ratings has taken average shortfall from 10.00-11.00% of POS. Base case shortfalls were stressed along with other key factors such as timing of shortfalls, recovery assumptions, and time to recovery. CareEdge Ratings has found that CE post proposed reset is sufficient to cover shortfalls in a stress scenario commensurate with the assigned rating. Pool cash flow has been further adjusted for prepayments of underlying loans, assuming monthly prepayments in the range of 1.00-2.00%

Key risks, concerns, and mitigants:

The securitisation transaction involves several risks, including credit risk from borrower defaults, commingling risk due to time lags in fund deposits, basis risk from differing interest rate benchmarks, prepayment risk from early principal repayments, servicer bankruptcy risk, legal risk regarding the validity of receivable transfers, and counterparty risk involving transaction parties. These risks are factored while assigning rating, wherever needed, and partially mitigated through credit enhancements, separate record-keeping, credit rating/profile of the originator, transaction structuring, true sale of receivables, legal opinion from independent legal counsel. The transaction structure also has provision to change counterparties including, trustee, and banker among others.

Applicable criteria

Policy on Default Recognition

CARE Ratings' methodology for asset/mortgage-backed securitisation

About the originator / servicer and industry

Industry classification

Macroeconomic Indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Securitisation

Erstwhile PCHFL (formerly Piramal Housing Finance Limited [PHFL]) is a home finance company (HFC) incorporated in February 2017 as wholly owned subsidiary of PFL. From March 31, 2018, PFL and Piramal Capital Limited 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 Dewan Housing Finance Limited (DHFL) on September 30, 2021, as contemplated under the scheme of arrangement provided under the resolution. DHFL was subsequently renamed as 'Piramal Capital & Housing Finance Limited' since November 2021. PFL is engaged in mortgage, used car loan, and personal loan business for over seven years and is an active player in securitisation/bilateral market, and as on September 30, 2025, PCHFL has 23 such live pools with initial size amounting to ~₹3,800 crore.

Key financial indicators – PFL

Particulars	FY24 (A)	FY25(A)	H1FY26(UA)
Total income (₹ crore)	1760.18	2505.36	2900.27
Profit After Tax (PAT)	-752.36	76.55	326.99
Asset Under Management (AUM)	48,275.91	58,746.75	75,601.22
On Book Gearing	1.10	1.41	1.22
AUM/ Tangible Net worth	3.97	4.23	3.09
Gross Stage 3 %	NA	NA	NA
Return on Managed assets	NA	NA	NA
Capital Adequacy ratio	0.00	0.00	0.00

A: Audited; UA: Unaudited; NA: Not available; Note: these are latest financial results available.

Key terms of servicer contract:

The servicing agreement has covered role of the originator as the collection and payment agent (CPA) for the special purpose vehicle (SPV) in managing collections from underlying borrowers, who have consented to such assignment through provisions incorporated in the respective loan agreements. The Servicer (originator) follows its standard procedures for collections, including recovery actions, and ensures timely transfers of funds to the SPV under an M+1 payment structure. The trustee monitors the sufficiency of funds for investor payouts one day prior to payout date and utilises CC in case of shortfall. The Servicer is also submitting detailed reports on billing, collections (including prepayment), overdue amounts with aging thereof, cash flow schedules to the trustee and such other information as may be required by the trustee. The terms of the agreement have provisions for the appointment of an alternate servicer in case of servicer event of default.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Nil

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instruments/facilities: Annexure-3

Complexity level of instruments rated: Annexure-4
Lender details: Annexure-5

Annexure-1: Details of instruments/facilities:

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Pass Through Certificates	INE0X4L15010	29-May-2024	9.45	15-Sep-2028	56.52	CARE AA+ (SO)

Annexure-2: Rating history for 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 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Pass Through Certificates	LT	56.52	CARE AA+ (SO)	1)CARE AA+ (SO) (30-May-25)	1)CARE AA+ (SO) (07-Jun-24) 2)Provisional CARE AA+ (SO) (24-May-24)	-	-

LT- Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities

Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of Instrument	Complexity Level
1.	Pass-through certificates	Highly complex

Annexure-5: Lender details

Not applicable

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

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