Dated: 23rd September 2021 (For the Addressee only)

Serial No: 01092021
Addressed to: Catalyst Trusteeship Limited

THIS DISCLOSURE DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS. THIS DISCLOSURE DOCUMENT IS PREPARED IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 ISSUED VIDE CIRCULAR NO. SEBI/LAD-NRO/GN/2021/39 DATED AUGUST 9, 2021, AS AMENDED FROM TIME TO TIME, THE SEBI OPERATIONAL CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER (SEBI/HO/DDHS/P/CIR/2021/613) DATED AUGUST 10, 2021, AS AMENDED FROM TIME TO TIME, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ISSUED VIDE CIRCULAR NO. SEBI/LAD-NRO/GN/2015-16/013 DATED SEPTEMBER 2, 2015, AS AMENDED FROM TIME TO TIME, SECTION 42 OF THE COMPANIES ACT, 2013 AND THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED FROM TIME TO TIME.

PIRAMAL CAPITAL & HOUSING FINANCE LIMITED
Registered Office: 4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai, Maharashtra- 400013
Corporate Office: 4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013
Tel: + 22 6230 9200; Fax: + 22 6151 3444
CIN: U65999MH2017PLC291071; PAN: AAICP9650Q; Website: www.pchf.in
Date of incorporation: February 10, 2017; Place of incorporation: Mumbai
Registration number: DOR-00163

ISSUE OF 19,53,25,290 (NINETEEN CRORES FIFTY THREE LAKHS TWENTY FIVE THOUSAND TWO HUNDRED NINETY) SECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES UP TO RS. 1,95,32,52,90,000 (RUPEES NINETEEN THOUSAND FIVE HUNDRED THIRTY TWO CRORES AND FIFTY TWO LAKHS NINETY THOUSAND ONLY), EACH HAVING A FACE VALUE OF Rs. 1,000/- (RUPEES ONE THOUSAND ONLY), THE TOTAL ISSUE SIZE AGGREGATING AND NOT EXCEEDING UP TO RS. 1,95,32,52,90,000 (RUPEES NINETEEN THOUSAND FIVE HUNDRED THIRTY TWO CRORES AND FIFTY TWO LAKHS NINETY THOUSAND ONLY) IN DEMATERIALISED FORM, ON A PRIVATE PLACEMENT BASIS (HEREINAFTER REFERRED TO AS "DEBENTURES") (THE "ISSUE") BY PIRAMAL CAPITAL & HOUSING FINANCE LIMITED (THE "ISSUER" OR "COMPANY").

This Private Placement Memorandum (hereinafter referred to as the "Disclosure Document" or "DD") is prepared in accordance with the terms of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper (SEBI/HO/DDHS/P/CIR/2021/613) dated August 10, 2021 ("SEBI Operational Circular"), as amended from time to time, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Section 42 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, as applicable for private placement of the Debentures. This Disclosure Document is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by the Issuer. Neither the Issuer nor any of its promoters or directors are not classified as wilful defaulters. Further, the Issuer has been, pursuant to an approval dated September 13, 2021 issued by SEBI, exempted from utilizing the electronic book provider platform.

Debenture Trustee	Registrar & Transfer Agent	Auditors	Rating Agency	Rating Agency	Company Secretary & Compliance Officer	Chief Financial Officer	Promoters
Catalyst Trusteeship Limited GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune-411038 Tel: +91 20 66807200Email: dt@ctltrustee.com Website: www.catalysttrustee.com Contact Person:Rakhi Kulkarni Compliance Officer: Rakhi Kulkarni	**Link Intime India Private Limited** 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400083 Tel: +91 22 49186000 Fax: +91 22 49186060 Email: ganesh.jadhav@linkintime.co.in Website: www.linkintime.co.in Contact Person: Mr. Ganesh Jadhav	**B S R & Co. LLP** 14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East) Mumbai – 400 063 Direct: +91 22 3091 3264 Fax: +91 22 6257 1010 Email: riteshg@bsraffiliates.com Contact Person: Mr. Ritesh Goyal	**CARE Ratings Ltd** 4th Floor, Godrej Colesium, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai – 400 022 Tel: + 022-6754 3456/ 9819013971; Fax: 022-6754 3457 Email: Aditya.acharekar@careratings.com Website: www.careratings.com Contact Person: Aditya Acharekar	**ICRA Ratings Ltd** B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001 Tel: + 022-6114 3406 Email: shivakumar@icraindia.com Website: www.icra.in Contact Person: Mr. L Shivakumar	Mr. Bipin Singh Company Secretary and Compliance Officer Piramal Capital & Housing Finance Limited 4th Floor, Piramal Tower , Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel Mumbai, Maharashtra 400 013 Direct +91 22 38023085 Fax +91 22 6151 3444 cs.team@piramal.com	Mr. Sachin Deodhar, CFO Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013, Maharashtra Direct: +91 22 61513404; Fax: +91 22 6151 3444 sachin.deodhar@piramal.com	**Piramal Enterprises Limited** Piramal Ananta, Agastya Corporate Park, Opp. Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070 Tel: +91 22 3802 3084 Email: corporate.secretarial@piramal.com

CREDIT RATING

The Debentures have been assigned a long-term rating of "AA" (Pronounced as Double A) by the Rating Agencies.

The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The Rating Agencies have a right to suspend or withdraw the rating at any time on the basis of factors such as new information or unavailability of information or any other circumstances, which they believe may have an impact. Please refer to **Annexure I** of this Disclosure Document for the letters dated August 9, 2021 and August 25, 2021 from the Rating Agencies assigning the abovementioned credit rating, the rationale adopted for the aforesaid rating and the revalidation letters from the Rating Agencies dated 6 September 2021 and 17 September 2021.

LISTING

The Debentures are proposed to be listed on the wholesale debt segment of the NSE and BSE. The recovery expense fund has been created on NSE as per SEBI circular on Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" (SEBI/HO/MIRSD/CRADT/CIR/P/2020/207) dated October 22, 2020. NSE shall be the designated stock exchange. Please refer to **Annexure IX** of this Disclosure Document for the in-principle approval for listing received from NSE and BSE.

This Disclosure Document is dated 23rd September 2021.

ISSUE SCHEDULE

Issue Opening Date	28 September 2021
Issue Closing Date	28 September 2021
Pay In Date	Not Applicable
Date of early closure of the issue, if any	N/A
Deemed Date of Allotment	28 September 2021

DETAILS ABOUT COUPON

Coupon	6.75% per annum
Coupon Payment Frequency	Semi-annually
Redemption Date	26 September 2031
Redemption Amount	As per Annexure III

DETAILS ABOUT ELIGIBLE INVESTORS

The following categories of investors are eligible to apply:
(a) Banks and Financial Institutions
(b) FIIs
(c) FPIs
(d) Mutual Funds
(e) Insurance Companies
(f) Provident and Pension and Gratuity Funds
(g) Companies and Bodies Corporate including Public Sector Undertakings
(h) Individuals and Hindu Undivided Families
(i) Partnership Firms
(j) Any other investor authorized to invest in these debentures

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PART A

DEFINITIONS/ABBREVIATIONS

Act	The provisions of the Companies Act, 2013 (including all rules, circulars and clarifications, issued pursuant thereto, from time to time), which are in effect from time to time and shall include any other statutory amendment or re-enactment thereof.
Affiliate	(i) With respect to any Person other than a natural Person: any other Person that is Controlling, Controlled by, or under common Control of such Person; (ii) With respect to any natural Person: any other Person that is a Relative of such Person; and (iii) With respect to the Company: any asset management company, trust or funds managed by the Company or the Persons set out in above two points.
Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures as was made pursuant to the Issue.
Anti-Money Laundering Laws	Applicable financial record keeping and reporting requirements and money laundering statutes in India and of all jurisdictions in which the Company conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency.
Applicable Law	Any statute, national, state, provincial, local, municipal, foreign, international, multinational or other law, treaty, code, regulation, ordinance, rule, judgment, order, decree, bye-law, approval of any Governmental Authority, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law of any of the foregoing by any Governmental Authority having jurisdiction over the matter in question, whether in effect as of the date of this Disclosure Document or at any time thereafter.
Application Form	The form in which an investor can apply for subscription to the Debentures.
Asset Cover Ratio	The ratio of the value of the Hypothecated Assets which are Standard Assets to the outstanding amounts under any of the Financial Indebtedness whether of the Company or the Merged Entity for which any Security Interest has been created over the Hypothecated Assets, including the Outstanding Balance(s) at the given point of time.
Assigned ECB Facilities	Has the meaning assigned to the term 'ECB Facilities' in the Assignment Agreement.
Assignment Agreement	The assignment agreement entered into between the Assignors and the Company, as amended, novated, supplemented, extended or restated.
Assignors	The Domestic Assignors and the ECB Assignors
AUM	Assets under management.
Authorisations	(i) any consent, license, approval, registration, permit, sanction or other authorisation of any nature which is required to be granted by any Governmental Authority: (A) for the due incorporation of the Company and its due existence and for performance of its obligations under the Transaction Documents; (B) for the enforceability of any Transaction Document or any Security; or (ii) an authorisation, consent, approval, resolution, no-objection, licence, exemption, filing, notarisation, lodgement or registration (whether from a third party or a Governmental Authority).
Board/ Board of Directors	Board of Directors of the Company or any Committee formed by the Board of Directors of the Company.
BSE	BSE Limited

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Business Days	A day which is : (i) not a Saturday or a Sunday; and (ii) not a public holiday for the purposes of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881); and (iii) a day on which banks are open for general banking business in Mumbai; and (iv) a day on which the money market is functioning in Mumbai, and the term "Business Days" is to be construed accordingly.
CDSL	Central Depository Services (India) Limited
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
Certificate of Registration	A certificate of registration issued by RBI under section 29A of the National Housing Bank Act, 1987 for registration of housing finance companies.
CIBIL	TransUnion CIBIL Limited.
CIR Process	Corporate insolvency resolution process.
CoC	Committee of Creditors formed in respect of DHFL.
Code	The Insolvency and Bankruptcy Code, 2016, (as amended, modified or replaced from time to time) and includes all the rules, regulations and circulars thereunder.
COFEPOSA	Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974.
Committee	Committee of Directors (Administration Authorisation and Finance) of the Issuer.
Company/ Issuer	Piramal Capital & Housing Finance Limited a company incorporated under the Act with Corporate Identity Number U65999MH2017PLC291071 and having its registered office at 4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013
Control	The right to appoint majority of the directors or to control the management or policy decisions exercisable by a Person or Persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner and the term 'Controlling' and 'Controlled by' shall be construed accordingly
CRILC	Central Repository of Information on Large Credits.
Crore	1 crore = 10 million
Debenture Holders/ Holders of Debentures	(i) initially, the Persons set out in First Schedule of the Debenture Trust Deed; and (ii) thereafter, the Person(s) who is/ are, from time to time, holders of the Debentures (including their respective transferees from time to time) and in case the Debentures are in dematerialised/ electronic form, shall mean the Person(s) who is/ are, from time to time, owner(s) of the Debentures in electronic/ dematerialised form and whose name(s) is/ are entered/ listed in the list of beneficial owner(s) maintained by a Depository.
Debenture Trustee	The trustee for the Debenture Holder(s), in this case being Catalyst Trusteeship Limited
Debentures	19,53,25,290 (Nineteen Crores Fifty Three Lakhs Twenty Five Thousand Two Hundred Ninety) rated, listed, redeemable, secured, non-convertible debentures of a Nominal Value per debenture aggregating upto the Overall Limit.
Debenture Trust Deed	Debenture trust deed dated 20 September 2021 entered between the Company and the Debenture Trustee to record the terms and conditions upon which the Debentures are proposed to be issued.
Debenture Trustee Agreement	Debenture trustee agreement dated 20 September 2021 entered between the Company and Catalyst Trusteeship Limited *inter alia* to record the appointment of Catalyst Trusteeship Limited as the debenture trustee for the Issue.
Debt Securities	Has the meaning assigned to the term in the DPA.

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Deed of Hypothecation	Deed of hypothecation dated 20 September 2021 entered into by the Company in favour of the Debenture Trustee, for the purpose of creating a non-exclusive first ranking *pari passu* charge, by way of hypothecation, over the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders.
Deemed Date of Allotment	28 September 2021
Depository(ies)	NSDL and/ or CDSL.
Depositories Act	The Depositories Act, 1996, (as amended, modified or replaced from time to time) and includes all the rules, regulations and circulars thereunder.
DHFL	Dewan Housing Finance Corporation Limited, a company incorporated in India under the Companies Act, 1956, with corporate identification number L65910MH1984PLC032639 and having its registered office at Warden House, 2nd Floor, Sir P M Road, Fort, Mumbai - 400001, Maharashtra (which expression shall include its successors and permitted assigns).
DHFL Financial Debt	the aggregate of (i) Balance Financial Debt for Financial Creditors (as defined under the Resolution Plan) (other than the Dissenting Financial Creditors); and (ii) Balance Financial Debt for Dissenting Financial Creditors (as defined under the Resolution Plan).
Disclosure Document/ DD/ Offer Document	This private placement memorandum dated 23rd September 2021 setting out the terms and conditions for the proposed Issue.
DPA	The debenture purchase agreement dated 22 September 2021 entered between the NCD Holders and the Company wherein each NCD Holder has agreed to transfer the Debt Securities together with all their rights, title and interest pertaining to the Debt Securities to the Company, as amended, novated, supplemented, extended or restated.
Due Date	Any date on which the holders of Debentures are entitled to any payments, whether towards Interest/ Redemption Amount due in respect of the Debentures.
Early Redemption Date	The Debentures may be redeemed by the Company, whether in part or in full, any time, after the expiry of 5 (Five) years from the Deemed Date of Allotment of such Debentures unless it is not permitted under Applicable Law
Early Redemption Notice	Notice issued by the Company to the Debenture Trustee at least 21 (twenty one) days prior to the Early Redemption Date.
Event of Default	Such events as identified as event of default in the Debenture Trust Deed.
Exchange	NSE India Limited and BSE Limited.
Final Settlement Date	The date on which the Secured Obligations have been irrevocably, unconditionally discharged in full and the Debentures have been redeemed by the Company in full to the satisfaction of the Debenture Trustee
Financial Indebtedness	Any indebtedness for or in respect of: (a) moneys borrowed; (b) any amount availed of by acceptance of any credit facility or dematerialised equivalent; (c) any amount raised pursuant to the issuance of any notes, bonds, debentures, loan stock or any other similar securities or instruments; (d) receivables sold or discounted (other than any receivables sold in the ordinary course of business or to the extent that they are sold on a non-recourse basis); (e) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result

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	of the termination or close-out of that derivative transaction, that amount) shall be taken into account); (g) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and (h) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (g) above.
Financial Year	The period commencing from April 1 of one year and ending on March 31 of the immediately succeeding year, or such other period that may be agreed between the Parties.
Financial Half Year	The period commencing from April 1 of one year and ending on September 30 of the same year, or such other period that may be agreed between the Parties.
Financial Terms and Conditions	The terms and conditions on the part of the Company to be observed and performed in respect of the Debentures as set out in the Second Schedule of the Debenture Trust Deed.
First Ranking Creditors	Collectively, other than the Secured Parties: (a) any Person in whose favour, or for whose benefit, the Company has created a first ranking Security Interest over the Hypothecated Assets; and (b) any Person in whose favour, or for whose benefit, the Company may following the date of the Debenture Trust Deed, subject to and in compliance with the conditions set out in the Transaction Documents, create a first ranking Security Interest over the Hypothecated Assets.
Governmental Authority	Include the President of India, the Government of India, the Governor and the Government of any State in India, any ministry or department of the same, any municipal or local government, any authority or private body exercising powers conferred by Applicable Law and any court or tribunal of competent jurisdiction or other judicial or quasi-judicial body or arbitrator, and shall include, without limitation, a stock exchange, registrar of companies, SEBI and any regulatory body.
Group	Includes: (a) Company; (b) PEL; (c) Subsidiaries of PEL; and (d) Subsidiaries of the Company.
HFC	Housing Finance Company
Hypothecated Assets	Movable Assets and all rights, title, interest, benefits, claims and demands whatsoever of the Company in, to or in respect of such Movable Assets, present and future.
Interest/ Coupon Payment Date	(a) for the first Interest Payment Date, the day falling on the 6 (six) month anniversary of the Deemed Date of Allotment; (b) for second Interest Payment Dates, the day falling on the 6 (six) month anniversary of the first Interest Payment Date; (c) for each subsequent Interest Payment Date, the day falling on the 6 (six) month anniversary from the preceding Interest Payment Date; and (d) last Interest Payment Date shall be the Maturity Date. The dates have been specified in Annexure III (*Illustration of NCD Cash Flows per Debenture*).
Interest Period	The period between 2 (two) consecutive Interest Payment Dates. Provided that the first Interest Period shall run from (and include) the Deemed Date of Allotment until (and include) the immediately following Interest Payment Date.
Interest	Interest at the rate of 6.75% (six point seven five percent) per annum computed on the Outstanding Nominal Value
Investor	Any person who subscribes to this Issue.
ISIN	International Securities Identification Number.

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Leverage Ratio	A ratio of (a) its total outside liabilities; to (b) the aggregate of its paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.
Majority Resolution	A resolution passed at a meeting of the Debenture Holders in accordance with the provisions of the Third Schedule of the Debenture Trust Deed, duly convened and held in accordance with the provisions therein contained (or obtained by way of a circular resolution passed by electronic voting) by Debenture Holders representing not less than 66% (sixty six percent) of the nominal amount then outstanding in respect of the Debentures held by those Debenture Holders participating in such poll or electronic vote, as the case may be. .
Material Adverse Effect	The effect or consequence of an event, circumstance, and occurrence or condition which as of any date of determination, in the reasonable opinion of the Debenture Trustee: (a) has caused a material and adverse effect on the business activities, financial condition, operations, performance, assets and credit standing of the Company; and/ or (b) has caused a material and adverse effect on the ability of the Company to perform its obligations under the Transaction Documents in accordance with the respective terms contained therein; and/ or (c) has caused a material and adverse effect on the legality, validity or enforceability of, or the effectiveness of any of the Transaction Documents (including the ability of any Party to enforce any of its remedies thereunder); and/ or (d) the validity and enforceability of the Security created over the Hypothecated Assets.
Maturity Date	The date falling on the tenth anniversary of the Deemed Date of Allotment.
Merged Entity	The resultant merged corporate entity, pursuant to the reverse merger of the Company and DHFL, in accordance with the Resolution Plan approved by the NCLT.
Merger Event	The date on which the reverse merger of the Company with DHFL becomes effective, pursuant to the terms of the Resolution Plan.
Merger Date	The 'Appointed Date' as defined under the scheme of arrangement, forming part of the Resolution Plan approved by the NCLT.
Minimum Security Cover	The minimum Asset Cover Ratio of 100% (One Hundred Percent) that is to be maintained by the Company.
Monitoring Committee	Monitoring committee of DHFL constituted in accordance with the Resolution Plan, as approved by the NCLT Order, acting through its authorised representative.
Movable Assets	All Receivables of the Company (both present and future), including, without limitation, (a) Receivables arising out of lending loans and advances; (b) Receivables arising out of its investments inter-corporate deposits; and (c) current assets and/ or financial assets.
NCD Holders	Such Persons who have agreed to transfer the Debt Securities together with all their rights, title and interest pertaining to the Debt Securities to the Company in accordance with the terms set out in the DPA.
NCD Trustee	Catalyst Trusteeship Limited
NCLT	National Company Law Tribunal, Mumbai bench
NCLT Order	Order dated June 7, 2021 of the NCLT approving the Resolution Plan by submitted by the Company.
NHB	National Housing Bank.

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Nominal Value	INR 1,000 (Rupees One Thousand) per Debenture.
NPA	Non-performing asset as defined under the RBI Master Circular no. RBI/2014-15/74 dated July 1, 2014 titled as "Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances", as may be amended from time to time.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
Outstanding Balance	At any time, the aggregate amount payable by the Company under the Transaction Documents whether in respect of the Outstanding Nominal Value of the Debentures, interest payable at the Interest Rate and all fees, costs, charges, expenses or otherwise, reimbursements and Taxes thereon, payable in respect of the Debentures.
Outstanding Nominal Value	With respect to any Debenture, the Nominal Value of that Debenture reduced by the Redemption Amounts paid by the Company with respect to that Debenture.
Overall Limit	Rs. 1,95,32,52,90,000 (Rupees Nineteen Thousand Five Hundred Thirty Two Crores And Fifty Two Lakhs Ninety Thousand Only)
Payments	All payments to be made by the Company in relation to the Debentures including payment of the Redemption Amount, interest payable at the Interest Rate, liquidated damages, commitment charges, remuneration of the Debenture Trustee and all fees, costs, charges, expenses and other monies payable by the Company under the Transaction Documents including for creation, preservation and realisation of the Security, including legal fees and all other monies, amounts whatsoever. It is clarified that 'Payments' shall not include any amounts payable by the Company under the Resolution Plan (to the extent those do not relate to the obligation of the Company to make the Payments in respect of the Debentures).
PEL	Piramal Enterprises Limited, a company incorporated under the Companies Act, 1913 and having its registered office at Piramal Ananta, Agastya Corporate Park, Opp. Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070.
PEL Loan	Subordinated debt of Rs. 1500,00,00,000/- (Rupees fifteen hundred crores only) (at an interest rate not exceeding 9%) proposed to be infused by PEL within 12 (Twelve) months of the Deemed Date of Allotment into the Company for the Company's retail business (if required) in terms of the Resolution Plan
Rating Agency(ies)	CARE Ratings Ltd and ICRA Ratings Ltd
RBI	Reserve Bank of India
RBI Approval	Collectively: (i) the approval dated 2 September 2021 bearing reference number CO. DOR. ISG No. S917/2-0-27-007/2021-2022 issued by RBI approving *inter alia*: (a) issuance of Debentures to an identified group of financial creditors of DHFL on a private placement basis which may be subscribed for an amount lower than the minimum subscription per investor as permitted under the existing guidelines; and (b) issuance of Debentures for such face value which may be lower than the minimum subscription per investor as permitted under the existing guidelines; and (ii) an approval dated 8 September 2021 bearing reference number CO. FED. ECBD. No. S601/03-02-111/2021-22 issued by RBI approving inter alia: (a) closure of external commercial borrowings by assignment to the Company in lieu of cash, other instruments, or any other method and in accordance with the approved Resolution Plan constitutes prepayment of the external commercial borrowing before maturity; (b) closure of external commercial borrowings bearing loan registration numbers

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	201609159 and 201804130, which are yet to complete their minimum average maturity period, subject to such closure being part of the Resolution Plan approved by NCLT; (iii) an approval dated 15 September 2021 bearing reference number CO.FMRD.DIRMD.No.S101/14-01-006/2021-2022 issued by RBI approving *inter alia*: (A) issuance of Debentures to foreign portfolio investors that hold Debt Securities issued by DHFL for consideration other than cash, in accordance with the Resolution Plan approved by the NCLT Order; and (B) the financial creditors of DHFL, under the external commercial borrowings framework including through masala bonds, that have valid registration as foreign portfolio investors for consideration other than cash, in accordance with the Resolution Plan approved by the NCLT Order; (C) the holding period trustee for nil consideration and transfer of the Debentures by the holding period trustee to the 'unidentified lenders' that have a valid foreign portfolio investor registration for nil consideration, if the holding period trustee is set up as a foreign portfolio investor as part of the Resolution Plan approved by the NCLT Order to facilitate transfer of the Debentures to the 'unidentified lenders' of DHFL's masala bonds;
Receivables	All principal amounts and interest (including coupon, premium and/ or any default/ penal interest) owing to or receivable by the Company including all the accrued book debts, both present and future, whether such monies receivable are retained in any of the accounts of the Company or otherwise, in respect of loans and advances/ investments in certain securities/ inter-corporate deposits subscribed to by/ given/ placed by the Company from time to time, and all benefit, rights, interest, claims and demands of the Company in, to or in respect of all the aforesaid amounts, over which a charge by way of hypothecation is to be created by the Company in favour of the Debenture Trustee under the Deed of Hypothecation.
Record Date	The record date means, the day falling 15 days before any Due Date. In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.
Redemption Amount	The amount to be paid by the Company to the Debenture Holders at on each Redemption Date, as set-out in the Fifth Schedule (Redemption Schedule) of the Debenture Trust Deed
Redemption Date	

Sr. no.	Redemption Date	Percentage of the Redemption Amount
1.	First Half Yearly Payment	2.50%
2.	Second Half Yearly Payment	2.50%
3.	Third Half Yearly Payment	2.50%
4.	Fourth Half Yearly Payment	2.50%
5.	Fifth Half Yearly Payment	2.50%
6.	Sixth Half Yearly Payment	2.50%
7.	Seventh Half Yearly Payment	2.50%
8.	Eight Half Yearly Payment	2.50%
9.	Ninth Half Yearly Payment	2.50%
10.	Tenth Half Yearly Payment	2.50%
11.	Eleventh Half Yearly Payment	7.50%
12.	Twelfth Half Yearly Payment	7.50%

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	<table><tr><td>13.</td><td>Thirteenth Fourth Half Yearly Payment</td><td>7.50%</td></tr><tr><td>14.</td><td>Fourteenth Half Yearly Payment</td><td>7.50%</td></tr><tr><td>15.</td><td>Fifteenth Half Yearly Payment</td><td>7.50%</td></tr><tr><td>16.</td><td>Sixteenth Half Yearly Payment</td><td>7.50%</td></tr><tr><td>17.</td><td>Seventeenth Half Yearly Payment</td><td>7.50%</td></tr><tr><td>18.</td><td>Eighteenth Half Yearly Payment</td><td>7.50%</td></tr><tr><td>19.</td><td>Nineteenth Half Yearly Payment</td><td>7.50%</td></tr><tr><td>20.</td><td>Twentieth Half Yearly Payment</td><td>7.50%</td></tr></table> Note: Refer to Annexure III for the illustration of cash flow.
Register of Beneficial Owners	The register of beneficial owners of the Debentures maintained in the records of any depository
Registrar and Transfer Agent	for the time being, Link Intime India Private Limited or any other Person as may be appointed from time to time
Relevant Quarter	Every quarter ending on June 30, September 30, December 31 and March 31 till the Final Settlement Date
Relative	Has the meaning assigned to such term in the Companies Act, 2013
Resolution Plan	The resolution plan dated 22nd December 2020 (along with an undertaking dated 21st January 2021 (the "**Undertaking**"), which forms an integral part of the resolution plan), submitted by the Company as a part of the CIR Process of DHFL.
ROC	Registrar of Companies
Rs./ Rupees/ INR	Indian Rupees, the lawful currency of India.
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time)
SEBI Approval	approval dated September 13, 2021 bearing reference number SEBI/HO/DDHS/Div-1/P/ON/2021/23834/1 issued by SEBI approving *inter alia*: (i) the face value of the proposed Issue of Debenture may be at Rs. 1,000/- (Rupees One Thousand only) per Debenture; and (ii) the Company may not utilise the electronic book platform mechanism for the Debentures issued in terms of the NCLT Order.
SEBI Operational Circular	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper (SEBI/HO/DDHS/P/CIR/2021/613) dated August 10, 2021.
SEBI Regulations	The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, the SEBI Operational Circular, as amended from time to time, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued by SEBI, as amended from time to time.
Secured Obligations	(i) all of its obligations and liabilities under or in respect of the Debentures under the relevant Transaction Documents including the redemption/ repayment of the Outstanding Nominal Value, payment of interest at the Interest Rate, costs, charges, fees and any other monies/ amounts payable to the Debenture Holders, their trustees, agents or advisors under the Transaction Documents; (ii) all monies due and payable to the Debenture Trustee including the remuneration payable to the Debenture Trustee and/ or the receiver in terms of and pursuant to the Debenture Trustee Agreement, the Debenture Trust Deed, and the Deed of Hypothecation; and

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	(iii) any and all fees, costs, charges, duties and expenses, reimbursements and Taxes for the enforcement and collection of any amounts due under the Transaction Documents, and other monies payable hereunder or under any of the Transaction Documents including for creation, preservation and enforcement of the Security;
Security	First ranking *pari passu* non-exclusive charge in the nature of hypothecation over the Hypothecated Assets created under the Deed of Hypothecation dated 20.09.2021.
Security Documents	Collectively, the Debenture Trustee Agreement, the Deed of Hypothecation, necessary powers of attorney and all such other documents entered into by the Company for the purpose of creating and perfecting the Security in favour of the Debenture Trustee for the benefit of the Debenture Holders.
Security Interest	Any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), trust arrangement, preference, priority or other security agreement of any kind or nature whatsoever including, without limitation: (i) any conditional sale or other title retention agreement, any financing or similar statement or notice filed under any recording or notice statute, and any lease having substantially the same effect as any of the foregoing; and (ii) any designation of loss payees or beneficiaries or any similar arrangement under any insurance policy.
Standard Asset	the Receivables which have been classified as 'Standard Assets' by the Company, in accordance with Applicable Law.
Subsidiary	shall mean a 'subsidiary' as defined under the provisions of the Act and "Subsidiaries" is to be construed accordingly
Tax/ Taxes	Any and all present or future, direct or indirect, claims for tax, levy, impost, duty, cess, statutory due or other charge of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) including on gross receipts, sales, turn-over, value addition, use, consumption, property, income, franchise, capital, occupation, license, excise, supply of goods or services, documents (such as stamp duties) and customs and other taxes, duties, assessments, or fees, however imposed, withheld, levied, or assessed by any Government, but shall not include tax on the income of any party.
Transaction Documents	Collectively, (a) Debenture Trust Deed; (b) this Disclosure Document; (c) the Security Documents; (d) any other documents executed in relation to the issue of Debentures; and (e) any other document that may be designated by the Debenture Trustee as a Transaction Document.

Any capitalized terms used in the DD and not defined in this section shall have the respective meanings assigned to them under the remaining section hereunder.

Interpretation

1 Words denoting singular shall include plural and vice-versa.

2 Words denoting one gender only shall include the other gender.

3 Words and expressions defined in the Financial Terms and Conditions shall, where used in these presents, have the same meanings save where such meaning would render the same inconsistent with the definitions in this clause.

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4 Headings and bold typeface are inserted/ used for convenience only and shall not affect the construction of this DD.

5 References to the word "include" or "including" shall be construed without limitation.

6 References to the word "indebtedness" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent.

7 Recitals of and schedules and annexure to this DD shall form an integral part hereof.

8 The terms “hereof”, "herein", "hereby", "hereto" and derivative or similar words refer to this entire DD or specified clauses of this DD, as the case may be.

9 Reference to the word “include” shall be construed without limitation.

10 a "Transaction Document" or any other agreement or instrument is a reference to that Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated.

11 Unless specified otherwise, if any act is to be done on a day which is not a Business Day, then such act shall be done on the immediately preceding Business Day.

12 All references in this DD to any provision of any legislation or law or to any provision thereof shall be deemed also to refer to any modification, supplement or re-enactment thereof or any statutory rule, order or regulation made thereunder or under such re-enactment.

13 Unless specified otherwise, any approval, authorisation, consent, waiver, direction, instruction given, or any action taken by the Debenture Trustee will be with the authority of a Majority Resolution.

14 Save and except for matters relating to materiality or reasonableness which are to be determined solely by the Debenture Trustee (whether by itself or acting on instructions of a Majority Resolution) as contemplated under the Debenture Deed, in the event of any disagreement or dispute between the Company and the Debenture Trustee regarding the materiality or reasonableness of any matter, the opinion of the Debenture Trustee(whether reasonably exercised by it or under authority of a Majority Resolution, as contemplated under this Deed), as to the materiality or reasonableness of any of the foregoing shall be final and binding on the Parties.

15 "repayment" includes "redemption" and vice-versa and repaid, repayable, repay, redeemed, redeemable and redemption shall be construed accordingly.

16 An Event of Default is "continuing" or "outstanding" if it has not been waived in writing or has been remedied to the satisfaction of the Debenture Trustee.

17 Any interest or fee accruing under a Transaction Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 (Three Hundred and Sixty Five) days or, in case of a leap year, a year of 366 (Three Hundred and Sixty Six) days.

18 All references in this DD to schedules, clauses, sub-clauses, paragraphs or sub-paragraphs shall be construed as reference respectively to the schedules, clauses, sub-clauses, paragraphs and sub-paragraphs of these presents.

19 Upon the occurrence of an Event of Default which is continuing, the Company shall undertake all actions necessary to ensure that the Secured Parties are able to exercise all their rights under the Transaction Documents and under Applicable Law.

20 In case of any ambiguity or inconsistency or differences between this Disclosure Document and the Debenture Trust Deed, the terms of the Debenture Trust Deed shall prevail.

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GENERAL DISCLAIMER

This private placement memorandum (the "**Disclosure Document**" or "**DD**") is neither a prospectus nor a statement in lieu of a prospectus under the Act. As a part of implementation of the Resolution Plan in relation to the corporate insolvency resolution process ("**CIR Process**") of DHFL approved pursuant to the NCLT Order, RBI Approval and SEBI Approval, the offering of secured, rated, listed, redeemable, non-convertible debentures under this Disclosure Document, to be listed on the wholesale debt market ("**WDM**") segment of the NSE and BSE is strictly being made on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. Nothing in this Disclosure Document shall constitute and/ or deem to constitute an offer or an invitation to offer to the public or any section thereof to subscribe for or otherwise acquire the Debentures in general under any law for the time being in force. Neither this Disclosure Document nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and a recipient of this Disclosure Document should not consider such receipt a recommendation to purchase any Debentures. Each potential investor contemplating the purchase of any Debentures should make its own independent investigation of the financial condition and affairs of the Company and its own appraisal of the creditworthiness of the Company as well as the structure of the Issue. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of an investment to the investor's particular circumstances. No person has been authorized to give any information or to make any representation not contained in or incorporated by reference in this Disclosure Document or in any material made available by the Company to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Company.

The contents of this Disclosure Document are intended to be used by the Debenture Trustee (subsequently by the Debenture Holders) to whom it is issued. It is not intended for distribution to any other person and should not be reproduced by the recipient. No invitation is being made to any persons to whom this DD has not been sent. Any application by a person to whom this DD has not been sent by the Company shall be rejected without assigning any reason. Invitations, offers and sales of the Debentures shall only be made pursuant to this DD. The person who is in receipt of this DD shall maintain utmost confidentiality regarding the contents of this DD and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the Company. All Debenture Holders are required to comply with the relevant regulations/ guidelines applicable to them for investing in this Issue. Other than the approvals which are required to be obtained by the Issuer in connection with this issue, it is the responsibility of the eligible investors to have obtained all consents, approvals or authorizations required by them to participate in the Issue.

This DD is issued by the Issuer. The views contained in this DD do not necessarily reflect the views of its directors, officers, employees or affiliates. This DD does not purport to contain all the information that any Debenture Holder may require but does contain all the material information (in the opinion of the Issuer) in the context of the Issue. Further, this DD has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

The Issuer confirms that the information contained in this DD is true and correct in all material respects and is not misleading in any material respect to the best of understanding. All information considered adequate and relevant about the Issue and the Issuer has been made available in this DD for the use and perusal of the Debenture Holders and no selective or additional information would be available for a section of Debenture Holders in any manner whatsoever. The Issuer does not undertake to update the DD to reflect subsequent events after the date of the DD and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Pursuant to the provisions of Section 42 of the Companies Act, 2013 read with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the copy of this DD shall be filed with the ROC within the stipulated timelines under the Companies Act, 2013. Further, pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the copy of this DD shall be filed with the Exchange and the Debenture Trustee along with the listing application. The Issuer accepts no responsibility for statements made other than in this DD or any other material expressly stated to be issued by or at the instance of the Issuer in connection with the issue of the Debentures and that anyone placing reliance on any other source of information would be doing so at their own risk.

The purpose of this DD is to provide general information about the Issuer and to assist Debenture Holders. Neither this DD nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this DD should not consider such receipt a recommendation to purchase any Debentures.

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Each investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Eligible investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances.

FORWARD LOOKING STATEMENTS

This Disclosure Document contains certain forward-looking statements. These forward looking statements generally can be identified by words or phrases such as aim, anticipate, believe, expect, estimate, intend, objective, plan, project, shall, will, will continue, will pursue or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about the Issuer that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results to differ materially from the Issuer's expectations include, but are not limited to, the following:

a) delay or non-receipt of necessary government and other approvals;
b) regulatory changes pertaining to the industry in India which have an impact on the Issuer's business and durability to respond to them;
c) the Issuer's ability to successfully implement its strategy, growth and expansion;
d) competition in the industry in which the Issuer operates in;
e) the Issuer's ability to respond to technological changes;
f) the Issuer's exposure to market risks;
g) the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates,
h) foreign exchange rates, equity prices and other rates or prices; and
i) general economic and political conditions in India and globally, which have an impact on the Issuer's business and its ability to respond to them.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither the Issuer, Registrar and Transfer Agent, Debenture Holders nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

There is no litigation currently outstanding against the Issuer – in light of this, in this Disclosure Document, there are no disclosures pertaining to material litigation. This apart, in respect of other legal proceedings, investigations and cases, which if determined against the Issuer, its subsidiaries or its promoters would, in the opinion of the Issuer, have a material adverse impact on the financial condition or results, business, reputation or intellectual property assets of the Issuer or its subsidiaries, given the size, nature of operations and locational diversity of the Issuer and its subsidiaries, the list of such proceedings, investigations and cases is restricted to material issues.

DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA

This DD is to be filed with SEBI. The Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this DD should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this document.

DISCLAIMER CLAUSE OF THE NATIONAL STOCK EXCHANGE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). It is to be distinctly understood that the aforesaid submission or in-principle approval given by NSE vide its letter Ref.: NSE/LIST/4112 dated September 24, 2021 or hosting the same on the website of NSE in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

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Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGE

This DD is to be filed with Exchange. It is to be distinctly understood that filing of this DD with the Exchange should not, in any way, be deemed or construed that the same has been cleared or approved by the Exchange nor does the Exchange in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this DD, nor does the Exchange warrant that the Issuer's Debentures will be listed or will continue to be listed on the Exchange; nor does the Exchange take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

DISCLAIMER IN RESPECT OF JURISDICTION

Issue of the Debentures have been made to investors as specified under paragraph titled "Who Can Apply" in this DD, who have been specifically approached by the Original Issuer. This DD is not to be construed or constituted as an offer to sell or an invitation to subscribe to Debentures. The Issue shall be governed by and construed in accordance with the laws of India. The Company agrees that the courts and tribunals at Mumbai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Transaction Documents and that accordingly, any suit, action or proceedings arising out of or in connection with the Transaction Documents may be brought in such courts or tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.

DISCLAIMER CLAUSE OF THE RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned facilities or to buy, sell or hold any security. The Rating Agencies have based their ratings on information obtained from sources believed by them to be accurate and reliable. The Rating Agencies do not, however, guarantee the accuracy, adequacy or completeness of any information and are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities / instruments are rated by the Rating Agencies have paid a credit rating fee, based on the amount and type of bank facilities / instruments.

DISCLAIMER CLAUSE OF THE NHB

The Debentures have not been recommended by NHB nor does NHB guarantee the accuracy or adequacy of this DD. It is to be distinctly understood that this DD should not in any way be deemed or construed to have been approved or vetted by NHB. NHB does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued hereof is proposed to be made or for the correctness of the statements made or opinions expressed in this DD. However, NHB reserves the right to take up at any point of time, with the Company/Issuer, any irregularities or lapses in this DD.

DISCLAIMER CLAUSE OF THE RBI

The Debentures have not been recommended by RBI nor does RBI guarantee the accuracy or adequacy of this DD. It is to be distinctly understood that this DD should not in any way be deemed or construed to have been approved or vetted by RBI. RBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued hereof is proposed to be made or for the correctness of the statements made or opinions expressed in this DD. However, RBI reserves the right to take up at any point of time, with the Company/Issuer, any irregularities or lapses in this DD.

DISCLAIMER BY THE DEBENTURE TRUSTEE

The Debenture Trustee does not guarantee the terms of payment regarding the Issue as stated in this DD and shall not be held liable for any default in relation to the same. Neither the Debenture Trustee nor any of its Affiliates/ representatives make any representations or assume any responsibility for the accuracy of the information given in this DD. The Debenture Trustee, "ipso facto" does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/ invested by investors for the Debentures.

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ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of the Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depositary participant. The Issuer will make the allotment to Investors on the Deemed Date(s) of Allotment after verification of the Application Form and the accompanying documents.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms, that this placement memorandum contains all the information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in this placement memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

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RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Debentures. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Debenture Holders should carefully consider all the information in this offer letter, including the risks and uncertainties described below. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

GENERAL RISKS

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risks attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section I of this placement memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

Risk Management

Enterprise Risk Management

A well-defined risk management framework is integral to any business, but is especially important during times of crisis and uncertainty. The outbreak of COVID-19 in 2020, and its resurgence since mid-March 2021, has prolonged macro-economic uncertainty. During such a crisis, system-wide capital and liquidity becomes scarce, resulting in a greater focus on optimal capital deployment and risk-adjusted returns on capital. Well-governed companies must reinforce their risk management capabilities and not only satisfy regulatory requirements, but set themselves up for success after the crisis.

PEL has an independent and dedicated Enterprise Risk Management (ERM) system to identify, manage and mitigate business risks. Risk management, internal controls and assurance processes are embedded into all activities of the Company.

PEL's ERM framework is designed by integrating COSO* framework at its core.

**COSO - Committee of Sponsoring Organisations of the Treadway Commission*

The Risk Management Group (RMG) establishes the risk policies and processes for risk evaluation and measurement; and business units focus on developing and implementing mitigation measures while taking controlled risks. Specific risk approaches are in place for both the Financial Services and Pharma businesses.

In Financial Services, as PEL is executing its transformation agenda, it becomes imperative to follow a systematic approach to identify, assess, prioritize and mitigate risks. In the Pharma business, the Company's focus remains on business continuity and securing the supply chain, in order to deliver consistent performance and invest in growth opportunities.

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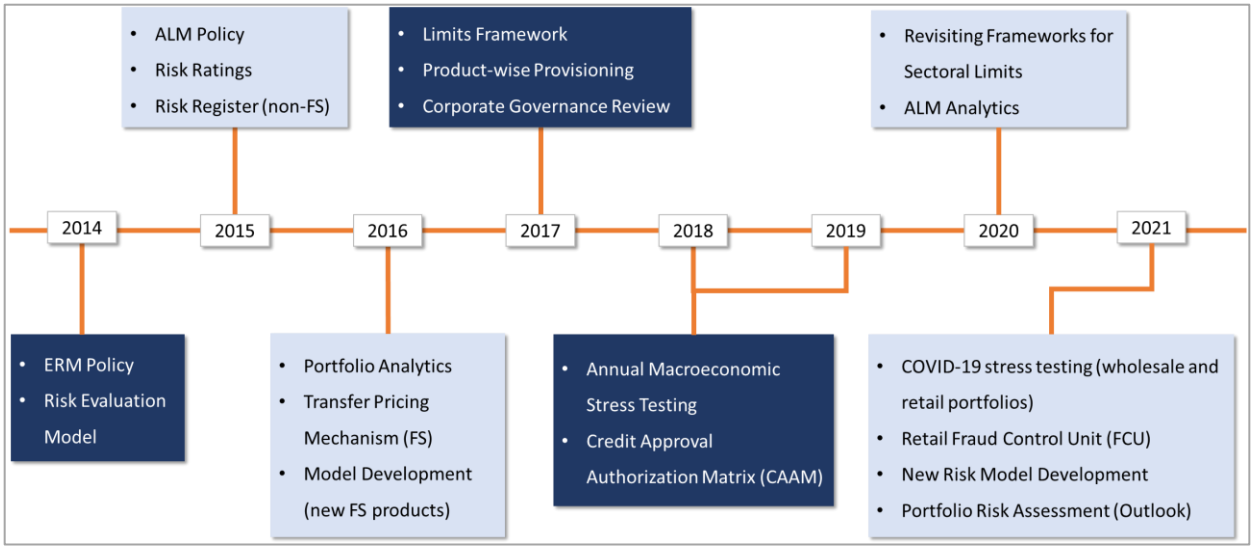
The Company ensures seamless interaction between the Strategic Business Units (SBUs) and RMG to assess the real risks and their severity. The RMG is independent of SBUs and reports directly to the Board.

The Board

The Board oversees PEL's risk management programme. It regularly reviews and evaluates the programme to ensure that adequate policies, procedures and systems are in place to execute the strategy and manage related risks. The Board-level 'Risk Committee' reviews the micro-level risks and reports it to the Board. Additionally, the Risk Management Committee for Financial Services (FS) – formed in FY2018 – focuses on strategy and risk management practices followed in the FS business unit.

The RMG periodically appraises the portfolio health in the FS vertical and the risk profile of the business verticals in non-financial services (non-FS) businesses to the Board.

Key milestones and initiatives – Risk Management Group:



Financial Services

The RMG independently assesses all investments and loans of PEL's FS business. The Group uses internal risk assessment models to evaluate credit, market and concentration risks embedded in any deal. Based on the assessment, the RMG recommends a plan to mitigate or to eliminate the identified risks in the investments. The enterprise-wide limits framework for lending and the corresponding delegation of authority based on such limits addressing the extent of exposures at transaction- and portfolio-level take into consideration product idiosyncrasies as well. Also, similar matrices for delegation of authority corresponding to transaction-level approvals are used by the Company.

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Risk Management – Wholesale Lending

Risk Assessment Approach

The approach involves identification and measurement of risk for each investment. Risks are classified into quantifiable and non-quantifiable risks.

1) Quantifiable risks are estimated as the deficit in Cash Flow

2) Non-quantifiable risks are estimated through comprehensive scorecards and standard mark-ups

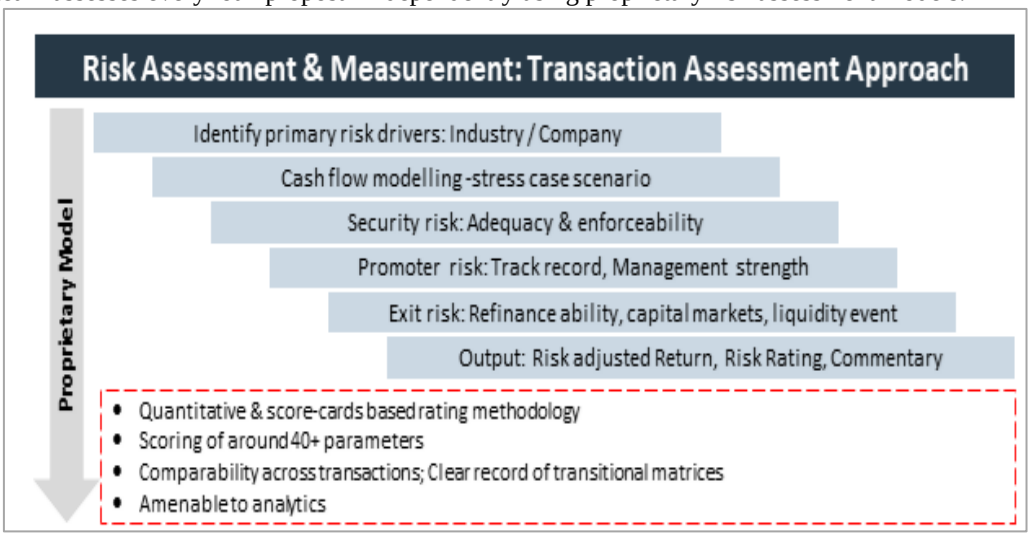
   - Security value, promoter evaluation, exit options, etc. are rated through scorecards

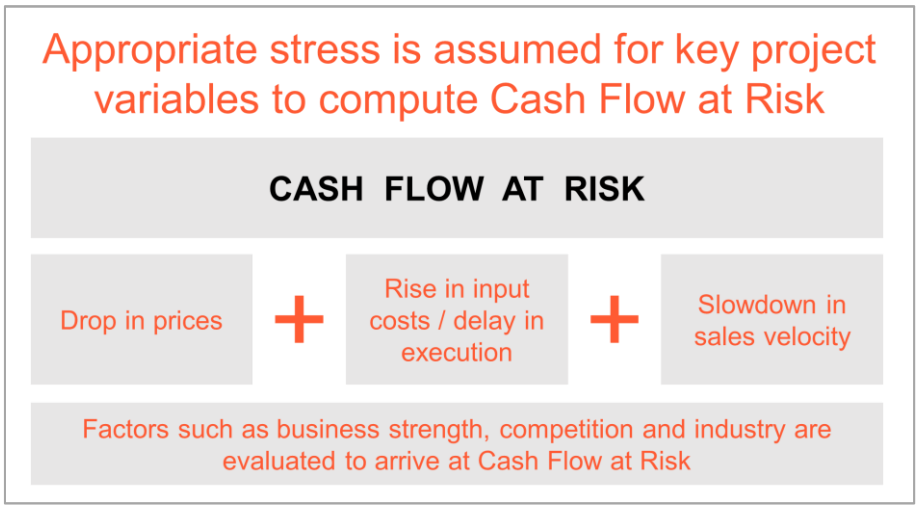
   - Operational and concentration risks are covered by applying standard mark-ups (multiples) to the risk-weights, for determining the risk rating of a deal

The Risk team considers various factors, such as historical performance, execution capability, financial strength of the promoter and company, competitive landscape in the industry and specific segment, regulatory framework and certainty, impact of macroeconomic 'changes', etc. while assessing the deal. The security structure is assessed for value, enforceability and liquidity. The rating generated is used for internal benchmarking and pricing. The Credit team takes inputs from the RMG to arrive at optimal deal structuring.

Framework to evaluate Risk Adjusted Returns

The Risk team assesses every loan proposal independently using proprietary risk assessment models.





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Portfolio Revaluation Process

All executed deals are re-valued by the RMG at regular intervals. The portfolio revaluation provides the Management with latest overview of the portfolio performance. It also triggers specific action plans for identified deals and data-based insights for enhancing the underwriting criteria for future deals.

Underwriting and Risk Mitigation

Generally, a conservative, data-driven underwriting and structuring approach is adopted. The deal related idiosyncratic risk and the risks emanating from exogenous events are thoroughly analysed as part of the risk assessment process. The impact of any event on specific micro-markets, industries and product segments are carefully analysed and the deal underwriting criteria is altered accordingly.

Governance Structure:

A robust governance structure for the risk management process has been put in place. Various committees, both at the senior executive management level and at the Board sub-committee level, have been formed to evaluate risk and the risk management process at PEL.

Retail Risk Management

The Company is transforming its Financial Services business from a 'wholesale-led' business model to a 'well-diversified' business. In November 2020, the Company launched its multi-product retail lending platform, while expanding its geographic presence and customer reach. As Retail Lending is an operations intensive, volume driven business with smaller ticket sizes, it requires a risk management architecture to control default and fraud risk at a micro-level. Technology and analytics have enabled new risk-management techniques, faster computing power and data storage, to facilitate better risk decision support and process integration.

Retail Risk Management is a part of the RMG and the board-approved Risk Policy of PEL. RMG performs the following broad-level functions for retail risk management.

- Risk reviews of the retail loans are conducted on a monthly basis to analyze traits of the portfolio
- Risk policies and the changes therein are reviewed periodically by RMG, and approved by the Board
- RMG approves frameworks and policies for engaging with Fintech partners for technology-intensive lending programs

In the retail segment, creditworthiness of a borrower is determined based on the policy and process standards set by the Company. There are several credit checks and controls at multiple stages of the loan process to ensure and strengthen the asset quality of the portfolio.

Operational Risk:

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

The independent Operational Risk Management (ORM) Team has created a multi-layered framework and review mechanism to systematically identify, assess, rigorously monitor and manage operational risks. This is done through the effective use of detailed frameworks, processes, internal controls, information technology and fraud monitoring mechanisms, under the guidance of the Board-approved Operational Risk Management Policy. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes. These controls are derived from internal audits with a view to ensure the accuracy of information which is used internally and reported externally, the sufficiency of expertise and integrity of the Company's personnel, and the adherence to established rules and procedures.

The above-mentioned multi-layered framework comprises of two lines of defence, namely: Line Business (including support and operations) Management and ORM.

- **Line Business Management:** The day-to-day management of operational risk is performed across the organisation, and is primarily the responsibility of each function, which also maintains internal controls, designs and implements internal control-related policies and procedures.

- **ORM:** Priority areas for operational risk management include development and implementation of policies, procedures, tools and techniques to assess and monitor the adequacy and effectiveness of the internal controls.

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Fraud Risk:

Company has a well-defined Fraud Risk Management framework and the Fraud Risk Management Committee ('FRMC') comprising of top management representatives oversees the matters related to fraud risk. Company's internal policies, processes and systems have checks embedded that serve various purposes including prevention of frauds. Company has specialized personnel that work towards prevention, detection, investigation of frauds/attempted frauds and ensures to comply with Guidelines on Reporting and Monitoring of Frauds in Housing Finance Companies prescribed by NHB.

The Fraud Risk Management Policy and the applicable regulations require the Company to report all instances of frauds and attempted frauds to the Board of Directors/ Audit Committee of the Board, along with the actions taken by the Company in each instance.

Risks related to the Issue

An investment in Debentures involves risks. These risks may include, among others, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Some of these are briefly discussed below. Debenture Holders and subsequent purchasers of the Debentures should be experienced with respect to transactions in instruments such as the Debentures. Debenture Holders and subsequent purchasers of the Debentures should understand the risks associated with an investment in the Debentures and should only reach an investment decision after careful consideration, with their legal, tax, accounting and other advisers, of: (a) the suitability of an investment in the Debentures in the light of their own particular financial, tax and other circumstances; and (b) the information set out in this Disclosure Document.

The Debentures may decline in value and marketability and Investors should note that, whatever their investment in the Debentures, the cash amount due at maturity will be equivalent to the face value of the Debentures. More than one risk factor may have simultaneous effect with regard to the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Debentures.

1. Taxation

Potential purchasers and sellers of the Debentures should be aware that they may be required to pay stamp duties or other documentary charges/taxes in accordance with the laws and practices of India. Payment and/or delivery of any amount due in respect of the Debentures will be conditional upon the payment of all applicable taxes, duties and/or expenses.

Potential Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential Investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

2. Interest Rate Risk

All fixed income securities, such as the Debentures, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of the Debentures.

3. The Debentures may be Illiquid

It is not possible to predict if and to what extent a secondary market may develop in the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. If so specified in this Disclosure Document, application has been made to list or quote or admit to trading the Debentures on the Exchange or quotation system(s) specified. If the Debentures are so listed or quoted or admitted to trading, no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading. The listing of the Debentures is subject to receipt of the final listing and trading approval from the Exchange.

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The Company shall, prior to the Merger Event and post the Merger Event, subject to Applicable Law and the terms of the Disclosure Document at any time and from time to time and subject to compliance with (b) below, have the power exercisable at its sole and absolute discretion to purchase some or all of the Debentures held by the Debenture Holders at any time prior to the specified date(s) of redemption from the open market, subject to Applicable Law and in accordance with the prevailing guidelines/ regulations issued by the RBI, NHB, SEBI and other authorities.

The Company can exercise its right to re-purchase some or all of the Debentures in accordance with the sub paragraph above, only if the option of re-purchase is made available to all of the Debenture Holders in terms of a written notice to be issued by the Company to the Debenture Trustee ("**Repurchase Notice**"), which written notice must (a) specify the number of Debentures the Company is proposing to re-purchase; (b) the timeline within which the relevant Debenture Holder may accept the offer of the Company to re-purchase the Debentures; and (c) the proposed date on which such re-purchase will be made by the Company ("**Repurchase Date**").

Each Repurchase Notice is irrevocable.

If, the option to repurchase pursuant to the Repurchase Notice by the Company is oversubscribed by the Debenture Holders, then such repurchase shall be done by the Company proportionately across all Debenture Holders who have accepted the offer of the Company to re-purchase under sub-paragraph above.

The Company shall redeem the Debentures which are subject to the repurchase option as set out sub-paragraphs above in full and shall pay:

(i) the nominal value of the Debentures being re-purchased; and
(ii) accrued but unpaid interest till the Repurchase Date along with default interest (if applicable), costs, charges, fees and any other monies/ amounts (as applicable) due and payable to such Debenture Holders, their trustees, agents or advisors under the Transaction Documents as of that Repurchase Date.

The Debentures so purchased shall be cancelled by the Company and the Company shall immediately after and in any event no later than 1 (One) Business Day following each such repurchase, notify the Debenture Trustee in writing of the number of Debentures which continue to remain outstanding.

All costs incurred by the Debenture Holders (including but not limited to break costs relating to interest, currency exchange and/ or hedge agreements) pursuant to the repurchase by the Company before the Maturity Date as set out above, shall be borne by Company, and will be calculated (and the Debenture Holders will be reimbursed) on the basis as if an acceleration event had occurred.

4. Downgrading in credit rating

The Debentures have been rated by the Rating Agencies as having "AA" (Pronounced as Double A) rating for the issuance of Debentures. The Issuer cannot guarantee that this rating will not be downgraded. Such a downgrade in the credit rating may lower the value of the Debentures.

5. Future legal and regulatory obstructions

Future government policies and changes in laws and regulations in India and comments, statements or policy changes by any regulator, including but not limited to the SEBI or the RBI or the NHB, may adversely affect the Debentures. The timing and content of any new law or regulation is not within the Issuer's control and such new law, regulation, comment, statement or policy change could have an adverse effect on market for and the price of the Debentures.

Further, SEBI, the RBI, the NHB or other regulatory authorities may require clarifications on this Disclosure Document, which may cause a delay in the issuance of Debentures or may result in the Debentures being materially affected or even rejected.

6. Political instability or changes in the government could delay further liberalization of the Indian economy and adversely affect economic conditions in India generally.

Since 1991, successive Indian governments have pursued policies of economic liberalization. The role of the Central and State Governments in the Indian economy as producers, consumers and regulators has remained significant. If there was to be any slowdown in the economic policies, or a reversal of steps already taken, it could have an adverse effect on the debt market which as such is exposed to the risks of the Indian regulatory and policy regime and also have an impact on global economic market.

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7. Risk of Delay in Enforcement

There are also risks relating to delays in enforcing Security provided, whether on account of delays in enforcement proceedings before Indian courts or otherwise.

RISKS RELATED TO THE COMPANY

1. Risk of Default

In the financial services businesses, the risk of default and non-payment by borrowers may adversely affect profitability and asset quality. As the Company is an HFC, risk of non-payment by the borrowers and other counterparties poses a significant risk. The Company is also exposed to risks of non-performance by third parties from whom money, securities or other assets are receivable. This may cause the Company's assets to be declared as non-performing assets ("**NPA**"). The Company's inability to control or reduce the number and value of its NPAs may, despite provisioning against such NPAs in accordance with regulatory requirements, lead to deterioration of the quality of its loan portfolio and negatively impact its business.

2. Liquidity Risk

Exposure to liquidity risk is dependent upon the difference between the value of the assets and liabilities maturing in any time period. As is typical for HFCs, a portion of the Company's funding requirement is met through short term funding sources such as working capital demand loans, cash credit, short term loans and commercial papers. However, a portion of the assets on the Company's portfolio have medium and long-term tenors. In the event that the existing and committed credit facilities are withdrawn, become unavailable or are otherwise inadequate, the Company's business could be adversely impacted.

3. Risk of Increase in Credit Spreads

Increase in credit spreads could negatively affect the cost of borrowing. Such risks could arise from changes in demand from creditors.

4. Access to Capital Markets and Commercial Borrowings

The Company's growth will depend on its continued ability to access funds at competitive rates. With the growth of the business the Company is increasingly reliant on funding from the debt capital markets and commercial borrowings. The market for such funds is competitive and its ability to obtain funds at competitive rates will depend on various factors, including the Company's ability to maintain its credit ratings. While its borrowing costs have been competitive in the past due to its credit rating and the quality of its asset portfolio, if the Company is unable to access funds at an effective cost that is comparable to or lower than its competitors, the Company may not be able to offer competitive interest rates for its loans. This may adversely impact its business and its future financial performance.

5. Interest Rate Risk

As HFC, the Company's business is largely based on interest income. Interest rate risk is a concern since lending to customers is at different interest rates and for different periods than the rates and periods corresponding to its funding sources. The Company endeavours to keep the interest rate risk low by synchronizing the securing of resources and its lending activities, and taking measures to hedge the interest rate risk based on prevalent macro-economic conditions. Nevertheless, interest rates are highly sensitive to factors beyond its control, including deregulation of the financial sectors in India, domestic and international economic and political conditions, inflation and other factors.

6. Collateral Recovery Risk

Various factors such delays on the Company's part in taking immediate action in bankruptcy foreclosure proceedings, market/economic downturns, claims of other lenders, legal or judicial restraint and fraudulent transfers, etc. by borrowers could result in the Company realizing less than the full value of its collateral. Additionally, the NHB and RBI have issued various guidelines pertaining to restructuring and monitoring of stressed assets to ensure timely and transparent restructuring of corporate debt. Any failure to recover the expected value of collateral security could expose the Company to losses. The Company's participation in syndicate lending arrangements could also expose it to risk of the majority of the lenders choosing to pursue a different course of action than would favour the Company. Any such unexpected loss could adversely affect the Company's business, prospects, the results of its operations and its financial condition.

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7. No Debenture Redemption Reserve

It is acknowledged by the Company that, as on the date of the DD, in terms of the Companies (Share Capital and Debentures) Rules, 2014 issued under Companies Act, 2013, the Company is currently not required to maintain a debenture redemption reserve ("**DRR**") in respect of the Debentures. The Company hereby agrees that, and if during the currency of these presents, any guidelines are formulated (or modified or revised) by SEBI or any other Governmental Authority under the Applicable Law in respect of creation and maintenance of the DRR, the Company shall abide by such guidelines.

8. Regulatory Risk

The Company requires certain statutory and regulatory approvals for conducting businesses and failure to obtain retain or renew them in a timely manner, may adversely affect operations. A change in laws or regulations made by the government or a regulatory body can increase the costs of operating a business, reduce the attractiveness of investment and / or change the competitive landscape.

Non-compliance with regulations such as Anti Money Laundering Laws, RBI's prudential norms etc. may lead to penalties and reputation loss.

9. Concentration Risk

Concentration risk in some markets (geographical) may lead to credit and cash flow risks. Due to local demand and supply factors, market conditions in a particular location may become unfavourable. Sector focused operations (e.g. real estate) may lead to concentration risks and lower returns due to fluctuation in demand for real estate or changes in policies related to real estate.

10. Any volatility in housing or real estate prices may have an adverse impact on our business and our growth strategy

The Company is primarily engaged in the business of housing finance, and as such are exposed to the effects of volatility in housing and real estate prices. Any sudden or sharp movement in housing prices may adversely affect the demand for housing and housing finance and the quality of our portfolio which may adversely impact on our business and growth strategy.

11. Limited and sporadic trading of the Debentures on the Exchange. There may be no active market for the Debentures on the platform of the Exchange. As a result, the liquidity and market prices of the Debentures may fail to develop and may accordingly be adversely affected.

There can be no assurance that an active market for the Debentures will develop. If an active market for the Debentures fails to develop or be sustained, the liquidity and market prices of the Debentures may be adversely affected. The market price of the Debentures would depend on various factors, *inter alia*, including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market for listed debt securities, (iii) general economic conditions, and (iv) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the Debentures, which may trade at a discount to the price at which you purchase the Debentures and/or be relatively illiquid.

Although the Debentures are proposed to be listed on BSE & NSE, there can be no assurance that a market for these Debentures would be available on a sustained basis. The liquidity of the Debentures can be expected to vary with changes in market and economic conditions, our financial condition and prospects and other factors that generally influence market price of debentures. Such fluctuations may significantly affect the liquidity of the Debentures, which may trade at a discount to the price at which the Debentures are issued.

12. Our indebtedness and conditions and restrictions imposed by our financing arrangements could adversely affect our ability to conduct our business and operations.

As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer and therefore, this would not be applicable.

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PART B

SECTION 1: DISCLOSURES AS PER SEBI REGULATIONS

This Disclosure Document is prepared in accordance with the provisions of SEBI Regulations, SEBI Operational Circular and the Act and in this section, the Company has set out the details required as per Schedule II of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

I. Documents Submitted to the Exchange and the Debenture Trustee

(a) Disclosure Document;
(b) Memorandum of association and articles of association;
(c) Copy of last three years annual reports;
(d) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
(e) Copy of the following resolutions:
  (i) the resolution passed at the meeting of the duly empowered Committee held on March 28, 2019 authorizing the borrowing and list of authorized signatories for the allotment of securities;
  (ii) the special resolution passed pursuant to Section 180(1)(a) of the Companies Act, 2013, at the extra-ordinary general meeting of the Company held on September 28, 2017 in respect of security creation by the Issuer;
  (iii) the special resolution passed pursuant to Section 180(1)(c) of the Companies Act, 2013, at the extra-ordinary general meeting of the Company held on June 11, 2018 in respect of the borrowing limits of the Issuer; and
  (iv) the special resolution passed pursuant to Section 42 and 71 of the Companies Act, 2013, at the extra-ordinary general meeting of the Company held on July 28, 2021 for issuance of the Debentures.
(f) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed has been executed within the time frame prescribed in the relevant regulations/ act/ rules etc. and the same would be uploaded on the website of the Designated Stock Exchange, where the securities have been proposed to be listed;
(g) An undertaking that permission/ consent from the prior creditor for a second or *pari-passu* charge being created, where applicable, in favour of the Debenture Trustee to the proposed Issue has been obtained; and
(h) Any other particulars or documents that the Exchange may call for as it deems fit.

II. NAME, ADDRESS & REGISTERED OFFICE OF THE COMPANY

Name of the Issuer: Piramal Capital & Housing Finance Limited
Date of incorporation of the company: 10/02/2017
Website: www.pchf.in

Name and Designation of Officials authorized to issue Debentures
Name: Mr. Bipin Singh
Designation: Company Secretary

Registered Office:
Address: 4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013, Maharashtra, India
Tel: 6230 9200
Fax: 6151 3444

Corporate Office:
Address: 4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013, Maharashtra, India
Tel: 6230 9200
Fax: 6151 3444

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Nodal/Compliance Officer for the Issue:
Name: - Mr. Bipin Singh
Address: 4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400 013, Maharashtra, India
Telephone: +91 22 38023085 ; Fax: +91 22 6151 3444
Email id: cs.team@piramal.com

Debenture Holders can contact the Compliance Officer in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of debentures in the respective beneficiary account etc.

CFO of the Issuer
Name: Mr. Sachin Deodhar
Address: Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013, Maharashtra
Telephone: +91 22 61513404; Fax: +91 22 6151 3444
Email id: sachin.deodhar@piramal.com

Debenture Trustee for the Debenture Holders
Name: Catalyst Trusteeship Limited
Address: GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune-411038
Contact No.: +91 20 66807200
Website: www.catalysttrustee.com
Email id: dt@ctltrustee.com
Contact Person:Compliance Officer

Registrar and Transfer Agent to the Issue
Name: Link Intime India Private Limited
Address: 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400078.
Telephone: +91 22 24918600; Fax: +91 22 49186060
Email id: ganesh.jadhav@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Ganesh Jadhav

Credit Rating Agencies to the Issue
Name: CARE Ratings Ltd
Address: 4th Floor, Godrej Colesium, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E),
Mumbai – 400 022
Telephone: + 022-6754 3456/ 9819013971; Fax: 022-6754 3457
Email id: Aditya.acharekar@careratings.com
Website: www.careratings.com
Contact Person: Aditya Acharekar

Name: ICRA Ratings Ltd
Address: B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Telephone: + 022-6114 3469
Email id: shivakumar@icraindia.com
Website: www.icra.in
Contact Person: Mr. L Shivakumar

Auditors of the Issuer
Name: B S R & Co. LLP
Address: 14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East) Mumbai – 400 063
Mumbai – 400 011.
Telephone: +91 22 6257 1010
Email id: riteshg@bsraffiliates.com
Contact Person: Mr. Ritesh Goyal

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Legal Counsel of the Issuer

Name: Trilegal
Address:
Peninsula Business Park
17th Floor, Tower B,
Ganpat Rao Kadam Marg,
Lower Parel (West),
Mumbai:- 400 013
Telephone: +91 22 4079 1000
Email id: ProjectDiamond.IM@Trilegal.com
Website: www.trilegal.com

III. BRIEF SUMMARY OF THE BUSINESS/ACTIVITIES OF THE ISSUER AND ITS LINE OF BUSINESS

OVERVIEW

Piramal Capital & Housing Finance Limited ("**PCHFL**"), is a wholly-owned subsidiary of Piramal Enterprises Limited, and is registered with the National Housing Bank, as a Housing Finance Company vide registration DOR-00163 dated February 12, 2020 issued by RBI in lieu of COR No.12.0163.17 dated December 1, 2017 issued by NHB, with its registered and operational office in Mumbai.

PCHFL was a wholly owned subsidiary of Piramal Finance Limited ("**PFL**"). PFL was established in 2011, and categorized as a Non-Deposit taking NBFC by the Reserve Bank of India ("**RBI**"). PFL's strength lied in its rich experience and its network in the wholesale lending (construction finance & lease rental discounting) to tier I real estate developers, pan India. It also undertook non real estate lending to corporate sectors such as auto-components, renewable, cements etc. In order to move one step ahead and to capture retail segment, Piramal Housing Finance Limited ("**PHFL**") (now "**PCHFL**") was formed as a housing finance company primarily to provide home loans & loan against property at retail level and also undertake funding, to certain extent, to developers as construction finance.

In October 2017, Boards of PHFL, Piramal Capital Limited ("**PCL**") and PFL approved the merger of PFL and PCL into PHFL. Post which, approvals from respective shareholders, creditors and regulators were obtained in respect to said merger. In April 2018, NCLT approved the merger whereby the written communication was received in May 2018, which stated that the appointment date of scheme should be effect from March 31, 2018. Post which the merger stood effective and the resultant entity is a housing finance company, which is a wholly owned subsidiary of Piramal Enterprises Limited. Furthermore, the name of Piramal Housing Finance Limited has been changed to Piramal Capital & Housing Finance Limited.

PCHFL, apart from carrying on businesses of PFL, will play dominant role in retail sector by providing home loans & mortgage loans to the customers in tier I & tier II. It has captured significant volume in terms of retail customers and AUM through its deep & vast builder network. Currently, PCHFL has adequate professional staff at senior and junior level. In terms of retail housing finance, we have been offering housing loans to individual retail customers and certain other retail lending products to our customers. Apart from housing loans, under retail platform we have also started offering secured business loans and loans against property. We have a 'hub-and-spoke' model, with physical branches serving as our hub locations and technology-led spoke locations. PCHFL is continuously investing in technology to automate its process and to make a single platform for entire loan life cycle management in order to access faster services at the user end.

CORPORATE STRUCTURE

List of subsidiaries as on June 30, 2021: NIL

List of joint ventures as on June 30, 2021: NIL

List of Investment in Partnership Firm as on June 30, 2021: NIL

KEY OPERATIONAL AND FINANCIAL PARAMETERS FOR THE LAST 3 AUDITED YEARS

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Financial Parameters:

(Rs. in Crores)

Particulars	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
	(audited)	**(audited)**	**(audited)**
Balance Sheet			
Net fixed assets	10365	10370	10313
Current assets	NA	NA	NA
Non-current assets	NA	NA	NA
Total assets	52657	50788	52122
Non-Current Liabilities* **(including maturities of long-term borrowings and short term borrowings)** **Financial (borrowings, trade payables, and other financial liabilities)** **Provisions** **Deferred tax liabilities (net)** **Other non-current liabilities**	NA	NA	NA
Current Liabilities* **(including maturities of long-term borrowings)** **Financial (borrowings, trade payables, and other financial liabilities)** **Provisions** **Current tax liabilities (net)** **Other current liabilities**	NA	NA	NA
Equity (equity and other equity)	21487	20452	19531
Total equity and liabilities	52657	50788	52122
Profit and Loss			
Total revenue **From operations** **Other income**	5088	5623	5572
Total Expenses	3548	5021	3360
Total comprehensive income **Profit / loss**	1035	16	1442
Other comprehensive income	1	(15)	(1)
Profit / loss after tax	1034	30	1443
Earnings per equity share: (a) basic; and (b) diluted **Continuing operations**	0.54	0.02	0.80

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Discontinued operations **Total Continuing and discontinued operations**			
Cash Flow			
Net cash generated from operating activities	1420	5838	(7509)
Net cash used in / generated from investing activities	(2260)	(315)	(1)
Net cash used in financing activities	534	(2070)	6369
Balance as per statement of cash flows	3558	3865	412
Net worth	11187	10166	32309
Cash and cash equivalents	3558	3865	412
Current investments*	NA	NA	NA
Assets Under Management	33844	34792	39431
Off Balance Sheet Assets	Nil	Nil	Nil
Total Debts to Total assets	0.57	0.58	0.62
Debt Service Coverage Ratios	0.15	0.14	0.16
Interest Income	5,070	5,570	5,465
Interest Expense	2,939	3,328	2,838
Interest service coverage ratio	1.52	1.18	1.78
Provisioning & Write-offs	(80)	1,176	130
Bad debts to Account receivable ratio	NA	NA	NA
Gross NPA (%)	3.50%	2.10%	0.40%
Net NPA (%)	1.90%	1.40%	0.10%
Tier I Capital Adequacy Ratio (%)	32.06%	32.75%	27.27%
Tier II Capital Adequacy Ratio (%)	0.24%	0.15%	2.65%

***The details are not presented separately in the Balance Sheet as per Revised Schedule III Division III of Companies Act 2013**

Project Cost and Means of Financing, in case of funding of new projects

Not Applicable

Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the Issue or the Investor's decision to continue to invest in the debt securities.

No material event/ development or change having implications on the financials/credit quality at the time of issue which may affect the Issue or the investor's decision to invest/ continue to invest in the Debentures has occurred.

Any litigation or legal action pending or taken by a government department or a statutory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the Company

(a) Drugs Inspector, Drugs control Department, New Delhi filed a complaint before the Metropolitan Magistrate, Tis Hazari Court, Delhi against the promoter, under the Drugs and Cosmetics Act, 1940 for product not being of standard quality. The matter is pending.

(b) State of Jharkhand (through the Medicine Inspector, Ranchi), filed complaint, before the Sub- Divisional Judicial Magistrate against inter alia the promoter, for supply of medicines to institutions other than those billed. Proceedings have been stayed and the matter is pending.

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(c) Show cause notice issued by the Drugs Control Department to the promoter, under the Drugs and Cosmetics Act, 1940 for manufacturing a medicine containing fixed dose combination not permitted by Government notification GSR No 170(E). Matter is pending.

(d) State of Jharkhand (through the Inspector of Drugs, Palamau) filed a case before the CJM, Palamau, against the promoter for misbranding under the Drugs and Cosmetics Act, 1940. The matter is pending.

(e) The State (through the Drug Inspector (Palakkad,Kerala) filed a quality complaint against the promoter in the Kerala High Court in relation to a product. The proceedings have been stayed and the matter is pending.

(f) The Drug Inspector, Baramulla filed a case before the CJM, Sopore against the promoter for medicine supplied not being of standard quality. The matter is pending.

(g) A show cause notice was issued by the Drug Inspector, Vadapalani Range, Chennai under the Drugs and Cosmetics Act, 1940 to the promoter for storage and supply of products without license. The proceedings have been stayed and the matter is pending.

(h) Pursuant to a fire incident at the promoter's factory at Digwal, the Telangana State (represented by the Assistant Inspector of Factories), filed a complaint against the promoter before the JMFC, Zaheerabad, Medak District under the Factories Act. The matter is pending.

(i) Pursuant to a fire incident at the promoter's factory at Ennore, the Factory Inspector filed a complaint before the CJM, Tiruvallur. The proceedings have been stayed and the matter is pending.

(j) Complaint was filed by the Food Inspector, Ahmadabad Municipal Corporation before the Metropolitan Magistrate against inter alia the promoter, for misbranding under the Prevention of Food Adulteration Act, 1954. The proceedings have been stayed and the matter is pending.

(k) Show cause and recall notices were issued by the Joint Commission (KD) & Licensing Authority, Food and Drug Administration, Maharashtra and the Drugs Inspector (India), Central Drugs Standard Control Organisation (Baddi), Directorate General of Health Services, Ministry of Health & Family Welfare, to the promoter under the Drugs and Cosmetics Act, 1940 for product not being of standard quality. Matter is pending.

(l) A letter was issued by the Joint Commissioner (KD), Food and Drug Administration, Maharashtra to the promoter under the Drugs and Cosmetics Act, 1940 for a product not being of standard quality. The matter is pending.

(m) Show cause notices were issued by the Drug Inspector, Food and Drugs Administration, Thane, to the promoter, under the Drugs and Cosmetics Act, 1940 for supplying products to distributors who did not have a license. The matter is pending.

(n) A letter was issued by the Drugs Inspector, Office of the Assistant Director of Drugs Control, Tamil Nadu to the promoter under Drugs and Cosmetics Act, 1940 for misbranding. The matter is pending.

(o) A show cause notice was issued by the office of Food Safety and Drugs Administration, Pilibhit to the promoter under the Drug and Cosmetics Act, 1940, for a product not being of standard quality and misbranding. The matter is pending.

(p) Show cause notices were issued by the National Biodiversity Board to the promoter under the Biological Diversity Act, 2002 in the context of provisions that require companies having non-Indian participation who access biological resources to obtain prior approval before applying for an intellectual property right. The promoter has filed its reply.

(q) Complaint was filed by TSPCB against the promoter in Judicial First Class Magistrate Court Zaheerabad under the Water Prevention and Control of Pollution) Act, 1974 & Environmental Pollution Act. Matter is pending.

(r) The promoter filed an appeal before the Securities Appellate Tribunal, against a SEBI order in relation to violation of insider trading The SAT has upheld the appeal of the promoter and set aside the SEBI order.

Details of any material order passed by any statutory authority which has a material effect on company's or promoter's business during the last three years immediately preceding the year of circulation of DD.

NIL.

However, the National Housing Bank ("**NHB**") had vide letter dated August 10, 2018 imposed a fine of Rs. 5,000/- on Piramal Housing Finance Limited (now renamed as "Piramal Capital and Housing Finance Ltd") for inadvertently failing to obtain prior approval from NHB for the reconstitution of the Board and induction of three directors.

Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention
a. The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made, should be disclosed.
b. Procedure and time schedule for allotment and issue of securities should be disclosed;
c. Cash flows emanating from the non-convertible securities shall be mentioned in the offer document, by way of an illustration.
Please refer to Annexure III (Illustration of NCD Cash Flows per Debenture).

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Gross Debt Equity Ratio of the Issuer as at June 30, 2021

Particulars	Debt Equity ratio
Before the issue of debt securities	2.5
After the issue of debt securities*	4.3

** Calculated based on equity and debt as of June 30, 2021. The debt-equity ratio post the Issue is indicative and is on account of NCD consideration of ₹ 1,95,32,52,90,000 (Rupees Nineteen Thousand Five Hundred Thirty Two Crores And Fifty Two Lakhs Ninety Thousand Only) from this Issue as per RP.*

IV. BRIEF HISTORY OF ISSUER SINCE INCORPORATION GIVING DETAILS OF ITS ACTIVITIES INCLUDING ANY REORGANIZATION, RECONSTRUCTION OR AMALGAMATION, CHANGES IN CAPITAL STRUCTURE (AUTHORIZED, ISSUED AND SUBSCRIBED) AND FINANCIAL POSITION

1. Brief history

The Company was incorporated as a wholly owned subsidiary of Piramal Finance Limited ("**PFL**"), on February 10, 2017, in the name and style, of Piramal Housing Finance Private Limited ("**PHFPL**") with its registered office being at Mumbai. The Company was registered as a housing finance company with the National Housing Bank vide registration certificate no. 12.0163.17 dated December 1, 2017. The Company was thereafter, converted into a public limited company with effect from September 28, 2017, consequent to which the name of the company was changed to Piramal Housing Finance Limited ("**PHFL**"), upon issuance of fresh certificate of incorporation dated October 17, 2017.

The board of directors, at its meeting held on October 12, 2017, had approved a scheme of amalgamation of PFL and Piramal Capital Limited ("**PCL**"), both, wholly owned subsidiaries of Piramal Enterprises Limited ("**PEL**"), with PHFL and their respective shareholders ("**Scheme**"). Pursuant to the aforesaid board approval and in accordance with the relevant provisions of the Companies Act 2013, the Company had filed an application / petition with the Hon'ble National Company Law Tribunal, Mumbai Bench (the "**NCLT**") seeking its approval on the said Scheme.

The NCLT vide its order dated April 6, 2018, had granted its sanction to the said Scheme. Certified true copy of the said order sanctioning the Scheme was received by the Company on May 22, 2018 and was filed with the Registrar of Companies, Maharashtra, Mumbai and effected on May 23, 2018. In accordance with the said Scheme, PFL and PCL ceased to exist and stood amalgamated with PHFL. Also, all the assets and liabilities of PFL and PCL, including listed debt securities of PFL were transferred w.e.f. March 31, 2018, ("**Appointed Date**") to the Company.

Further, pursuant to the Scheme, the name of the Company was changed from Piramal Housing Finance Limited to Piramal Capital & Housing Finance Limited upon issuance of fresh certificate of incorporation dated June 12, 2018 issued by the Registrar of Companies, Mumbai, Maharashtra.

The Company was issued Certificate of Registration DOR-00163 dated February 12, 2020 in the name of Piramal Capital & Housing Finance Limited by RBI in lieu of COR No.12.0163.17 dated December 1, 2017 issued by NHB.

a) Details of Share Capital of the Issuer

i. As on June 30, 2021

Share Capital	Amount Rs. (In Lakhs)
Authorized Share Capital 25,00,00,00,000 Equity Shares of Rs. 10/- each	25,00,000
Issued, subscribed, and paid-up share capital 19,28,37,18,397 Equity Shares of Rs.10/- each	19,28,371

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b) Changes in capital structure of the Issuer as on June 30, 2021, for last three years

Date of Change	Rs.	Particulars
May 2, 2018 (Extraordinary General Meeting)	19,998 Crores	Authorised Share Capital of the Company was increased from Rs. 700 Crores to Rs. 19,998 crores
May 23, 2018*	25,000 Crores	Authorised Share Capital increased from Rs. 19,998 crores to 25,000 crores

* Upon the Scheme becoming effective and with effect from the Appointed Date, the authorised share capital of the Company automatically stands increased, by the authorised share capital of the PFL and PCL as on the effective date i.e. May 23, 2018 ("**Effective Date**").

c) Equity share capital history of the Issuer as on June 30, 2021, for last three years

Allotment Date	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						No. of equity shares	Equity Share capital	Equity Share Premium	
May 23, 2018	(31,50,00,000)	10	N.A.	Cancellation/ Reduction of Share Capital pursuant to Scheme of Amalgamation		Nil	Nil	Nil	Nil
May 23, 2018	18,04,45,17,320	10	-	In kind	Pursuant to the Scheme of amalgamation	18,04,45,17,320	1,80,44,51,73,200	Nil	Nil
July 29, 2019	45,45,45,454	10	11	Cash	Preferential Basis	18,49,90,62,774	1,84,99,06,27,740	454,54,54,540	Nil
March 31, 2020	78,46,55,623	10	11.47	Cash	Preferential Basis	19,28,37,18,397	1,92,83,71,83,970	1,15,34,43,766	Nil

NOTE:

d) Details of any acquisition or amalgamation in the last 1 year - NIL

e) Details of any reorganization or reconstruction in the last 1 year:

Type of Event	Date of Announcement	Date of Completion	Details
Not Applicable			

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f) Details of the shareholding of the Issuer as on June 30, 2021

Shareholding pattern of the Issuer as on June 30, 2021

Sr. No.	Particulars	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares
1	Piramal Enterprises Limited ('PEL')	19,28,37,13,565	19,28,37,13,565	100%
2	Ajay G Piramal (as a nominee of PEL)	4347	-	Negligible
3	Dr. (Mrs.) Swati A Piramal (as a nominee of PEL)	97	-	Negligible
4	Nandini A Piramal (as a nominee of PEL)	97	-	Negligible
5	Vijay K Shah (as a nominee of PEL)	97	-	Negligible
6	Rajesh R Laddha(as a nominee of PEL)	97	-	Negligible
7	Bipin Singh (as a nominee of PEL)	97	-	Negligible
	Total	**19,28,37,18,397**	**19,28,37,13,565**	**100%**

Notes: shares pledged or encumbered by the promoters (if any) – NIL

g) Top 10 Equity Shareholders of the Issuer as on June 30, 2021

Sr. No.	Name of the shareholder	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares
1	Piramal Enterprises Limited ('PEL')	19,28,37,13,565	19,28,37,13,565	100%
2	Ajay G Piramal (as a nominee of PEL)	4347	-	Negligible
3	Dr. Swati A Piramal (as a nominee of PEL)	97	-	Negligible
4	Nandini A Piramal (as a nominee of PEL)	97	-	Negligible
5	Vijay K Shah (as a nominee of PEL)	97	-	Negligible
6	Rajesh R Laddha (as a nominee of PEL)	97	-	Negligible
7	Bipin Singh (as a nominee of PEL)	97	-	Negligible
	Total	**19,28,37,18,397**	**19,28,37,13,565**	**100%**

1. Issue of Convertible Bonds/Share Warrants (if applicable)

Not applicable

h) Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:

Statutory Dues:	NIL
Debenture and interest thereon:	NIL
Deposits and interest thereon:	NIL

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Loans from banks and financial institutions and interest thereon: NIL

2. Abridged version of audited/unaudited standalone financial information (Profit & Loss statement, Balance Sheet and Cash Flow statement) for the last three years standalone balance sheet and profit and loss statement and auditors qualifications, if any.

2) Particulars	March 31, 2021	March 31, 2020	March 31, 2019
	(audited)	(audited)	(audited)
Balance Sheet			
Net fixed assets	10365	10370	10313
Current assets	NA	NA	NA
Non-current assets	NA	NA	NA
Total assets	52657	50788	52122
Non-Current Liabilities* **(including maturities of long-term borrowings and short term borrowings)** **Financial (borrowings, trade payables, and other financial liabilities)** **Provisions** **Deferred tax liabilities (net)** **Other non-current liabilities**	NA	NA	NA
Current Liabilities* **(including maturities of long-term borrowings)** **Financial (borrowings, trade payables, and other financial liabilities)** **Provisions** **Current tax liabilities (net)** **Other current liabilities**	NA	NA	NA
Equity (equity and other equity)	21487	20452	19531
Total equity and liabilities	52657	50788	52122
Profit and Loss			
Total revenue **From operations** **Other income**	5088	5623	5572
Total Expenses	3548	5021	3360
Total comprehensive income **Profit / loss**	1035	16	1442
Other comprehensive income	1	(15)	(1)
Profit / loss after tax	1034	30	1443

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Earnings per equity share: (a) basic; and (b) diluted **Continuing operations** **Discontinued operations** **Total Continuing and discontinued operations**	0.54	0.02	0.80
Cash Flow			
Net cash generated from operating activities	1420	5838	(7509)
Net cash used in / generated from investing activities	(2260)	(315)	(1)
Net cash used in financing activities	534	(2070)	6369
Balance as per statement of cash flows	3558	3865	412
Net worth	11187	10166	32309
Cash and cash equivalents	3558	3865	412
Current investments*	NA	NA	NA
Assets Under Management	33844	34792	39431
Off Balance Sheet Assets	Nil	Nil	Nil
Total Debts to Total assets	0.57	0.58	0.62
Debt Service Coverage Ratios	0.15	0.14	0.16
Interest Income	5,070	5,570	5,465
Interest Expense	2,939	3,328	2,838
Interest service coverage ratio	1.52	1.18	1.78
Provisioning & Write-offs	(80)	1,176	130
Bad debts to Account receivable ratio	NA	NA	NA
Gross NPA (%)	3.50%	2.10%	0.40%
Net NPA (%)	1.90%	1.40%	0.10%
Tier I Capital Adequacy Ratio (%)	32.06%	32.75%	27.27%
Tier II Capital Adequacy Ratio (%)	0.24%	0.15%	2.65%

***The details are not presented separately in the Balance Sheet as per Revised Schedule III Division III of Companies Act 2013**

1. Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability.

The Contingent Liabilities for the last three years are as given below.

(In Rs crores)

	Description	**FY 2020-21**	**FY 2019-20**	**FY 2018-19**	**FY 2017-18**
a)	Dues towards income tax	79	79	1	1
b)	Letter of Comfort issued by the Company	-	1	449	1,019

a) Abridged version of Latest Audited /Limited Review Half Yearly Consolidated (wherever applicable) and standalone financial information (like Profit & Loss statement, and Balance Sheet) and auditors qualifications, if any. – Not Applicable

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V. BRIEF PARTICULARS OF THE MANAGEMENT OF THE COMPANY:

a) Name, Address and other details of Directors on the Board as on June 30, 2021:

Name, Designation And DIN	Age (in years)	Address	Date of appointment	Details of other directorship	Occupation	Whether wilful defaulter (Yes/No)
Mr. Ajay G Piramal Designation: Chairman DIN: 00028116	65	Piramal Tower Ganpatrao Kadam Marg, Lower Parel Mumbai-400013	28-05-2018	Refer to **Annexure IV**	Industrialist	N/A
Mr. Khushru Jijina Designation: Managing Director DIN: 00209953	57	Piramal Tower Ganpatrao Kadam Marg, Lower Parel Mumbai-400013	10-02-2017	Refer to **Annexure IV**	Service	N/A
Dr. (Mrs.) Swati A. Piramal Designation: Director DIN: 00067125	65	Piramal Tower Ganpatrao Kadam Marg, Lower Parel Mumbai-400013	28-05-2018	Refer to **Annexure IV**	Industrialist	N/A
Mr. Anand Piramal Designation: Director DIN: 00286085	36	Piramal Tower Ganpatrao Kadam Marg ,Lower Parel Mumbai-400013	28-05-2018	Refer to **Annexure IV**	Industrialist	N/A
Mr. Suhail Nathani Designation: Independent Director DIN: 01089938	57	801, Prabhu Kutir 15 Altamount Rd Mumbai 400026	08-09-2017	Refer to **Annexure IV**	Independent Director	N/A
Mr. Gautam Doshi Designation : Independent Director DIN: 00004612	68	C 191, Grand Paradi August Krani Marg, Kemps Corner, Mumbai - 400036	29-07-2019	Refer to **Annexure IV**	Independent Director	N/A

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b) Changes in the Board of Directors of the Issuer during the last three years are as under:

Name, Designation and DIN	Date of Appointment	Date of cessation (if applicable)	Date of Resignation (if applicable)	Director of the Issuer since (in case of resignation)	Remarks
Mr. Ajay Piramal Director DIN : 00028116	28-05-2018	-	-	NA	NIL
Mr. Khushru Jijina Managing Director DIN : 00209953	10-02-2017 (Appointed as Managing Director w.e.f close of business hours 28-02-2017)	-	-	NA	NIL
Dr. (Mrs) Swati Piramal Director DIN: 00067125	28-05-2018	-	-	NA	NIL
Mr. Anand Piramal Director DIN : 00286085	28-05-2018	-	-	NA	NIL
Mr. Deepak Satwalekar Independent Director DIN: 00009627	28-05-2018	-	26-07-2021	NA	Mr. Satwalekar has resigned from the Board with effect from 26 July 2021.
Mr. Harish Engineer Independent Director DIN : 01843009	28-05-2018	01-01-2020	01-01-2020	25-06-2018	NIL
Mr. Shitin Desai Director DIN: 00009905	08-09-2017	28-05-2018	28-05-2018	08-09-2017	NIL
Mr. Sachin Deodhar Director DIN : 00319687	10-02-2017	28-05-2018	28-05-2018	10-02-2017	NIL
Mr. Suhail Nathani Independent Director DIN : 01089938	08-09-2017	-	-	-	NIL
Mr. Gautam Doshi Independent Director DIN: 00004612	29-07-2019	-	-	-	NIL

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VI. DETAILS REGARDING THE AUDITORS OF THE ISSUER:

a) Details of the statutory auditors of the Issuer for financial year 2021-22 are as under:

Name	Address	Auditor since
B S R & Co. LLP	14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai – 400 063	Since incorporation i.e. February 10, 2017

b) Change in Statutory Auditors of the Issuer since last three years

The Issuer has not changed its Auditors during the last three years

VII. DETAILS OF OTHER BORROWINGS INCLUDING ANY OTHER ISSUE OF DEBT SECURITIES IN THE PAST

a) Details of Outstanding Secured Loan Facilities as on June 30, 2021

Lender Name	Type of Facility	Amount Sanctioned(in INR crores)	Principal Amount outstanding (in INR crores)	Repayment Date/ Schedule	Nature of Security
Allahabad Bank	Term Loan	500	372	Repayable in 60 months from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Allahabad Bank	Term Loan	200	76	Repayable in nineteen quarterly instalments commencing after a moratorium period of 3 months from the date of drawdown	First pari-passu charge by way of hypothecation created over secured assets
Andhra Bank	Term Loan	300	275	Principal to be repaid in 12 equal quarter instalment of Rs. 25 Crs after moratorium period of the 2 years from the date of drawdown	First pari-passu charge by way of hypothecation created over secured assets
Bank of Baroda	Term Loan	125	4	Repayable in ten equal quarterly instalments commencing from 21st month from date of drawdown	First pari-passu charge by way of hypothecation created over secured assets
Bank of Baroda	Term Loan	750	22	Repayable in ten equal quarterly instalments starting from 21st month from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Bank of Baroda	Term Loan	150	19	Repayable in ten quarterly instalments commencing from 21st month from the date of drawdown	First pari-passu charge by way of hypothecation created over secured assets
Bank of Baroda	Term Loan	75	10	Repayable in ten quarterly instalments commencing from 21st	First pari-passu charge by way of hypothecation

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				month from the date of drawdown	created over secured assets
Bank of Baroda	Term Loan	150	19	Repayable in ten quarterly instalments commencing from 21st month from the date of drawdown	First pari-passu charge by way of hypothecation created over secured assets
Bank of Baroda	Term Loan	375	86	Repayable in ten quarterly instalments commencing from 21st month from the date of drawdown.	First pari-passu charge by way of hypothecation created over secured assets
Bank of Baroda	Term Loan	500	180	Principal to be repaid in 47 equal monthly instalment of Rs. 10.41 Crs and Rs. 10.73 Crs on 48th instalment after drawdown	First pari-passu charge by way of hypothecation created over secured assets
Bank of Baroda	Term Loan	500	201	Principal to be repaid in 47 equal monthly instalment of Rs. 10.41 Crs and Rs. 10.73Crs on 48th instalment after drawdown	First pari-passu charge by way of hypothecation created over secured assets
Bank of India	Term Loan	500	249	Repayment of principle to be repaid in 12 quarterly instalment of Rs. 41.67 Crs after moratorium period of 6 months from the date of 1st drawdown	First pari-passu charge by way of hypothecation created over secured assets
Bank of India	Term Loan	500	395	Repayable in 60 months from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Bank of India	Term Loan	300	300	Repayable in 18 months from drawdown date	First pari-passu charge on the standard assets including receivables present and future
Bank of Maharashtra	Term Loan	100	100	Repayable in 60 months from drawdown date	First pari-passu charge on the standard assets including receivables present and future
Canara Bank	Term Loan	350	350	Repayable in 60 months including one year moratorium, post which loan shall be payable in 16 equal quarterly instalments	First pari-passu charge by way of hypothecation created over secured assets
Canara Bank	Term Loan	750	710	Repayable in 60 months in 20 equal quarterly installments	First pari-passu charge by way of hypothecation created over secured assets

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Marigold Trust	Term Loan (Securitisation)	799.4	197	Repayable in 72 months from drawdown date	First pari-passu charge on the standard assets including receivables present and future
Central Bank of India	Term Loan	300	231	Repayable in 60 months in 9 equal half yearly installments commencing after initial moratorium of 6 months	First pari-passu charge by way of hypothecation created over secured assets
Corporation Bank	Term Loan	250	83	Repayable in 35 months from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Dhanlaxmi Bank	Term Loan	50	47	Repayable in 60 months from drawdown date	First pari-passu charge on the standard assets including receivables present and future
HDFC Bank	Term Loan	100	25	Repayment in equal half yearly instalments	First pari-passu charge by way of hypothecation created over secured assets
IDBI Trusteeship Services Limited	Term Loan (Securitisation)	274.01	64	Repayable in 216 months from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Indian Bank	Term Loan	500	163	Repayable in sixteen quarterly instalments with a holiday period of 1 year from the drawdown date.	First pari-passu charge by way of hypothecation created over secured assets
Indian Bank	Term Loan	500	195	Repayable in sixteen equal quarterly instalments commencing from 13th month of drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Indian Overseas Bank	Term Loan	200	209	Repayable in 86 months from drawdown date	First pari-passu charge on the standard assets including receivables present and future
Indusind Bank	Term Loan	735	675	Repayable in 84 months from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Indusind Bank	Term Loan	250	250	Repayable in 24 months from drawdown date	First pari-passu charge on the standard assets including receivables present and future
Indusind Bank	Term Loan	167	167	Repayable in 18 months from drawdown date	First pari-passu charge on the

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					standard assets including receivables present and future
International Financial Corporation	ECB	261.32	261	Repayable in 53 months from drawdown date	First pari-passu charge on the standard assets including receivables present and future
International Financial Corporation	ECB	261.32	261	Repayable in 65 months from drawdown date	First pari-passu charge on the standard assets including receivables present and future
Jammu and Kashmir Bank	Term Loan	150	72	Repayable in eight half yearly instalments commencing after initial moratorium period of 12 months	First pari-passu charge by way of hypothecation created over secured assets
Jammu and Kashmir Bank	Term Loan	50	32	Repayable in eight half yearly instalments commencing after 12th month from the drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Karnataka Bank	Term Loan	100	54	Repayable in twelve equal quarterly instalments commencing from 25 months from date of drawdown	First pari-passu charge by way of hypothecation created over secured assets
Oriental Bank	Term Loan	200	143	Repayable in 6 equal semi annual instalment after 12 months from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Oriental Bank	Term Loan	300	161	Repayable in six equal half yearly instalments with moratorium period of one year from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Punjab and Sind Bank	Term Loan	200	112	Repayment of principle to be repaid in 16 quarterly instalment of Rs. 6.23 Crs after moratorium period of 3 months from the date of 1st drawdown	First pari-passu charge by way of hypothecation created over secured assets
Punjab National Bank	Term Loan	500	500	Repayable in 60 months from drawdown date	First pari-passu charge on the standard assets including receivables present and future
South Indian Bank	Term Loan	250	104	Repayable in twelve equal quarterly instalments commencing from 27 month of drawdown date	First pari-passu charge by way of hypothecation created over secured assets
State Bank of India	Term Loan	1,500.00	500	Repayable in twelve quarterly instalments	First pari-passu charge by way of

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				Commencing from 24th month from date of drawdown	hypothecation created over secured assets
State Bank of India	Term Loan	2,000.00	1222	Repayment of principle to be repaid in 18 quarterly instalment after moratorium period of 6 months from the date of 1st drawdown	First pari-passu charge by way of hypothecation created over secured assets
IDBI Trusteeship Services Limited	Term Loan (Securitisation)	476.95	116	Repayable in 362 months from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
State Bank of India	Term Loan	3,500.00	3500	Repayable in 85 months from drawdown date	First pari-passu charge on the standard assets including receivables present and future
UCO Bank	Term Loan	50	10	Repayable in twelve equal monthly instalments commencing post moratorium period of 2 years from the drawdown date	First pari-passu charge by way of hypothecation created over secured assets
UCO Bank	WCDL	50	50	Bullet repayment	First pari-passu charge on the standard assets including receivables present and future
Union Bank of India	Term Loan	500	479	Repayable in 86 months from drawdown date	First pari-passu charge on the standard assets including receivables present and future
United Bank of India	Term Loan	200	13	Repayable in eight equal quarterly instalments commencing after the moratorium period of two years from the date of drawdown	First pari-passu charge by way of hypothecation created over secured assets
United Bank of India	Term Loan	100	109	Repayable in eight equal quarterly instalments commencing after a moratorium of 2 years from the date of drawdown	First pari-passu charge by way of hypothecation created over secured assets
United Bank of India	Term Loan	400	368	Repayable in 60 months from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Vijaya Bank	Term Loan	300	300	Repayable in three years from drawdown date	First pari-passu charge by way of hypothecation created over secured assets

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Vijaya Bank	Term Loan	100	52	Repayable in 4 year from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Catholic Syrian Bank	Term Loan	50	50	Repayable in 60 months including one year moratorium, post which loan shall be payable in 16 equal quarterly instalments	First pari-passu charge by way of hypothecation created over secured assets
Axis Bank	WCDL	250	250	18-Nov-21	First pari-passu charge on the standard assets including receivables present and future
Indusind Bank	Term Loan	65	65	Repayable in 18 months from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Indusind Bank	Term Loan	230	230	Repayable in 24 months from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Axis Bank	WCDL	200	200	14-Dec-21	First pari-passu charge on the standard assets including receivables present and future
Indusind Bank	Term Loan	110	110	Repayable in 18 months from drawdown date	First pari-passu charge by way of hypothecation created over secured assets
Grand Total			**14,998**		

b) Details of Outstanding Unsecured Loan Facilities as on June 30, 2021

Lender Name	Type of Facility	Amount Sanctioned (Rs in Crs)	Principal Amount outstanding (Rs in Crs)	Repayment Date/ Schedule
Piramal Enterprises Limited	ICD	7250	2297	Repayable within 60 months
Piramal Enterprises Limited	ICD		369	Repayable within 18 months

c) Details of outstanding non-convertible securities as on June 30, 2021

Series of non-convertible securities	Tenor / Period of Maturity	Coupon	Amount (Rs in Crs)	Date of Allotment	Repayment Date /Schedule	Credit Rating	Secured/ unsecured	Security

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INE641O08035	**3652 days**	**9.55%**	**500**	08-Mar-17	08-Mar-27	AA by ICRA and AA by CARE	Unsecured	N.A.
INE641O07037	**2555 days**	**8.95%**	**5**	10-Mar-17	08-Mar-24	AA by ICRA	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE641O07086	**2556 days**	**8.75%**	**25**	04-May-17	03-May-24	AA by ICRA	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE641O07144	**2921 days**	**7.96%**	**167**	20-Sep-17	19-Sep-25	AA by ICRA	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE641O07144	**3285 days**	**7.96%**	**167**	20-Sep-17	18-Sep-26	AA by ICRA	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE641O07144	**3652 days**	**7.96%**	**166**	20-Sep-17	20-Sep-27	AA by ICRA	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over

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								Immovable Property
INE641O07185	**2555 days**	**9.00%**	**35**	05-Oct-18	03-Oct-25	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE641O07193	**1826 days**	**9.75%**	**25**	02-Nov-18	02-Nov-23	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07014	**2921 days**	**9.27%**	**167**	19-Dec-18	18-Dec-26	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07014	**3285 days**	**9.27%**	**167**	19-Dec-18	17-Dec-27	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07014	**3653 days**	**9.27%**	**166**	19-Dec-18	19-Dec-28	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property

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INE516Y07105	**1186 days**	**9.50%**	**650**	15-Jan-19	15-Apr-22	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07089	**1186 days**	**9.50%**	**50**	21-Jan-19	21-Apr-22	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07063	**2922 days**	**9.51%**	**500**	11-Mar-19	11-Mar-27	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07063	**3287 days**	**9.51%**	**500**	11-Mar-19	10-Mar-28	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07063	**3651 days**	**9.51%**	**500**	11-Mar-19	09-Mar-29	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property

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INE516Y07139	**1608 days**	**10%**	**90**	14-Jun-19	08-Nov-23	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07139	**1974 days**	**10%**	**90**	14-Jun-19	08-Nov-24	AA+ by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07121	**1096 days**	**9.50%**	**150**	16-Sep-19	16-Sep-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07147	**1094 days**	**8.75%**	**500**	13-May-20	12-May-23	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Mortgaged Property
INE516Y07154	**1065 days**	**8.75%**	**325**	30-Jun-20	31-May-23	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property

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INE516Y07162	**547 days**	**7.85%**	**100**	16-Jul-20	14-Jan-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Mortgaged Property
INE516Y07188	**1095 days**	**8.50%**	**500**	31-Jul-20	31-Jul-23	AA by CARE, AA by ICRA	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07170	**549 days**	**7.85%**	**500**	31-Jul-20	31-Jan-22	AA by CARE, AA by ICRA	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07196	**548 days**	**7.85%**	**40**	05-Aug-20	04-Feb-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property
INE516Y07204	**549 days**	**7.85%**	**150**	17-Aug-20	17-Feb-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property

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INE516Y07212	**549 days**	**7.85%**	**50**	21-Aug-20	21-Feb-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07220	**546 days**	**8.10%**	**150**	04-Sep-20	04-Mar-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07238	**546 days**	**8.10%**	**150**	22-Sep-20	22-Mar-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07246	**3650 days**	**9.32%**	**50**	03-Nov-20	01-Nov-30	AA by CARE, AA by ICRA	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07253	**546 days**	**8.10%**	**175**	19-Nov-20	19-May-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property

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INE516Y07279	**1826 days**	**9.25%**	**2050**	19-Mar-21	19-Mar-26	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516YO7261	**1826 days**	**9.25%**	**2000**	12-Mar-21	12-Mar-26	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07287	**688 days**	**8.50%**	**51**	26-Mar-21	23-Mar-23	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07295	**3650 days**	**9.00%**	**25**	30-Mar-21	28-Mar-31	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07303	**548 days**	**8.50%**	**50**	07-Apr-21	07-Oct-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property

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INE516Y07303	**548 days**	**8.50%**	**40**	07-Apr-21	07-Oct-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07303	**548 days**	**8.50%**	**52**	07-Apr-21	07-Oct-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07303	**548 days**	**8.50%**	**8**	07-Apr-21	07-Oct-22	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07311	**728 days**	**8.25%**	**50**	16-Apr-21	14-Apr-23	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07311	**728 days**	**8.25%**	**50**	16-Apr-21	14-Apr-23	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property

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INE516Y07311	**728 days**	**8.25%**	**20**	16-Apr-21	14-Apr-23	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07311	**711 days**	**8.25%**	**50**	03-May-21	14-Apr-23	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
INE516Y07329	**3650 days**	**8.85%**	**20**	29-Jun-21	27-Jun-31	AA by CARE	Secured	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Immovable Property
Grand Total			**11,276**					

d) Ten largest Debenture holders of the Issuer in terms of value (in cumulative basis) as on June 30, 2021

Sr. No.	Name of Holders of Non-Convertible Securities	Address	Amount Rs. Crs	% of Total Non-Convertible Securities Outstanding
1	State Bank of India	SBI SG GLOBAL SECU. SERV. P. L., JEEVAN SEVA EXTENSION BLDG.GR. FLOOR, S.V. ROAD, SANTACRUZ W, MUMBAI – 400054	3,500.0	31%
2	Life Insurance Corporation of India	LIC, INVESTMENT DEPARTMENT, 6th FLOOR, WEST WING, CENTRAL OFFICE, YOGAKSHEMA, JEEVAN BIMA MARG, MUMBAI – 400021	2,500.0	22%
3	Union Bank of India	TREASURY BRANCH, 3rd FLR, 239, UNION BANK OF INDIA, VIDHAN BHAVAN MARG, NARIMAN POINT, MUMBAI - 400021	1,050.0	9%
4	Indian Bank	INDIAN BANK TREASURY, 1ST FLOOR, MUMBAI SAMACHAR MARG, FORT, MUMBAI 400023	725.0	6%

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5	Central Bank of India	TREASURY DEPARTMENT, 5th FLOOR, CHADERMUKHI BUILDING, NARIMAN POINT, MUMBAI - 400021	575.0	5%
6	Bank of Baroda	DGM,BANK OF BARODA, SPECIALIZED INTEGRATED TREASURY BRANCH, BST,4TH AND 5TH FLOOR,C-34 G-BLOCK, BANDRA KURLA COMPLEX,MUMBAI 400051	500.0	4%
7	Nippon Mutual Fund	DEUTSCHE BANK AG, DB HOUSE, HAZARIMAL SOMANI MARG, POST BOX NO. 1142, FORT, MUMBAI 400001	375.6	3%
8	Franklin Templeton Mutual Fund	HSBC SECURITIES SERVICES, 11TH FLOOR, BLDG 3, NESCO - IT PARK, GOREGAON (EAST), MUMBAI 400063	372.4	3%
9	International Finance Corporation	CITIBANK N.A. CUSTODY SERVICES, FIFC- 11TH FLR, G BLOCK, PLOT C-54 AND C-55, BKC, BANDRA - EAST, MUMBAI 400098	180.0	2%
10	Sporta Technologies Private Limited	1802, TOWER B, PENINSULA BUSINESS PARK, SENAPATI BAPAT MARG, LOWER PAREL, MUMBAI 400013	150.0	1%

Note – Excluding Inter Group Company exposures in the above table

e) Amount of corporate guarantees provided (as on June 30, 2021) by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued (if applicable)

NIL

f) Details of Commercial Paper as on June 30, 2021:

S. No.	ISIN of Commercial Paper	Amt (Rs. In Crores)	Maturity Date
1.	INE516Y14BD2	10	16-Mar-22
2.	INE516Y14BE0	50	01-Dec-21
3.	INE516Y14BF7	46	28-Sep-21
4.	INE516Y14BF7	4	28-Sep-21

g) Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures/Preference Shares) as on June 30, 2021

Party Name (in case of the Facility)/ Instrument Name	Type of Facility/Instrument	Amount Sanctioned/Issued	Principal Amount outstanding	Repayment Date/Schedule	Credit Rating	Secured/Unsecured	Security
Not Applicable							

h) Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer, in the past 3 years including the current financial year.

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The Company has not committed any all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee by the Company in the past 3 years.

i) Servicing behavior on existing debt securities, payment of due interest on due dates on term loans and debt securities

Regular

j) Details of any outstanding borrowings taken/debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option or not;

NIL

VIII. DETAILS OF PROMOTERS OF THE ISSUER

a) Details of Promoter Holding in the Issuer as on June 30, 2021

The declaration pertaining to the details of the promoters and directors to be submitted to the Exchange on has been set out in the Company's Declaration.

Sr. No.	**Name of the shareholders**	**Total no. of Equity Shares**	**No. of shares in demat form**	Total shareholding as % of total no. of equity shares	No of Shares Pledged	% of shares pledged with respect to shares owned.
1	Piramal Enterprises Limited ('PEL')	19,28,37,13,565	19,28,37,13,565	100%	NIL	NA
2	Mr. Ajay G Piramal (as a nominee of PEL)	4,347	-	Negligible	NIL	NA
3	Dr. (Mrs.) Swati A Piramal (as a nominee of PEL)	97	-	Negligible	NIL	NA
4	Ms. Nandini A Piramal (as a nominee of PEL)	97	-	Negligible	NIL	NA
5	Mr. Vijay K Shah (as a nominee of PEL)	97	-	Negligible	NIL	NA
6	Mr. Rajesh R Laddha(as a nominee of PEL)	97	-	Negligible	NIL	NA
7	Mr. Bipin Singh (as a nominee of PEL)	97	-	Negligible	NIL	NA
	Total	**19,28,37,18,397**	**19,28,37,13,565**	100%	NIL	NA

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b) Details of Promoters of the Issuer:

. No.	Name of the promoters	Date of birth and age	Address	Educational qualifications and experience in the business or employment	Positions/ posts/ directorships held in the past and other ventures	Special achievements and business and financial activities	Photograph	Permanent Account Number
1	Piramal Enterprises Limited ('PEL')	Date of Incorporation – 26th April 1947	Piramal Ananta, Agastya Corporate Park, Opp. Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070	Not Applicable	Not Applicable	Not Applicable		AAACN4538P

IX. NAME OF DEBENTURE TRUSTEE AND CONSENT THEREOF

The Issuer has appointed Catalyst Trusteeship Limited to act as Debenture Trustee for and on behalf of the Debenture Holders. The address and contact details of the Debenture Trustee are as under:

Catalyst Trusteeship Limited GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune-411038Tel: +91 20 66807200
Email: dt@ctltrustee.com

Catalyst Trusteeship Limited has given its written consent dated September 6, 2021 for its appointment as Debenture Trustee to the Issue under Regulation 8 of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, and for inclusion of its name in the form and context in which it appears in this DD and in all the subsequent periodical communications sent to the Debenture Holders.

A copy of the letter from Debenture Trustee conveying its consent to act as Debenture Trustee for the Debenture Holders is enclosed in **Annexure II**.

X. RATING AND RATING RATIONALE ADOPTED BY RATING AGENCIES

The Rating Agencies have assigned a rating of "**AA**" (Pronounced as **Double A**) to these Debentures. The rating letter and the press release issued by the Rating Agencies (along with the rating rationale(s) adopted) is enclosed herewith.

The rating is not a recommendation to buy, sell or hold securities and Debenture Holders should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of new information etc.

XI. GUARANTEE/LETTER OF COMFORT

If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure

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(procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

Not applicable as there is no guarantee or letter of comfort being provided with the Debentures.

XII. LISTING OF DEBENTURES

The Debentures are proposed to be listed on the WDM of the NSE and BSE. The recovery expense fund has been created on NSE as NSE is the designated stock exchange.

National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Tel No: (022) 26598100 - 8114 Fax No: (022) 26598120	BSE Limited 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai- 400 001

XIII. SECURITY FOR THE DEBENTURES

(a) The Secured Obligations shall be inter alia secured by a non-exclusive first ranking pari passu charge over the Hypothecated Assets, both present and future, created by the Company in favour of the Debenture Trustee acting on behalf of and for the benefit of the Secured Parties, as more particularly described in, and pursuant to the terms of the Deed of Hypothecation dated 20.09.2021.

(b) It is clarified that on and from the Merger Date, DHFL's Movable Assets (forming part of the Merged Entity's Movable Assets) shall form part of the Hypothecated Assets (in addition to the Company's Movable Assets) and shall be secured in favour of the Debenture Trustee acting on behalf of and for the benefit of the Debenture Holders, and the value of such Movable Assets of DHFL, which are classified as 'Standard Assets' in accordance with Applicable Law, shall be considered towards the calculation of Asset Cover Ratio under the Debenture Trust Deed.

(c) The Company shall:

(i) on or prior to the Deemed Date of Allotment: (A) create the Security over the Hypothecated Assets in a form and manner acceptable to the Debenture Trustee; and (B) make the requisite filings with the relevant Registrar of Companies relating to the Security over the Hypothecated Assets; and

(ii) complete all other perfection formalities relating to the Security over the Hypothecated Assets as set out in Clause 15.9 (a) of the Debenture Trust Deed.

(d) It is a condition that the Security over the Hypothecated Assets shall be created so as to ensure that the Asset Cover Ratio is maintained at or above the Minimum Security Cover, prior to listing the Debentures on the Exchange.

(e) The Company and the Debenture Trustee agree and acknowledge that the Security created over the Hypothecated Assets to secure the Secured Obligations and any proceeds realised upon enforcement of such Security will rank pari passu: (i) amongst the Debenture Holders; and (ii) amongst the Secured Parties and the First Ranking Creditors.

(f) The Company shall at its sole discretion be entitled to:

(i) avail any further Financial Indebtedness from any Person (including without limitation any banks, financial institutions, individuals, body corporate, foreign portfolio investors or the members of the Group) and create non-exclusive, first ranking pari passu charges or subservient charges, liens, Security Interest or encumbrances on the Hypothecated Assets (including, on and from the Merger Date, DHFL's Movable Assets forming part of the Merged Entity's Movable Assets), as it may deem fit, in favour of such Persons (or their trustees or agents), as and by way of security for such outstanding Financial Indebtedness incurred or to be incurred by the Company; or

(ii) create a non-exclusive first ranking pari passu charge or subservient charges or other liens, Security Interest or encumbrances on the Hypothecated Assets (including, on and from the Merger Date, DHFL's

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Movable Assets forming part of the Merged Entity's Movable Assets), as it may deem fit, in favour of any lenders, debenture holders, security holders, any Person (or their respective trustees or agents), as and by way of security for such Financial Indebtedness incurred or to be incurred by any other Person (including any members of the Group),

in each case, subject to each of the following conditions:

(A) no Event of Default has occurred and subsisting; and

(B) the Asset Cover Ratio is maintained at or above the Minimum Security Cover.

(1) at the time of availing such further Financial Indebtedness or creating such additional Security Interest or encumbrances on the Hypothecated Assets (including, on and from the Merger Date, DHFL's Movable Assets forming part of the Merged Entity's Movable Assets) (as the case may be), after having taken into consideration (while determining such Asset Cover Ratio) such further Financial Indebtedness or creation of such additional Security Interest or encumbrance (as the case may be);

(2) at all points in time after availing such further Financial Indebtedness or creating non-exclusive first ranking pari passu charge or subservient charges or other liens, Security Interest or encumbrances on the Hypothecated Assets (including, on and from the Merger Date, DHFL's Movable Assets forming part of the Merged Entity's Movable Assets) (as the case may be), after taking into account the effect of such further Financial Indebtedness or creating new security (as the case may be);

(C) the Company being in compliance with the maximum Leverage Ratio it is permitted to have as per Applicable Law (prevailing at the time of incurring such additional Financial Indebtedness or creation of new Security Interest or encumbrance);

(D) any document entered into, or delivered by the Company to any Person following the date of the Debenture Trust Deed which evidences or creates or relates to the creation of (or records the creation of) Security Interest or any form of encumbrance by the Company over the Hypothecated Assets (or any part thereof) must recognise the non-first ranking Security Interest created by the Company over the Hypothecated Assets in favour of the Debenture Trustee (acting in trust and for the benefit of the Debenture Holders) to secure the Secured Obligations; and

(E) no exclusive Security Interest on the Hypothecated Assets or any part thereof, and/ or preferential rights superior to the rights of the Secured Parties on the Hypothecated Assets or any part thereof may be created, unless the Company is required to create Security Interest or encumbrance or preferential right over the Hypothecated Assets pursuant to and in accordance with Applicable Law, in which case, details of the exclusive Security Interest and/ or preferential rights created over the Hypothecated Assets or part thereof are required to be provided by the Company in writing to the Debenture Trustee.

It is clarified that the Company shall not be required to obtain the consent or a no-objection certificate or pari passu ceding letter from the Debenture Trustee or any Debenture Holder for availing any further Financial Indebtedness or creating any encumbrances, liens or Security Interest over the Hypothecated Assets (including, on and from the Merger Date, DHFL's Movable Assets forming part of the Merged Entity's Movable Assets), subject to compliance with each of the conditions specified in sub-paragraphs (A) to (E) above.

(g) If:

(A) no Event of Default has occurred and subsisting; and

(B) the Asset Cover Ratio is maintained at or above the Minimum Security Cover.

the Company shall be entitled to sell, transfer, dispose, assign, securitise, reorganise or otherwise deal with any of the assets and undertakings (including the Hypothecated Assets and including, on and from the Merger

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Date, DHFL's Movable Assets forming part of the Merged Entity's Movable Assets) in the normal course of business and subject to compliance with the Applicable Law, for which the Debenture Trustee and Debenture Holders hereby grant their express approval and confirm no additional consents or approval or pari passu ceding letter shall be required to be obtained from the Debenture Trustee and/ or Debenture Holders.

(h) The Company shall not encumber, transfer, dispose, assign, securitise, or deal with the Hypothecated Assets (or any part thereof) in any manner whatsoever during the subsistence of an Event of Default, without the prior written consent of the Debenture Trustee.

(i) It is clarified that, post the Merger Event, DHFL's Movable Assets (forming part of the Merged Entity's Movable Assets) shall form part of the Company's Movable Assets and accordingly also the Hypothecated Assets and the Company shall have the right to deal with DHFL's Movable Assets (following the Merger Event) in the same manner and subject to the same conditions, in each case as set out in sub-clauses (f) and (g) above.

(j) Subject to compliance by the Company with sub-clauses (e), (f), (g) and (h) above, the Company may, if required by it in connection with the incurring of additional Financial Indebtedness (as contemplated in sub-clause (f) above), creation of any additional Security Interest over the Hypothecated Assets (as contemplated in sub-clause (f) above) or dealing with the Hypothecated Assets (as contemplated in sub-clause (g) above), request the Debenture Trustee in writing to issue a confirmation in this regard provided that such a request by the Company:

(i) contains details of the relevant transaction under sub-clauses (e), (f) or (g) above (as the case may be) in respect of which such a request is being issued;

(ii) is accompanied by a certificate (dated no earlier than the date of the request letter) issued by the authorised signatory or company secretary of the Company certifying that as of the date of such certificate:
   (A) no Event of Default is subsisting; and
   (B) the Company is in compliance with each of the conditions set out in sub-paragraphs (f) or (g) above (as applicable to the transaction in respect of which such a request has been issued to the Debenture Trustee); and

(iii) is accompanied by the certificate which has been delivered to the Debenture Trustee for the Relevant Quarter immediately preceding the date of the request letter confirming that the Company is in compliance with the Asset Cover Ratio

The Debenture Trustee shall within 7 (Seven) Business Days from the date of receipt of such a notice from the Company, issue a certification (in a form and manner acceptable to it in its sole and reasonable determination) relating to the ability of the Company to incur further Financial Indebtedness (in the manner contemplated under sub-clause (e) above) or deal with the Hypothecated Assets in the manner as contemplated under sub-clauses (f) or (g) above, as the case may be.

(k) The Security to be created pursuant to the terms of this Deed and the undertakings given herein and/ or under the Security Documents executed in favour of the Debenture Trustee for the benefit of the Debenture Holders shall operate as a continuing security and shall remain in full force and effect until the Final Settlement Date, notwithstanding:

(i) any intermediate payment or settlement of account or other matter or thing whatsoever and in particular the intermediate satisfaction by the Company of the whole or any part of the Outstanding Balances in accordance with the Transaction Documents.

(ii) any variation in the terms and conditions of the Transaction Documents or the Security Documents; and/ or

(iii) occurrence of the Merger Event as contemplated under this Deed, other Transaction Documents and the Resolution Plan.

XIV. DISCLOSURE REQUIREMENTS FOR LARGE CORPORATES

The Company has raised not less than 25% (twenty five percent) of its incremental borrowings (as defined under the SEBI Operational Circular) during the financial year 2021, by way of issuance of debt securities, as defined under the Securities and Exchange Board of India (Non-Convertible Securities) Regulations, 2021

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and has made the disclosures to the Exchange within the timeline and as per the format prescribed in the SEBI Operational Circular and such disclosures have been certified by the company secretary and the chief financial officer of the Company.

XV. SALIENT FEATURES OF THE RESOLUTION PLAN AS APPROVED BY THE NCLT ORDER

Capitalised terms not defined herein shall have the meaning ascribed to it under the Resolution Plan. A summary of the keys terms of the Resolution Plan are set out below:

SUMMARY OF IMPLEMENTATION SCHEDULE

Given below is a summary of the timelines and implementation schedule as provided in Clause 3 of Schedule II of the Resolution Plan:

Step No.	*Steps under the Resolution Plan*	*Indicative Timeline (in days)*
NCLT Approval Date		X
I.	Post NCLT Approval Date Actions	X + 30 (T)*
II.	Payment of Total Resolution Amount and Assignment of Debt	T + 1
III.	Infusion of Equity Contribution in the Company	T + 2
IV.	Delisting	T + 3
V.	Capital Reduction	T + 4
VI.	Scheme of Arrangement	T + 5

**** Note:*** *Schedule II of the Resolution Plan provides that subject to Section 9 (Conditions) of Part A of the Resolution Plan, the overall implementation process shall be completed within period of 90 days. Annexure 1 to the Resolution Plan provides that any delay due to litigation or non-fulfilment of CPs shall be excluded from the 90 days.*

"**Implementation Date**" as per the Resolution Plan shall mean the date on which all steps as set out in Schedule II (*Implementation Schedule*) of the Resolution Plan are completed, and is the date on which ownership of the Corporate Debtor is transferred to the Successful Resolution Applicant; and the date on which the implementation of the Resolution Plan is completed.

SUMMARY OF FINANCIAL PROPOSAL

a. Section 1.3 of Part A of the Resolution Plan provides that the Total Resolution Amount shall mean an aggregate of INR 33,250 crores (Thirty-Three Thousand Two Hundred Fifty Crores Only), comprising of a combination of cash and non-cash consideration to be offered in the following manner:

i. Upfront Cash Recovery aggregating to INR 13,700 Crores (Thirteen Thousand Seven Hundred Crores Only); and

ii. Debt Securities of INR 1,95,32,52,90,000 (Rupees Nineteen Thousand Five Hundred Thirty Two Crores And Fifty Two Lakhs Ninety Thousand Only) being issued by the Successful Resolution Applicant to the creditors of the Corporate Debtor in the manner detailed in Step II of Schedule II (Implementation Schedule) of the Resolution Plan.

b. Sections 1.3 and 2.5.5 of Part A of the Resolution Plan provide that the Upfront Cash Recovery includes (i) an amount of INR 150,00,00,000 (One Hundred Fifty Crores), which amount the Successful Resolution Applicant has requested the CoC to consider allocating to the Fixed Deposit Holders, as further detailed in Section 2.5.5 of the Resolution Plan; (ii) an amount of INR 1000,00,00,000 (One Thousand Crores), that is equivalent to the value attributed by the Successful Resolution Applicant to DHFL Investments Limited ("**DIL**"), one of the wholly owned subsidiaries of DHFL, existing stake (i.e. holding of 50% equity) in Pramerica Life Insurance Company Limited ("**PLIL**") (erstwhile DHFL Pramerica Life Insurance Company Limited); and (iii) an amount of INR 1000 crore (One Thousand Crores Only) as Upfront Interest Payment in accordance with Section 2.14.2 of Part A of the Resolution Plan.

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c. Section 1.3 of Part A of the Resolution Plan further clarifies that the Upfront Cash Recovery shall stand enhanced to INR 14,700 Crores (Fourteen Thousand Seven Hundred Crores Only). It further states that in addition to this Total Resolution Amount, an amount aggregating to approximately INR 3000,00,00,000 (Three Thousand Crores Only) shall be attributable to the CoC pursuant to clause 3.13.3(d) of the RFRP. Accordingly, in summary, the total resolution amount as per the Resolution Plan of Respondent No. 2 is INR 37,250 crores (Thirty Seven Thousand Two Hundred Fifty Crores Only) comprising of:

i. Upfront Cash of INR 14,700 Crores (Fourteen Thousand Seven Hundred Crores Only);

ii. Entitlement as per clause 3.13.3(d) of the RFRP amounting to approximately INR 3,000 Crores (Three Thousand Crores Only) (this amount is an estimate and may vary as on the date of distribution);

iii. Debt Securities of INR 1,95,32,52,90,000 (Rupees Nineteen Thousand Five Hundred Thirty Two Crores And Fifty Two Lakhs Ninety Thousand Only) .

d. Debt Securities of INR 1,95,32,52,90,000 (Rupees Nineteen Thousand Five Hundred Thirty Two Crores And Fifty Two Lakhs Ninety Thousand Only) being issued by the Successful Resolution Applicant to financial creditors of the Corporate Debtor according to the following terms:

Instrument	Non-Convertible Debentures (NCDs)
Issuer	Piramal Capital and Housing Finance Limited
Subscriber	As determined by the CoC
Total Amount	**INR** 1,95,32,52,90,000 (Rupees Nineteen Thousand Five Hundred Thirty Two Crores And Fifty Two Lakhs Ninety Thousand Only)
Interest/ Coupon	6.75% p.a. payable half-yearly
Tenor	10 years Year 1-5: 5% p.a. repayable half-yearly (25%) Year 6-10: 15% p.a. repayable half-yearly (75%)
Prepayment	The Corporate Debtor, at its sole discretion, reserves the right to prepay the outstanding amounts under the Debt Securities at any time after a period of 5 years from the date of issuance.
Security	*At the time of issuance*: first ranking pari passu charge with the existing lenders of the Successful Resolution Applicant by way of hypothecation over its receivables. *Post amalgamation*: the lenders of the resultant merged entity (i.e. the existing lenders of the Successful Resolution Applicant and the Financial Creditors of the Corporate Debtor) shall have a first ranking pari passu charge by way of hypothecation over its receivables.
Security cover	1x. At any time during the term of the Debt Securities, if the Corporate Debtor is (i) in compliance with the security cover requirements as at the most recent testing date, and (ii) not in default of its payment obligations, then the Corporate Debtor shall be permitted to enter into a single or a series of transactions to sell, transfer or otherwise dispose of or reorganise the loan portfolios of the Corporate Debtor, without requiring any prior consent of holders of the Debt Securities or any other Financial Creditors.

Given below is a brief summary of the Resolution Plan's financial proposal along with indicative timelines:

Priority	Category	Key payment terms	Indicative timelines
First	**CIRP Costs**	• CIRP costs to be paid in full from the Cash Balance of the Company.	• T+1
Second	**Workmen and Employees Payment Amount**	• Workmen and Employees Payment Amount (INR 2,30,28,150) shall be paid in full, from the remaining Cash Balance of the Company.	• T+1 • To be paid the remaining Cash Balance of the Company within 90 days* from the

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Priority	Category	Key payment terms	Indicative timelines
			approval of the Resolution Plan by the Hon'ble Adjudicating Authority's approval
Third	**Operational Creditors Payment Amount**	• Such amount, which shall not be less than, the higher of: (a) the Liquidation Value to be paid to such creditors, or (b) the amount that would have been paid to such creditors, if the Total Resolution Amount had been distributed in accordance with the order of priority in sub-section (1) of section 53 of the IBC.	• T+1 • Operational Creditors Payment Amount shall be paid from the remaining Cash Balance of the Company within 90 days* from the Hon'ble Adjudicating Authority's approval
Fourth	**Dissenting Financial Creditors Payment Amount**	• The Liquidation Value due to Dissenting Financial Creditors will be discharged out of the Financial Creditors Payment Amount, in priority to any payments being made to the assenting Financial Creditors.	• T+1 • The Dissenting Financial Creditors Payment Amount shall be paid (a) from the balance Upfront Cash Recovery, and/ or (b) by issuance of Debt Securities by the Successful Resolution Applicant, in such manner as may be determined by the CoC within 90 days* from the Hon'ble Adjudicating Authority's approval
Fifth	**Financial Creditors Payment Amount**	• The Financial Creditors who have voted in favour of the Resolution Plan shall be paid the Financial Creditors Payment Amount, (a) Firstly, from the balance Upfront Cash Recovery and (b) Secondly, the Successful Resolution Applicant shall issue the balance Debt Securities in such manner as may be determined by the CoC.	• T+1 • The Financial Creditors Payment Amount shall be paid (a) from the balance Upfront Cash Recovery, and/ or (b) by issuance of Debt Securities by the Successful Resolution

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Priority	Category	Key payment terms	Indicative timelines
		• In addition to the Total Resolution Amount, the Financial Creditors shall be entitled to (a) any amounts received pursuant to relevant orders of the Adjudicating Authority in terms of Sections 43, 45, 47, 49 and 50 the Code and (b) the cash available to CoC pursuant to clause 3.13.3(d) of the RFRP.**	Applicant, in such manner as may be determined by the CoC within 90 days* from the Hon'ble Adjudicating Authority's approval
Sixth	**Other Creditors Payment Amount**	• The Liquidation Value due to such Other Creditors as distributed in accordance with the order of priority in sub-section (1) of section 53 of the Code.	• T+1 • To be discharged out of the Total Resolution Amount in such manner as may be determined by the CoC

** **Note:**

Any delay due to litigation or non-fulfillment of conditions precedent to the implementation of the Resolution Plan to be excluded from the above timeline of 90 days. Hence, the 90 days' timeline to effectively start from the date when all conditions to implementation of the Resolution Plan (as identified hereinabove) are satisfied.

i. Under Section 2.13.2 of Part A of the Resolution Plan, the Successful Resolution Applicant has provided that it intends to pursue, on a best efforts basis, the application(s) filed by the Administrator before this Hon'ble Tribunal in respect of these Avoidance Transactions (as defined in the Resolution Plan). Any positive monetary recovery received by the Corporate Debtor as a result of orders passed in relation to the Avoidance Transactions shall be distributed, net of costs and expenses (including taxes), to the Financial Creditors pro rata to the extent the Financial Debt for Financial Creditors, provided that, the CoC may in its discretion adopt a different manner of distribution (which may take into account the order of priority amongst Financial Creditors as laid down in Section 53(1) of the Code) and such decision of the CoC shall be accepted by the Successful Resolution Applicant, subject to there being no change in the Total Resolution Amount;

ii. Under Section 2.13.3 of Part A of the Resolution Plan, the Successful Resolution Applicant ascribes value of INR 1 in respect of any transactions that may be avoided/ set aside by this Hon'ble Tribunal in terms of Section 66 of the Code. Accordingly, any positive recovery as a result of reversal of transactions avoided or set aside by this Hon'ble Tribunal in terms of Section 66 of the Code would accrue to the sole benefit of the Successful Resolution Applicant. All the costs and expenses incurred or to be incurred towards litigation pertaining to Section 66 of the Code shall be to the account of the Successful Resolution Applicant.

Detailed steps in relation to the implementation of the Resolution Plan are set out at Schedule II (*Implementation Schedule*) and Schedule IX (*Modification of Terms of the Financial Debt*) of the Resolution Plan.

TREATMENT OF DISSENTING FINANCIAL CREDITORS

a. Under Section 1.7 of Part A of the Resolution Plan, the Successful Resolution Applicant has acknowledged the discretion of the CoC in determining the distribution of the Financial Creditors Payment Amount. In accordance with Section 30(4) of the Code, the CoC at its eighteenth meeting on December 24, 2020 (which continued after recess on December 25, 2020), considered the manner of distribution of the resolution amount, and passed a resolution with 86.95% majority approving the mechanism for distribution of resolution proceeds. The resolution passed by the CoC approving the distribution mechanism (titled 'Voting Item #1') provided that financial creditors who do not vote in favour of the Resolution Plan shall be paid an amount which is equivalent to the amount to be paid to such creditors in accordance with sub-section (1) of Section 53 of the Code in the event of the liquidation of a Corporate Debtor. Following are the financial creditors

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who did not vote in favour of the Resolution Plan and were therefore classified as dissenting financial creditors:

S. No.	CoC Member Name	Voting Result	Percentage
1.	ICICI Bank	Abstain	0.0014 %
2.	Fixed Deposit Holders	No	6.18 %
3.	Catalyst Trusteeship Limited (Unsecured Series - VIII)	No	0.12 %
4.	IDBI Trusteeship Limited (Debenture Trust Deed dated October 24, 2008)	Abstain	0.02 %
5.	Taiwan Business Park, Offshore Banking Branch	Abstain	0.03 %
6.	IBM India Pvt. Ltd.	Abstain	0.0005 %

b. The dissenting financial creditors, as per the resolution passed by the CoC, are legally entitled to receive the liquidation value due to them. The Fixed Deposit Holders of the Corporate Debtor are secured as per a floating charge created over the assets invested in terms of section 29B of the National Housing Bank Act, 1987 ("**NHB Act**"), NHB Notification No.NHB.HFC.LA-2/MD&CEO/2019 dated May 25, 2019 ("**NHB Notification**") read with Para 12 of the Master Circular- Miscellaneous Instructions to all Housing Finance Companies dated July 1, 2019 ("**Master Circular**") and Circular NHB (ND)/DRS/Pol-No.21/2006 dated April 13, 2007. The liquidation value due to the Fixed Deposit Holders and other dissenting financial creditors have been calculated on the basis of the liquidation values obtained by the Administrator through the registered valuers duly appointed is set out in Form H annexed to the present application at Annexure 12.

c. Dissenting Financial Creditors should be paid upfront cash and not debt securities prior to making any payment to other Financial Creditors as per the judgment of Hon'ble Supreme Court in *Jaypee Kensington Boulevard Apartments Welfare Association & Ors. Vs. NBCC (India) Ltd. Ors. (Civil Appeal No. 3395 of 2020)*

XVI. SUMMARY TERM SHEET

Private Placement of 19,53,25,290 (Nineteen Crores Fifty Three Lakhs Twenty Five Thousand Two Hundred Ninety) Secured, Rated, Listed, Redeemable, Non-Convertible Debentures ("Debentures") of an aggregate nominal value of Rs. 1,000 (Rupees One Thousand Only), each as consideration other than cash, at par, in dematerialized form:

Security Name (name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% xxx 2015.	Private Placement of 19,53,25,290 (Nineteen Crores Fifty Three Lakhs Twenty Five Thousand Two Hundred Ninety) Secured, Rated, Listed, Redeemable, Non-Convertible Debentures ("Debentures") of an aggregate nominal value of Rs. 1,000 (Rupees One Thousand Only), each as consideration other than cash, at par, in dematerialized form
Issuer	Piramal Capital & Housing Finance Limited (PCHFL)
Type of Instrument	Secured, redeemable, non-convertible, rated, listed, taxable debentures
Nature of Instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Senior
Eligible Investors	a) Banks and Financial Institutions b) FIIs c) FPIs d) Mutual Funds e) Insurance Companies f) Provident and Pension and Gratuity Funds g) Companies and Bodies Corporate including Public Sector Undertakings h) Individuals and Hindu Undivided Families i) Partnership Firms Any other investor authorized to invest in these debentures

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Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	Proposed to be listed on the WDM of NSE and BSE. NSE being the Designated Stock Exchange. The Debentures are proposed to be listed on the NSE and the BSE within a maximum period of 4 (Four) trading days from the Issue Closing Date.
Rating of the Instrument	CARE and ICRA have assigned an "AA" (Pronounced as Double A) to the Issue. The rating letter and the press release issued by the Rating Agencies is enclosed herewith.
Issue Size	The aggregate size of the Issue is Rs. 1,95,32,52,90,000 (Rupees Nineteen Thousand Five Hundred Thirty Two Crores And Fifty Two Lakhs Ninety Thousand Only)
Minimum Subscription	N.A.
Option to retain oversubscription	Not applicable
Objects of the Issue	The Debentures shall be issued as consideration other than cash towards assignment and transfer of DHFL's debt from the DHFL creditors (domestic and offshore creditors) in favour of the Company as a part of the implementation of the Resolution Plan and in accordance to the NCLT Order.
Utilization of Issue Proceeds	The Issue is for consideration other than cash, and the Company shall not receive any cash proceeds towards issuance of the Debentures.
Coupon	6.75% per annum
Step Up Coupon Rate	None
Step Down Coupon Rate	None
Coupon Payment Frequency	Semi -annually
Coupon Payment Dates	1. for the first Coupon Payment Date, the day falling on the 6 (six) month anniversary of the Deemed Date of Allotment; 2. for second Coupon Payment Dates, the day falling on the 6 (six) month anniversary of the first Coupon Payment Date; 3. for each subsequent Interest Payment Date, the day falling on the 6 (six) month anniversary from the preceding Coupon Payment Date; and 4. last Coupon Payment Date shall be the Maturity Date; Each Coupon Payment Date is specified in Annexure III (*Illustration of NCD Cash Flows per Debenture*).
(Cumulative / non cumulative, in case of dividend	Not Applicable
Coupon Type (Fixed, floating or other structure)	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	None
Day Count Basis(Actual/Actual)	Actual/Actual
Interest of Application Money	Not Applicable
Default Interest Rate	**A. Delay in execution of the Debenture Trust Deed** In case of delay in execution of the Debenture Trust Deed beyond a period as specified in Applicable Law (i.e. prior to making the application for listing of the Debentures) in respect of the Debentures, the Company will pay additional interest of 2% (two percent) per annum over and above the Interest Rate till the Debenture Trust Deed is executed by the Parties.

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	B. Default in Payment and Other Defaults In case of default in payment of interest at the Interest Rate and/ or the Redemption Amount on the respective due dates, an additional interest of 2% (two percent) per annum over and above the Interest Rate will be payable by the Company on the overdue amounts, computed from the original due date till (and including) the date on which such overdue amounts are repaid in full. **C. Delay in Listing** In case of delay in listing of the Debentures beyond 4 (Four) Business Days date of closure of the issue in respect of the Debentures, the Company will pay penal interest of 1% (one percent) per annum over and above the Interest Rate from the expiry of 4 (Four) Business Days from the Deemed Date of Allotment till the date of listing of the Debentures. **D. Delay in Early Redemption** In case of delay in payment of Early Redemption Amount on the Early Redemption Date, an additional interest of 15% (fifteen percent) per annum over and above the Interest Rate will be payable by the Company on such delayed amounts, computed from the original due date till (and including) the date on which such amounts are paid in full.
Tenor (Door to Door)	10 years from the Deemed Date of Allotment
Redemption Date	26 September 2031
Redemption Amount	As per Annexure III
Redemption Premium/ Discount	N.A.
Issue Price	At par, Rs. 1000 per Debenture
Discount at which security is issued and the effective yield as a result of such discount.	N.A.
Put Option	None
Put Option Date	Not Applicable
Put Option Price	Not Applicable
Call Option	The Debentures may be redeemed by the Company, whether in part or in full, any time, after the expiry of 5 (Five) years from the Deemed Date of Allotment of such Debentures unless it is not permitted under Applicable Law.
Call Option Date	Not Applicable
Call Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Mode of Issue	Private Placement
Trustee	Catalyst Trusteeship Limited
Face Value	Rs. 1,000 (Rupees One Thousand only)
Minimum Application and in multiples of thereafter	1 Debentures and in multiples of 1 Debentures thereafter
1. Issue Opening Date	28 September 2021
2. Issue Closing Date	28 September 2021
3. Pay-in Date	Not applicable
4. Date of earliest closing of the issue, if any	N/A
5. Deemed Date of Allotment	28 September 2021
Issuance Mode	In Demat mode only

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Trading Mode	In Demat mode only
Settlement Mode	Payment of the Redemption Amount of the Debentures shall be made through the RTGS/ ECS/ Direct Credit. NEFT system to the Debenture Holders and in case of joint holders to the one whose name stands first in the register of Debenture Holders.
Depositories	NSDL / CDSL
Disclosure of Interest/Dividend / redemption dates	As per Annexure III.
Registrar and Transfer Agent	Link Intime India Private Limited
Valuer	Not Applicable
Business Day Convention	"Business Day" shall mean a day which is : (i) not a Saturday or a Sunday; and (ii) not a public holiday for the purposes of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881); and (iii) a day on which banks are open for general banking business in Mumbai; and (iv) a day on which the money market is functioning in Mumbai, and the term "Business Days" is to be construed accordingly. If the due date for payment of interest falls on a day that is not a Business Day, then the due date in respect of such payment shall be on the immediately succeeding Business Day; however, the dates of the future interest payments would be as per the original schedule. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on non-Business Day. If the date for performance of any event or the Maturity Date or the last interest payment date falls on a day that is not a Business Day, then the due date in respect of the performance of such event or the Maturity Date or the last interest payment date shall be paid on the immediately preceding Business Day as per the SEBI Operational Circular.
Record Date	The Record Date shall be 15 Calendar days prior to each coupon payment date / Redemption Date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	1. The Company declares, represents and covenants to the Debenture Trustee that the Company shall, at its own cost, perform (or procure the performance of) all further acts and things, and execute and deliver all such deeds, documents and assurances and do all such acts and things as the Debenture Trustee may reasonably require for exercising the rights under the Debenture Trust Deed and the Debentures. 2. The Company hereby covenants with the Debenture Trustee that the Company shall, at all times till the Final Settlement Date: (a) carry on and conduct its business with due diligence and efficiency and in accordance with sound managerial and financial standards and business practices with qualified and experienced management and personnel. The Company shall, within a period of 6 (six) months from the Merger Date harmonise the business practices and the managerial standards relating to DHFL's assets, to the extent it continues with or forms part of the Merged Entity, with the Company's business practices and the managerial standards as they exist prior to the Merger Date; (b) obtain, comply with and do all that is necessary to maintain in full force and effect all necessary Authorisations. Provided that, to the extent any Authorisation is required to be obtained by the Merged Entity in relation to its business (which is not currently available), such approval may be obtained within a period of 1 (one) year from the date of NCLT Order or within such

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	period as specified under the Applicable Law, whichever is later, in accordance with Section 31(4) of the Code; (c) be in compliance with all Applicable Laws, including in respect of the conduct of its business and the ownership of the Hypothecated Assets. Provided that: (i) to the extent: (A) any non-compliance of any Applicable Laws by DHFL; and/ or (B) any non-compliance of any Applicable Laws by DHFL, solely with respect to conduct of its business, in each case where such non-compliance: A. has occurred prior to the Merger Date; and B. solely attributable to the Company on account of it merging into DHFL pursuant to the Merger Event; and C. has not otherwise been waived by the NCLT Order; and D. does not affect the Company's ability to perform its obligations under the Transaction Documents, the Company shall rectify such non-compliance within a period of 1 (one) year from and including the Merger Date and demonstrate to the satisfaction of the Debenture Trustee, the remedial actions that it has taken to rectify or remedy such non-compliance. (ii) to the extent any non-compliance of any Applicable Laws with respect to the ownership of the DHFL's Moveable Assets (forming a part of Hypothecated Assets) attributable to DHFL (prior to the Merger Date), in each case, where such non-compliance: A. has occurred prior to the Merger Date; B. is solely attributable due to the Company on account of it merging into DHFL pursuant to the Merger Event; and C. has not otherwise been waived by the NCLT Order; and D. does not affect the Company ability to perform its obligations under the Transaction Documents, the Company shall rectify such non-compliance within a period of 6 (six) months from and including the Merger Date and demonstrate to the satisfaction of the Debenture Trustee, the remedial actions that it has taken to rectify or remedy such non-compliance; (d) ensure that its payment obligations under the Transaction Documents rank at least pari passu with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally; (e) maintain and keep in proper order and in good condition: i). the assets subject to the Security; and ii). All other material assets necessary in the conduct of its business. Provided that where certain actions are required

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	to be taken to maintain such material assets (which are not subject to the Security) in proper order and good condition, the Company shall take and complete all such actions within 1 year from (and including) the Merger Date; (f) keep proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the business of the Company and keep the said books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by Applicable Law, at other place or places where the books of account and documents of a similar nature may be kept. The said books of account and the charged assets will be kept open for inspection of the Debenture Trustee (either by itself or through such other Person as the Debenture Trustee may deem fit including a chartered accountant) during usual business hours at the cost of the Company, on receipt of 3 (Three) Business Days' notice from the Debenture Trustee. Provided that, without prejudice to the rights of the Debenture Trustee to inspect the books of account in the manner as contemplated in this Deed, where: i). the ability of the Company to maintain its books of accounts as required under the Act is impeded in any manner solely on account of non-compliances relating to the DHFL, which occurred prior to the Merger Date; and ii). to the extent such inability of the Company to maintain its books of accounts does not impair the ability of the Company to perform its obligations under Finance Documents in any manner, (g) the Company shall be permitted additional time of 2 (two) financial quarters from the Merger Date (including the financial quarter in which the Merger Date falls) to take such corrective steps to ensure that its books of accounts are maintained as required under the Act. if and as required by the Act, keep at its registered office, a register of the Debenture Holders or ensure that the Depository maintains a register and index of beneficial owners of the dematerialised Debentures in their records. For the above purpose, the Company shall request the Registrar and Transfer Agent of the issuance or the Depository, in case of dematerialised Debentures, to provide a list of Debenture Holders as at the end of day on the day falling on the Record Date. The Debenture Trustee and/ or the Debenture Holders or any of them or any other Person shall, as provided in the Act, be entitled to inspect the said register of Debenture Holders and to take copies of or extracts from the same or any part thereof during usual business hours; (h) ensure the implementation of the conditions regarding creation of Security of Debentures; (i) give to the Debenture Trustee such information as the Debenture Trustee shall reasonably require as to all matters relating to the business, property, subsidiaries, operations and affairs of the Company and at the time of the issue thereof to the shareholders of the Company furnish to the Debenture Trustee 1 (One) copy of every balance sheet, profit and loss account issued to the shareholders of the Company;

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	(j) ensure that the Hypothecated Assets, which are classified in the books of the Company as Standard Assets in accordance with Applicable Law, shall always be of such value so as to maintain the Asset Cover Ratio at or above the Minimum Security Cover in terms of the Debenture Trust Deed and the Deed of Hypothecation and in this regard, the Company shall provide certificates, as required to be provided under the Debenture Trust Deed and the Deed of Hypothecation, confirming that the value of the Hypothecated Assets, which are classified in the books of the Company as Standard Assets in accordance with Applicable Law, is sufficient to maintain the Asset Cover Ratio at or above the Minimum Security Cover; (k) on and prior to the Deemed Date of Allotment, submit to the Debenture Trustee a certificate issued by the auditor of the Company, in a form and manner acceptable to the Debenture Trustee, confirming that the issue of the Debentures by the Company is as per the provisions of Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI notification no. RBI/2020-21/73 dated 17 February 2021, as amended from time to time and all the eligibility conditions mentioned therein for the issue of Debentures have been met; (l) punctually pay all Taxes imposed upon or payable by the Company as and when the same shall become payable, save to the extent the Company contests the same in good faith or where the Company has posted a bond or other security or established adequate cash reserves with respect to the contested items if required by Applicable Law; (m) diligently preserve the corporate existence and status and all rights, contracts, privileges, franchises and concessions now held or hereafter acquired by the Company in the conduct of the business of the Company and comply with the terms of the said franchises and concessions and all Applicable Law applicable to the Company or the business and assets or any part thereof, provided, the Company may contest in good faith, the validity of any Applicable Law and pending the determination of such contest may postpone compliance therewith, if the rights enforceable under the Debentures are not thereby materially endangered or impaired. *Provided that*, to the extent a Certificate of Registration is required to be obtained from RBI relating to the Merged Entity, such certification may be obtained within a period of 3 (three) months from the Merger Date, subject to the application for obtaining such Certificate of Registration being filed with the RBI on or prior to the Merger Date; (n) not do or voluntarily suffer or permit to be done any act or thing whereby the right to transact the business of the Company might or could be terminated or adversely effected or whereby payment of the Outstanding Balance(s) might or would be hindered or delayed; (o) other than the Merger Event, not undertake any merger, demerger, consolidation, reorganisation scheme or arrangement or compromise or effect any scheme of amalgamation or reconstruction or restructuring without the prior consent of the Debenture Trustee.

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	Provided that the Company may undertake, without requiring the consent or no-objection certificate from the Debenture Trustee or any Debenture Holder, any merger, consolidation, reorganisation scheme or arrangement or compromise with any member of the Group or effect any scheme of amalgamation or reconstruction with any member of the Group if: i). no Event of Default is occurred and subsisting; ii). the Asset Cover Ratio is maintained at or above the Minimum Security Cover; and iii). the resultant merged entity is a non-banking finance company or housing finance company; and if required by the Company, the Debenture Trustee shall (without the requirement of obtaining prior consent of the Debenture Holders) execute such deeds, documents, letters and writings, to enable the Company to effect any such merger, consolidation, reorganisation scheme or arrangement or compromise with any member of the Group or effect any scheme of amalgamation or reconstruction with any member of the Group. The Company shall, at each such time, provide the Debenture Trustee (I) a written certification by the authorised signatory/ company secretary confirming that no Event of Default is subsisting as on the date of such a request and the Company being in compliance with the relevant conditions mentioned in this Deed (relating to the issue for which such confirmation is being requested by the Company); and: (II) the most recent asset cover certificate which has been issued by the Company immediately preceding the date of the request letter; (p) not without the prior written approval of the Debenture Holders, voluntarily wind up, liquidate or dissolve its affairs or make any application for corporate insolvency resolution proceedings for or in respect of itself under Applicable Law (including under the Code). (q) promptly inform the Debenture Trustee upon filing of any application for winding up having been made or any statutory notice of winding up under the Act or the Code or otherwise, upon becoming aware of any suit or other legal process filed or initiated against the Company or if a receiver is appointed for any of its properties or business or undertaking; (r) duly cause these presents to be registered in all respects so as to comply with the provisions of Applicable Law; (s) promptly and no later than 2 (Two) Business Days upon becoming aware of its occurrence inform the Debenture Trustee of any loss or damage which the Company has suffered due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insurance, which has a Material Adverse Effect on the interests of the Debenture Holders under the Transaction Documents; (t) continue to be direct or indirect Affiliate of: i). PEL and/ or its Affiliates; and/ or ii). Mr. Ajay G. Piramal and/ or his Affiliates;

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	(u) provide within 10 (Ten) days, upon any such change having occurred, details of any change in shareholding pattern of the Company; (v) furnish quarterly report to the Debenture Trustee containing the following particulars: i). Updated list of the names and addresses of the Debenture Holders; ii). Details of the interest payments due, but unpaid and reasons thereof; iii). The number and nature of grievances received from the Debenture Holders and resolved by the Company and those grievances not yet solved to the satisfaction of the Debenture Holders and reasons for the same; iv). A statement that those assets of the Company which are available by way of Security in terms of the Transaction Documents, as amended from time to time, is sufficient to discharge the claims of the Debenture Holders as and when they become due; (w) promptly upon becoming aware of them, the details of any material litigation, which are current, threatened in writing or pending against the Company; (x) promptly upon becoming aware of its occurrence, details of any Event of Default (and the steps, if any, being taken to remedy it), and if requested by the Debenture Trustee, confirm to the Debenture Trustee in writing that save as otherwise stated in such confirmation, no Event of Default has occurred and is continuing; (y) provide within 30 (Thirty) Business Days, details of any claims, demands or notices received against the Company under the Income Tax Act, 1961; (z) provide within 30 (Thirty) Business Days, details of any proceedings pending against the Company under, or in respect of, the Income Tax Act, 1961 or any notice under rule 2 of the Second Schedule of the Income Tax Act, 1961 unless already disclosed under the financial statements of the Company; (aa) promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the reasonable suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance; (bb) comply with the provisions of Section 125 of the Act, relating to transfer of unclaimed/ unpaid amounts of monies due on debentures and redemption of debentures to Investor Education and Protection Fund; (cc) subject to provisions of the Debenture Trust Deed and Transaction Documents, inform the Debenture Trustee about any change in nature or scope and conduct of business at least 30 (Thirty) Business Days before such change;

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	(dd)	inform the Debenture Trustee of any major change in composition of the board of directors of the Company, which may amount to change in Control except as contemplated under the Debenture Trust Deed;
	(ee)	not declare any dividend to its shareholders in any year until the Company has paid or made satisfactory provision for the payment of the instalments of principal and interest due on the Debentures;
	(ff)	comply with the conditions stipulated by the Rating Agency, if any, in relation to the Debentures and bear all such costs and expenses incurred in relation to the rating of the Debentures;
	(gg)	submit to the Debenture Trustee, performance report of the company within 7 (Seven) days of the last board meeting of the Company or within 45 (Forty Five) days of the end of Relevant Quarter, whichever is earlier;
	(hh)	comply with the provisions of Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI notification no. RBI/2020-21/73 dated 17 February 2021 as amended from time to time;
	(ii)	while submitting financial results to the Exchange along with the information/ documents required under Applicable Law on a half yearly basis or within the timelines set out under Applicable Law, whichever is earlier, the same shall be communicated to the Debenture Trustee on the same day or within the timelines set out under Applicable Law, whichever is earlier;
	(jj)	submit the following disclosures to the Debenture Trustee at the time of allotment of the Debentures: i). Memorandum and articles of association and necessary resolution(s) for the allotment of the Debentures; ii). Copy of last three years audited annual reports; iii). Statement containing particulars of, dates of, and parties to all material contracts and agreements; iv). Latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any; v). An undertaking to the effect that the Company would, till the redemption of the debt securities, submit the details mentioned in sub- paragraph (iv) above to the Debenture Trustee within the timelines as mentioned in Uniform Listing Agreement issued by SEBI vide Circular No. CIR/CFD/CMD/6/2015 dated 13 October 2015, for furnishing/ publishing its half yearly/ annual result. Further, the Company shall submit a copy of the latest annual report to the Debenture Trustee, as and when the same is submitted to the Exchange within the timeframe permitted under Applicable Law;
	(kk)	not voluntarily suffer any act or enter into any agreement or obligation which has a Material Adverse Effect or permit or cause to be done any act or thing which adversely affect the making of

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	Secured Obligations or redemption of the Debentures in accordance with the Transaction Documents; (ll) ensure that any information provided by the Company under the Transaction Documents is at all times in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and shall not provide any unpublished price sensitive information to the Debenture Trustee or the Debenture Holders. **(mm) Arm's length dealings** The Company shall not enter into any arrangement, agreement or commitment (including any derivative transaction) with any Person or pay any fees, commissions or other sums on any account whatsoever to any Persons, which will in any manner impact the performance of the obligations undertaken by the Company in terms of the Transaction Documents, other than: i). in the ordinary course of trading or business, at arm's length and on normal commercial terms; or ii). as required or permitted by the Transaction Documents. **(nn) Undertaking by the Company** The Company hereby undertakes, confirms and assures as follows: i). The Company shall furnish to the Debenture Trustee at the Company's own expense such information and reports, regarding the Hypothecated Assets, as the Debenture Trustee may reasonably request; ii). The Company shall execute and sign (and procure the execution and signing by the Company) all power(s) of attorney, proxies and other documents and to do or permit to be done every act or thing or undertake from time to time all actions requested by the Debenture Trustee (including without limitation the making or delivery of filings, the payment of fees and charges and the issuance of supplemental documentation or procuring registration of the Hypothecated Assets) under or pursuant to the Transaction Documents which may be necessary or expedient, for: (A) maintaining and enforcing the Security Interest created in favour of the Debenture Trustee for the benefit of the Debenture Holders under the Transaction Documents; (B) preserving and protecting the Hypothecated Assets, and the rights and remedies of the Secured Parties under or pursuant to the Transaction Documents; and (C) cause an appropriate entry or note of the Transaction Documents to be made in its records. **(oo) Repayment of Group loans**

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	Other than the PEL Loan as long as no Event of Default is subsisting, the Company shall, at any time, be permitted to prepay or repay Financial Indebtedness availed by the Company from other members the Group. **(pp) Amendment of the constitutional documents** The Company shall not modify its constitutional documents, to the extent that such modification will adversely impact the rights of the Debenture Holders. **(qq) Wilful Defaulter or Non co-operative Company** The Company further undertakes that: i). any person, whose names appear in the RBI's/ CIBIL's wilful defaulters list, if any, shall not be inducted into its board as a director; ii). the directors whose names appear in the RBI's/ CIBIL's wilful defaulters list, if any, shall be removed from its board or the Company shall get the names of the said persons deleted from the aforementioned lists within the timeframe stipulated by the Debenture Trustee; and iii). in the event any directors of the Company appear in the RBI's/ CIBIL's wilful defaulters' non co-operative borrower list, such directors shall be immediately removed from its board or the Company shall get the names of the said persons deleted from the aforementioned lists within the timeframe stipulated by the Debenture Trustee. **(rr) Diversion/ siphoning of funds** The Company agrees to cause at the request of the Debenture Trustee (with the authority of a Majority Resolution) an investigation to be conducted by the auditor of the Company to ascertain whether there has been any diversion/ siphoning of funds by the Company. Notwithstanding anything contained above, the Company agrees that the Debenture Trustee (with the authority of a Majority Resolution) may give instructions to its auditor to carry out investigation as to whether there has been any incident of diversion/ siphoning of funds by the Company and the extent thereof and in this respect, to inform the auditor of such rights conferred on the Debenture Trustee. The auditor shall in this regard provide its report directly to the Debenture Trustee. It is clarified that all costs of such investigation shall be borne by the Company. **(ss) Filings, Compliances etc.:** Other than such actions taken prior to the Deemed Date of Allotment, the Company shall ensure that all actions and filings required to be done by the Company under Applicable Law in connection with the perfection of the Security over the Hypothecated Assets (including obtaining and delivering to the Debenture Trustee, the certificate of registration of charge issued by the relevant Registrar of Companies relating to the Hypothecated Assets) at the earlier of the Merger Date or the time provided for completion of such actions under Applicable Law.

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		The Company shall take all due corporate action as also ensure all necessary approvals, filings (with the relevant registrar of companies, CERSAI and any information utility), and reporting in accordance with all Applicable Law and its constitutional documents for and towards all the matters covered by the Debenture Trust Deed and Transaction Documents including for placement/ private placement, issue, allotment of Debentures, issuance and filing of the Disclosure Document, due and proper filing of necessary forms as may be prescribed in respect of the charge created in terms of the Deed of Hypothecation within the timelines mentioned in the rules under the Act or any other Applicable Law from time to time with payment of all applicable fee etc. in respect thereof.
	(tt)	The Company undertakes and covenants to, wherever applicable, comply with all the provisions of SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 10 August 2021, Uniform Listing Agreement issued by SEBI vide Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015, the Companies Act, 1956 (to the extent not repealed and in force), the Companies Act, 2013, Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014, Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI notification no. RBI/2020-21/73 dated 17 February 2021, as amended from time to time and/ or any Applicable Law including all other notification, circular, press release issued by SEBI/ RBI/ NHB, from time to time.
	(uu)	**Financial Indebtedness and further Security Interest** As on the date of the Debenture Trust Deed, the Company has not availed any other Financial Indebtedness or created any Encumbrance over the Hypothecated Assets or any part thereof, other than as specified in the Disclosure Document and as disclosed in writing 1 (one) day prior to execution of the Debenture Trust Deed.
	(vv)	The Company shall not, without the prior written consent of the Debenture Trustee, enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose off the whole or substantially the whole of its undertaking or create any Encumbrances thereon except as permitted under and subject to the conditions in the Debenture Trust Deed.
	(ww)	In terms of Paragraph 4.1 of Chapter XI of the Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 10 August 2021 under the provisions of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Company hereby submits the following bank account details from which it proposes to pay the Redemption Amount and hereby pre-authorise Debenture Trustee to seek debt redemption payment related information from the said bank. The Company hereby submits a letter duly acknowledged by

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the said bank agreeing to provide debt redemption payment related information to the Debenture Trustee:

i). Bank account details:

ii). **Beneficiary Name**: Piramal Capital & Housing Finance Limited

iii). **Name of Bank**: State Bank of India

iv). **Type of Account**: Current Account

v). **Account Number**: 40067461706

vi). **Branch address**: CAG Branch - II, Mumbai (Bandra East)

vii). **IFSC Code**: SBIN0016376

viii). Corporate Accounts group Branch, Bandra Kurla Complex, Mumbai – 400 051.

ix). Contact person: Assistant General Manager

x). Email ID: Agmamt2.cagbkc@sbi.co.in

(xx) The Company hereby further agrees and undertakes that it shall also inform the Debenture Trustee and Debenture Holders of any change in above bank details within 1 (One) Business Day of such change.

(yy) Without prejudice to the other provisions of the Debenture Trust Deed, the Company hereby covenants and undertakes that it shall furnish the following documents/ information/ reports/ certification, as applicable, to the Debenture Trustee to enable the Debenture Trustee to submit the same to the Exchange within the timelines mentioned below:

Reports/ Certificate	Periodicity	Format
Asset Cover Ratio certificate	Quarterly basis within 60 (Sixty) days from the end of each quarter/ Relevant Quarter.	In the format as set out in Annexure A of SEBI Circular dated November 12, 2020 bearing reference no. SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230

(zz) Without prejudice to the other provisions of the Debenture Trust Deed, the Company shall within 60 (Sixty) days from the end of Financial Half Year, provide to the Debenture Trustee, a certificate from its statutory auditor certifying the maintenance of the Minimum Security Cover as per the terms of the Transaction Documents, including compliance with all the covenants, in respect of the Debentures as set out in the Transaction Documents, along with the half-yearly financial results.

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	(aaa) Information: miscellaneous The Company shall supply to and/ or inform the Debenture Trustee within the timelines specified herein below: i). details of any material litigation, arbitration or other proceedings before any Governmental Authority which could adversely affect the Company or any Hypothecated Assets or the ability of the Company to perform its/ their obligations under the Transaction Documents or in respect of the payment of any outstanding Taxes, upon such proceedings being instituted or threatened against the Company within 7 (Seven) Business Days from the date of the Company becoming aware of any such proceedings being instituted or threatened; ii). within 3 (Three) Business Days upon the Company receiving notice of: (A) any application for winding up/insolvency having been made or any statutory notice of winding up/ insolvency under the Applicable Laws having been received by the Company; (B) any proposal by any Governmental Authority or any agency, instrumentality or department thereof to compulsorily nationalise, seize, acquire or otherwise expropriate all or any part of the property or assets of the Company to acquire compulsorily the Company; (C) initiation of any proceeding, enquiry or investigation by SEBI against the Company or their respective promoters or directors; iii). promptly upon becoming aware of any event which might result in non-maintenance of the Asset Cover Ratio; iv). within 7 (Seven) Business Days upon the Company becoming aware of any event which might result in a change of Control of the Company; v). provide such further information regarding the financial condition, business and operations of the Company as the Debenture Trustee or a Debenture Holder (through the Debenture Trustee) may reasonably request within 7 (Seven) Business Days from the date of such request; vi). promptly upon becoming aware of any event which might result in a Material Adverse Effect; vii). promptly upon becoming aware of any event which might adversely affect the Company or its ability to perform its obligations under the relevant Transaction Documents, or which would adversely affect any Hypothecated Assets; viii). within 3 (Three) Business Days from the Company becoming aware of any event which is likely to render any of the representation and warranties as set out in the Debenture Trust Deed untrue or invalid; ix). notice of any change in its authorised signatories (signed by one of its directors or its company secretary or its authorised signatory), whose specimen signature has previously been provided to the Debenture Trustee, accompanied (where relevant) by a specimen signature of

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	each new signatory within 1 (One) Business Day upon occurrence of such event; x). details of any proposal to change its name within 3 (Three) Business Days from the date on which such proposal was considered by the board of directors of the Company; xi). promptly, in any case no later 2 (two) days, any details of change in the registered office address of the Company; xii). immediately, if it fails to list the Debentures on the wholesale debt market segment of the Exchange in accordance with this Deed along with a notice stating such failure to list and the reasons for such failure; xiii). details of any event on which the Debentures have ceased or will cease to be listed, traded or quoted on the wholesale debt market segment of the Exchange or if trading in the Debentures has been suspended for any reason for a period of at least 2 (Two) consecutive days within 7 (Seven) Business Days, unless the listing, trading is pursuant to a technical breach which is beyond the reasonable control of the Company; xiv). within 3 (Three) Business Days information of any downgrade in the existing credit rating given to the Debentures or the Company; xv). details of a default immediately upon occurrence of such default; xvi). upon a request by the Debenture Trustee, promptly supply to the Debenture Trustee, a certificate signed by any one of its authorised directors or authorised signatory on its behalf certifying that no Event of Default is continuing (or if an Event of Default is continuing, specifying the Event of Default and the steps, if any, being taken to remedy it). xvii). The Company is desirous of issuing the Debentures to the Debenture Holders for non-cash consideration under the terms of the Debenture Trust Deed. In light of this, the submission of a statutory certificate confirming the utilisation of the issue proceeds is not applicable to the issuance envisaged under the Debenture Trust Deed. **(bbb) Additional Covenants** **(A) Delay in execution of the Deed** In case of delay in execution of the Debenture Trust Deed beyond a period as specified in Applicable Law (i.e. prior to making the application for listing of the Debentures) in respect of the Debentures, the Company will pay additional interest of 2% (two percent) per annum over and above the Interest Rate till the Debenture Trust Deed is executed by the Parties. **(B) Default in Payment and Other Defaults**

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	In case of default in payment of interest at the Interest Rate and/ or the Redemption Amount on the respective due dates, an additional interest of 2% (two percent) per annum over and above the Interest Rate will be payable by the Company on the overdue amounts, computed from the original due date till (and including) the date on which such overdue amounts are repaid in full. **(C) Delay in Listing** In case of delay in listing of the Debentures beyond 4 (Four) Business Days date of closure of the issue in respect of the Debentures, the Company will pay penal interest of 1% (one percent) per annum over and above the Interest Rate from the expiry of 4 (Four) Business Days from the Deemed Date of Allotment till the date of listing of the Debentures. **(D) Delay in Early Redemption** In case of delay in payment of Early Redemption Amount on the Early Redemption Date, an additional interest of 15% (fifteen percent) per annum over and above the Interest Rate will be payable by the Company on such delayed amounts, computed from the original due date till (and including) the date on which such amounts are paid in full.
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum.	The Secured Obligations shall be inter alia secured by a non-exclusive first ranking pari passu charge over the Hypothecated Assets, both present and future, created by the Company in favour of the Debenture Trustee acting on behalf of and for the benefit of the Secured Parties, as more particularly described in, and pursuant to the terms of the Deed of Hypothecation dated 20.09.2021. (b) It is clarified that on and from the Merger Date, DHFL's Movable Assets (forming part of the Merged Entity's Movable Assets) shall form part of the Hypothecated Assets (in addition to the Company's Movable Assets) and shall be secured in favour of the Debenture Trustee acting on behalf of and for the benefit of the Debenture Holders, and the value of such Movable Assets of DHFL, which are classified as 'Standard Assets' in accordance with Applicable Law, shall be considered towards the calculation of Asset Cover Ratio under the Debenture Trust Deed. The Company shall: a) on or prior to the Deemed Date of Allotment: (A) create the Security over the Hypothecated Assets in a form and manner acceptable to the Debenture Trustee; and (B) make the requisite filings with the relevant Registrar of Companies relating to the Security over the Hypothecated Assets; and b) complete all other perfection formalities relating to the Security over the Hypothecated Assets as set out in Clause 15.9 (a) of the Debenture Trust Deed. It is a condition that the Security over the Hypothecated Assets shall be created so as to ensure that the Asset Cover Ratio (i.e., 100% (One Hundred Percent)) is maintained at or above the Minimum Security Cover, prior to listing the Debentures on the Exchange. The Company and the Debenture Trustee agree and acknowledge that the Security created over the Hypothecated Assets to secure the Secured Obligations and any proceeds realised upon enforcement of such Security will rank pari passu: amongst

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	the Debenture Holders; (ii) amongst the Secured Parties and the First Ranking Creditors. If: (i) no Event of Default has occurred and subsisting; and (ii) the Asset Cover Ratio is maintained at or above the Minimum Security Cover, the Company shall be entitled to sell, transfer, dispose, assign, securitise, reorganise or otherwise deal with any of the assets and undertakings (including the Hypothecated Assets and including, on and from the Merger Date, DHFL's Movable Assets forming part of the Merged Entity's Movable Assets) in the normal course of business and subject to compliance with the Applicable Law, for which the Debenture Trustee and Debenture Holders hereby grant their express approval and confirm no additional consents or approval or pari passu ceding letter shall be required to be obtained from the Debenture Trustee and/ or Debenture Holders
Issuer's Undertaking	The Issuer undertakes that it has executed/ shall execute the documents including but not limited to the following in connection with the Issue: 1. Tripartite Agreement between the Issuer; Registrar and Transfer Agent and NSDL for issue of Bonds in dematerialized form; 2. Tripartite Agreement between the Issuer, Registrar and Transfer Agent and CDSL for issue of Bonds in dematerialized form; and 3. Letter appointing Link Intime India Private Limited as Registrar and Transfer Agent and MoU entered into between the Issuer and the Registrar and Transfer Agent.
Representation and Warranties	1. The Company makes the following representations and warranties set out herein below (other than the representations and warranties in sub-clause (g) (i) of the Debenture Trust Deed) with reference to the facts and circumstances as on the date hereof, the Deemed Date of Allotment, every Interest Payment Date and every Redemption Date occurring until the Final Settlement Date. 2. The Company makes the representations and warranties set out in sub-clause (g) (i) of the Debenture Trust Deed with reference to the facts and circumstances as on the date hereof. **(a) Status** It is a company, duly incorporated and validly existing under the law of its jurisdiction of incorporation. **(b) Binding obligations** The obligations expressed to be assumed by it in each Transaction Document to which it is a party are, subject to any general principles of law, Company's binding obligations. **(c) Non-conflict with other obligations** The entry into and performance by it of the transactions contemplated by the Transaction Documents to which it is a party do not and will not conflict with: i). its constitutional documents; or ii). any agreement or instrument binding upon it or any of its assets including Hypothecated Assets; or iii). any order, judgment, award or decree or law applicable to the Company. **(d) Validity and admissibility in evidence**

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	All resolutions and Authorisations required: i). to enable it lawfully to enter into, exercise its rights and comply with its obligations under the Transaction Documents to which it is a party; ii). to enable the Transaction Documents to which it is a party admissible as evidence in its jurisdiction of incorporation; iii). to enable it to carry on its business, trade and ordinary activities have been obtained or effected and are in full force and effect; and Provided that, to the extent any Authorisation is required to be obtained by the Merged Entity in relation to its business (which is not currently available), such approval may be obtained within a period of 1 (one) year from the date of NCLT Order or within such period as specified under the Applicable Law, whichever is later, in accordance with Section 31(4) of the Code. iv). to enable the creation of any Security Interest to be created by the Company pursuant to the Debenture Trust Deed and other Transaction Documents and to ensure that such Security Interest has the priority and ranking it is expressed to have, have been obtained or effected and are in full force and effect. **(e) Power and Authority** The Company has the power to enter into, perform, deliver and to comply with the provisions of each of the Transaction Documents to which it is a party and it has taken all necessary corporate and other action to authorise the entry into, delivery and performance by it of each of the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents. **(f) Title** The Company has legal and beneficial ownership over, good and marketable title to, or valid leases and licenses of, or is otherwise entitled to use (in each case, on arm's length terms), all material assets necessary for the conduct of its business as it is being conducted including the Moveable Assets and any and all material Hypothecated Assets as reflected in the financial statement as delivered to the Debenture Trustee save and except as maybe stated in the said financial statements. Provided that, any defects or discrepancies in legal and beneficial ownership over or title to, or in the leases and licenses of DHFL's Movable Assets may be identified and rectified by the Company within a period of 1 (one) year from the Merger Date. **(g) Income tax dues and proceedings** i). As on the date hereof, there are no income tax dues pending and no claims, demands or notices have been received against the Company with respect to income tax under the Income Tax Act, 1961 and there are no material proceedings pending under, or in respect of, the Income

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	Tax Act, 1961 nor any notice under rule 2 of the Second Schedule of the Income Tax Act, 1961 has been served, unless otherwise disclosed to the Debenture Trustee in the Disclosure Document. ii). In terms of the Resolution Plan approved by the NCLT pursuant to the NCLT Order, no approval of the tax authorities under Applicable Law is required to be obtained for the Company to create valid and enforceable Security Interest in the manner it is expressed to be created under the relevant Security Documents. **(h) Insolvency** i). The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and is not deemed by a court to be unable to pay its debts under Applicable Law, nor in any such case, will it become so in consequence of entering into any Transaction Document. ii). The Company has not taken any action nor (to the best of the Company's knowledge and belief) have any steps been taken or legal proceedings been started or threatened against it for its winding-up, dissolution, re-organisation, or initiation of corporate insolvency resolution process, or for the appointment of a liquidator, receiver, administrator or other similar officer in respect of all or a substantial portion of its assets. **(i) No misleading information** i). All factual information and documents (including copies of any document) that has been provided or will be provided by or on behalf of the Company to the Secured Parties in connection with the Debentures and/ or Transaction Documents and all information provided in the Transaction Documents are true, complete, accurate in all respects as at the date it was provided or as at the date (if any) at which it is stated and not misleading in any respect and the Company has not concealed any facts which is likely to have an adverse effect on the decision making of the Debenture Holders to subscribe to and/ or hold the Debentures. ii). No event or circumstance has occurred or arisen, and no information has been omitted from the information provided and no information has been given or withheld in the Transaction Documents that results in the information, opinions, intentions, forecasts or projections provided in the Transaction Documents being untrue or misleading in any respect which is likely to have an adverse effect on the decision making of the Debenture Holders to subscribe to and/ or hold the Debentures. Provided that, if following the Merger Date, the representation in paragraph (ii) is (or is liable to be) rendered incorrect, incomplete or misleading in any manner solely on account of: (A) facts or circumstances relating to DHFL existing prior to the Merger Date; and (B) the Company merging into DHFL, the Company shall

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	have 90 (ninety) days from (and including) the Merger Date to rectify such a misrepresentation. **(j) Security and pari passu ranking** The Company certifies that all the Security Documents when executed, delivered and registered (where necessary) and when appropriate forms are filed as required under Applicable Law, shall create the Security Interest expressed to be created thereby over the assets referred therein. **(k) No proceedings pending or threatened** i). No steps have been taken or threatened in writing for the liquidation, winding up or dissolution or insolvency or amalgamating, reconstruction or reorganisation of the Company or for the appointment of a liquidator, receiver, trustee or similar officer in respect of the Company and its assets. ii). There are no actions, suits, investigation, enquiry, proceedings, disputes or claims pending before any court, Governmental Authority or administrative body, or threatened in writing against or affecting the Company, its directors, senior officials or any of their assets which would adversely affect its ability to perform its obligations under the Transaction Documents or affect the validity of any of the Transaction Documents. iii). Neither the Company nor any of their directors or key managerial personnel have been reprimanded or penalised by any Governmental Authority for violation of any of the Applicable Laws which is likely to result in a Material Adverse Effect. **(l) Financial Indebtedness** The Financial Indebtedness of the Company, existing as on 30 June 2021 as disclosed by the Company in the Disclosure Document is true and correct. **(m) Filing** Under the law of its jurisdiction of incorporation it is not necessary that any of the Transaction Documents be filed, recorded or enrolled with any Government (to the best of the Company's knowledge and belief) save and except for the Disclosure Document, the Deed of Hypothecation or such other document which is required to be filed with the Registrar of Companies and with the CERSAI (as applicable), and the Debenture Trust Deed with the Exchange. **(n) Compliance with Applicable Law** The Company has complied with all Applicable Laws to which it may be subject, where the failure to comply would materially impair its ability to perform its obligations under the Transaction Documents. **(o) Transaction Documents**

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		The Company shall provide to the Debenture Trustee a true, complete and correct copy of each Transaction Document in effect or required to be in effect as of the date hereof.
	(p)	The Company confirms that all necessary disclosures have been/ will be made in the Disclosure Document including but not limited to statutory and other regulatory disclosures as required under Applicable Law.
	(q)	The Debenture Trustee, "ipso facto" does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/ invested by investors for the Debentures.
	(r)	The Company, wherever applicable, has complied and shall comply with all the provisions of SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 10 August 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Uniform Listing Agreement issued by SEBI vide Circular No. CIR/CFD/CMD/6/2015 dated 13 October 2015, the Companies Act, 1956 (to the extent not repealed and in force), the Companies Act, 2013, Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014, Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI notification no. RBI/2020-21/73 dated 17 February 2021, as amended from time to time and/ or any other notification, circular, press release issued by SEBI/ RBI/ NHB, from time to time.
	(s)	The Company maintains and shall maintain accurate business and financial records and prepares and shall prepare its financial statements in accordance with standard accounting principles.
	(t)	**No Immunity** Save and except, and to the extent as stipulated in Section 32A of the Code, neither the Company nor its respective assets are entitled to immunity from suit, execution, attachment or other legal process in India. The entry into the Transaction Documents constitutes, and the exercise of the rights and performance of and compliance with its obligations under the Transaction Documents will constitute, private and commercial acts of the Company and performed for private and commercial purposes.
	(u)	**Defaulter** The name of the Company does not appear in the list of wilful defaulters issued by the RBI or the caution list of the Export Credit Guarantee Corporation of India Limited or COFEPOSA defaulters list or any such list of any such other authority or information utility under Applicable Law, save and except such declarations with regard to DHFL existing prior to the Merger Date.
	(v)	**Anti-Money Laundering**

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	The operations of the Company are and have been conducted at all times in compliance with applicable financial record keeping and reporting requirements and money laundering statutes in India and of all jurisdictions in which the Company conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any Governmental Authority or any arbitrator involving any member of the group of companies of the Company with respect to Anti-Money Laundering Laws is pending and no such actions, suits or proceedings are to the best of its knowledge threatened or contemplated. **(w) No material adverse effect** There is no Material Adverse Effect or an Event of Default which has occurred or is continuing to occur with respect to the Company and no such event or circumstance would occur as a result of it executing the Transaction Documents or performance of any obligation there under or under the Resolution Plan.
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: 1. Debenture Trust Deed; 2. Deed of Hypothecation; 3. Debenture Trustee Agreement;
Conditions precedent to subscription of Debentures	1. Certified copies of the certificate of incorporation and the constitutional documents of the Company. 2. Special resolution passed pursuant to Section 180(1)(a) of the Companies Act, 2013, at the extra-ordinary general meeting of the Company held on 28 September 2017. 3. Special resolution passed pursuant to Section 42 of the Companies Act, 2013, at the annual general meeting of the Company held on 30 July 2020 4. Resolution passed at the meeting of the duly empowered Committee of Directors (Administration, Authorisation and Finance) held on 1 September 2021. 5. Execution and delivery of the duly stamped and executed Assignment Documents. 6. Execution and delivery of the duly stamped and executed Transaction Documents. 7. The Company shall have appointed the Registrar and Transfer Agent and the Company shall provide a copy of the tripartite agreement with the Depository. 8. The Company shall provide a certified copy of the in-principle listing approval of the Exchange for the Debentures. 9. The Company shall provide a copy of the rating letter issued by the Rating Agency. 10. The Company shall provide receipt of the International Securities Identification Number (ISIN) issued by the Depository for issuance of the Debentures and execute all necessary agreements by the Company with the depository for issuance of Debentures in a dematerialised form. 11. The Company shall have issued the Disclosure Document in a form as specified under the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time. 12. The Company shall, on or prior to the Deemed Date of Allotment: (a) create the Security over the Hypothecated Assets in a form and manner acceptable to the Debenture Trustee and file form CHG-9 with the registrar of companies in respect of such Security.

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	13. The Company shall provide a certified copy of the RBI Approvals and SEBI Approval.
Conditions Subsequent to subscription of Debentures	None
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	1. The occurrence of any of the following events shall constitute an Event of Default in terms of the Debenture Trust Deed if not cured or remedied at the end of the cure period, if any, specified hereunder in respect of that event or circumstance in the relevant sub-clause set out below: (a) The Company defaulting on its obligation to pay/ repay any amounts forming part of the Secured Obligations, interest and/ or any charges, amounts due and payable in respect of the Debentures issued which ought to have been paid on the relevant due date in accordance with the terms of the issue of such Debentures unless: (i) its failure is caused by a technical error; and (ii) such payment is made in full within 2 (Two) Business Days of its due date; (b) An application being filed by the Company before any tribunal or a special resolution being passed by the members of the Company, in each case, for winding up of the Company or voluntary liquidation of the Company under Applicable Law (including the Code); (c) Any actions have been taken and/ or legal proceedings have been initiated against the Company under the Code (other than as contemplated under sub-clause (b) above) and such actions or proceedings have not been stayed, vacated, squashed, dismissed, withdrawn or disposed of within the earlier of: (i) 10 (Ten) days of filing; and (ii) such application or petition being admitted before any competent court or tribunal under the Code; (d) Any actions have been taken and/ or legal proceedings have been initiated against the Company under Applicable Law (other than those contemplated under sub-clause (b) and (c) above) and such actions or proceedings have not been stayed, vacated, squashed, dismissed, withdrawn or disposed of within the earlier of: (i) 30 (Thirty) days of filing; and (ii) such application or petition being admitted before any competent court or tribunal; (e) Any information, representation or statement given by the Company in the reports and other information furnished by the Company and the warranties given/ deemed to have been given by it to the Debenture Trustee is misleading or incorrect in any material respect, which if capable of being cured is not cured within a period of 7 (Seven) Business Days from such occurrence; (f) A receiver or administrator has been appointed or allowed to be appointed of all or a substantial part of the undertaking of the Company; (g) A liquidator or administrator has been appointed or allowed to be appointed of all or any part of the undertaking of the Company; (h) **Inability to pay debts** (i) The Company is unable to, is presumed or deemed to be unable to or admits its inability to, pay any of its debts as they fall due, suspends making payments on any of its

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	indebtedness or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness; (ii) The Company has declared a moratorium on payments or any Governmental Authority declares a moratorium on payments by the Company towards any indebtedness; (i) **Cross Default** (i) Any indebtedness (including interest) of the Company is not paid when due or within the originally applicable grace period or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described) or any creditor of such Person declares any indebtedness of such Person as due and payable prior to its specified maturity; (ii) Any acceleration or enforcement action (including exercise of rights by any creditor or creditors whether individually or through its or their agents and/ or trustee) under any financing or security contract entered into by the Company; *Provided that* no Event of Default in respect of paragraph (i) and (ii) shall occur if the Company defaults on its "operational debt" (as understood in the context of the Code) where such default: I. in aggregate does not exceed INR 50,00,00,000 (Rupees Fifty Crores only); and II. is cured within 30 (Thirty) days from (and including) the date of such default (and where multiple defaults are subsisting at the same time, within 30 (Thirty) days from (and including) the date of first such default); (j) Any Transaction Document, is not, or ceases to be in full force and effect or does not or ceases to create for the benefit of the Secured Parties, the Security which it is expressed to create with the ranking and priority it is expressed to have (where applicable) or if in the reasonable opinion of the Secured Parties, the Security created is in jeopardy; (k) When in the reasonable opinion of the Debenture Trustee, the Security for Debentures is in jeopardy by reason of fall in the Asset Cover Ratio below the Minimum Security Cover or for any other reason whatsoever and the same is not remedied within 10 (Ten) days; (l) One or more events, conditions or circumstances whether related or not, (including any change in Applicable Law) has occurred or is expected to occur which, in the reasonable opinion of the Secured Parties, could have a Material Adverse Effect, provided that no Event of Default under this sub-clause (l) shall occur if such events, conditions and circumstances that could have a Material Adverse Effect are remedied within 30 (Thirty) days from date of its occurrence, where the determination of a Material Adverse Effect shall be by the Debenture Trustee (acting under the authority of a Majority Resolution); (m) Cessation of the business of the Company which shall lead to a

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	Material Adverse Effect, as determined by the Debenture Trustee (acting under the authority of a Majority Resolution); (n) The Company being in default of its performance or observance of any covenant, undertaking, condition or provision contained in the Transaction Document(s) and/ or the Financial Terms and Conditions (other than the obligations/ defaults/ breaches mentioned in this Clause 17 of the Debenture Trust Deed) and where such default is capable of cure, such default continues for 30 (Thirty) days from the date of breach or of a notice in this regard by the Debenture Trustee, or when any breach (except the ones mentioned above) of the terms of the Disclosure Document or of the covenants of the Debenture Trust Deed is committed by the Company and where it is capable of cure, is not cured within a period of 30 (Thirty) days from the date of breach. (o) Any representation or statement made or deemed to be made by the Company in the Transaction Documents or any other document delivered by or on behalf of the Company under or in connection with any Transaction Document is or proves to have been incorrect or misleading in any respect when made or deemed to be made. Provided that no Event of Default under this sub-clause (o) shall occur if the misrepresentation or misstatement, or the circumstances giving rise to it, is/ are capable of remedy and is/are remedied within 7 (Seven) Business Days of the earlier of: (i) any Secured Party giving notice to the Company requiring misrepresentation or misstatement; or and (ii) the Company becoming aware of the misrepresentation or misstatement. (p) The occurrence of an Event of Default (other than the Events of Default specified in this Clause 17.1 of the Debenture Trust Deed) under any Transaction Documents (other than the Debenture Trust Deed); (q) If an attachment or distraint has been levied on material Hypothecated Assets, as may be determined by the Debenture Trustee (acting under the authority of a Majority Resolution); (r) Any of the Transaction Documents or any provision hereof or thereof is or becomes ineffective, invalid, illegal, unenforceable, ceases to be in full force and effect or it becomes unlawful for the Company to perform any of its obligations under the Transaction Documents or does not or ceases to create in favour of the Debenture Trustee for the benefit of the Secured Parties the Security which it is expressed to create with the ranking and priority it is expressed to have; (s) Any litigation, arbitration, investigative or administrative proceeding including without limitation, on the Hypothecated Assets or any notice or proceedings under the Income Tax Act, 1961 is admitted or commenced or threatened in writing: (i) to restrain the Company's entry into, the exercise of any right of the Company under, or compliance by the Company with any of its obligations under, the Transaction Documents; or (ii) which the Debenture Trustee otherwise determines has (or might, if adversely determined, have) or is reasonably likely to have a Material Adverse Effect provided that no

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	Event of Default under this paragraph shall occur if such litigation, arbitration, investigative or administrative proceeding that could have a Material Adverse Effect are remedied within 30 (Thirty) days from date of its occurrence. Provided that, no Event of Default under this sub-clause (s)(ii) shall occur in relation to any litigation, arbitration, investigative or administrative proceeding initiated against the Merged Entity: (i) in relation to any claims, demands, liabilities or obligations of DHFL relating to any period prior to the insolvency commencement date (of DHFL) subject to the Company: (A) providing to the Debenture Trustee, a certificate confirming that such claim or demand relates to a period prior to the insolvency commencement date (of DHFL); and (B) where the certification referred to above is accompanied by a legal opinion which confirms that: (A) such claim or demand has been dealt with in the Resolution Plan approved pursuant to the NCLT Order (along with the references to the relevant provision of the Resolution Plan particularly dealing with such claim); and (B) following the implementation of the Resolution Plan, such claim or demand no longer subsists against the Merged Entity or its assets on account of the NCLT Order approving the Resolution Plan, (ii) in relation to any claims, demands, liabilities or obligations of DHFL for any period on and from the insolvency commencement date (of DHFL) until (and including) the Merger Date which is reasonably likely to have a Material Adverse Effect, provided that no Event of Default under this paragraph shall occur if such litigation, arbitration, investigative or administrative proceeding that could have a Material Adverse Effect are remedied within 90 (Ninety) days from date of its occurrence. (t) The Authorisations required by the Company to carry on its business as an NBFC, (including its registration with the RBI) in accordance with Applicable Law are terminated, revoked, suspended or breached. (u) Any constitutional document of the Company is amended without the prior written consent of the Debenture Trustee in any way, or any consent or waiver is given in respect of any such document, in each case, which will adversely impact the rights of the Debenture Holders, as determined by the Debenture Trustee. (v) The Company repudiates a Transaction Document or evidences an intention, with reasonable certainty, to repudiate a Transaction Document to which it is a party. (w) The Company suspends or ceases to carry on all or a material part of its business, where such materiality is determined by the Debenture Trustee (acting under the authority of a Majority

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	Resolution). (x) The Company or any of its assets (other than Hypothecated Assets) valued not more than Rs 80,00,00,000/- (Rupees Eighty Crores only) (based on the latest audited balance sheet) or of its Receivables are or become entitled to claim immunity from suit, execution, attachment or other legal process; and (y) The Debentures cease to be listed on the wholesale debt market segment of the Exchange.
Merger Event	1. On the Merger Date, all the obligations of the Company under the Resolution Plan and the Transaction Documents shall vest with the Merged Entity and the Merged Entity shall assume the obligations of the Company and shall duly perform such obligations subject to and in accordance with the Resolution Plan and the Transaction Documents and all the terms and conditions of the Debenture Trust Deed, the Resolution Plan and each Transaction Document shall continue to remain in force and effect and be binding on the Merged Entity. 2. It is hereby clarified that the Parties will not be required to execute any amendments or modifications to the terms of the Debenture Trust Deed pursuant to the occurrence of the Merger Event other than any documents required to record Security Interest over the Moveable Assets of the Merged Entity other than any filings required to give effect to the Merger Event. 3. Any action which is or will be taken pursuant to or is a consequence of the Merger Event is expressly permitted hereunder and no further consent from the Debenture Trustee or the Debenture Holders for those would be required, including but not limited to any action taken to comply with the conditions put forth by any Governmental Authority like RBI, while approving the Merger Event and for crediting the Debentures to new ISINs with the Merged Entity and extinguishing the existing ISINs, provided such event or action does not materially and adversely impact the rights of the Secured Parties.
Creation of recovery expense fund	The Company would create and maintain a recovery expense fund ("**Recovery Expense Fund**") with the Designated Stock Exchange as per the provisions of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the SEBI (Debenture Trustees) Regulations, 1993, Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 10 August 2021 and all other Applicable Laws, as amended from time to time, and if during the currency of these presents, any guidelines are formulated (or modified or revised) by SEBI or any other Governmental Authority under the Applicable Law in respect of creation and maintenance of the Recovery Expense Fund, the Company shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Trustee.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Please refer to "*Event of Default*" above.
Provisions related to Cross Default Clause	(i) Any indebtedness (including interest) of the Company is not paid when due or within the originally applicable grace period or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described) or any creditor of such Person declares any indebtedness of such Person as due and payable prior to its specified maturity; (ii) Any acceleration or enforcement action (including exercise of rights by any creditor or creditors whether individually or through its or their agents

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	and/or trustee) under any financing or security contract entered into by the Company; Provided that no Event of Default in respect of sub-paragraph (i) and (ii) shall occur if the Company defaults on its "operational debt" (as understood in the context of the Code) where such default: 1) in aggregate does not exceed INR 50,00,00,000 (Rupees Fifty Crores only); and 2) is cured within 30 (Thirty) days from (and including) the date of such default (and where multiple defaults are subsisting at the same time, within 30 (Thirty) days from (and including) the date of first such default);
Role and Responsibilities of Trustees	In addition to the other powers conferred on the Debenture Trustee and provisions for their protection and not by way of limitation or derogation of anything contained in these presents or of any statute limiting the liability of the Debenture Trustee, it is expressly declared as follows: 1. The Debenture Trustee shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Debenture Trustee by the Debenture Holders and shall further conduct itself and comply with the provisions of all Applicable Laws. The Debenture Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of the SEBI (Debenture Trustees) Regulations, 1993, the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 10 August 2021, as may be amended from time to time and the Transaction Documents, with due care, diligence and loyalty. 2. The Debenture Trustee may, in relation to these presents and the other Transaction Documents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Company or by the Debenture Trustee or otherwise. Any such advice, opinion or information and any communication passing between the Debenture Trustee and their representative or attorney or a receiver appointed by them may be obtained or sent by letter, e-mail, telegram, cablegram, telex or facsimile; 3. The Debenture Trustee shall act only in accordance with the Debenture Trust Deed and other Transaction Documents, and where the same is silent, with the authority of a Majority Resolution; 4. The Debenture Trustee shall be at liberty to accept a certificate signed by any one of the directors or the authorised signatory of the Company as to any act or matter prima facie within the knowledge of the Company as sufficient evidence thereof; 5. The Debenture Trustee may accept, without inspection, inquiry or requisition, such title as the Company may have to the Security Documents; 6. The Debenture Trustee shall be at liberty to keep these presents and all deeds and other documents of title, if any, relating to the Security created/ to be created in favour of the Debenture Trustee at their registered office or elsewhere or if the Debenture Trustee so decides with any banker or company whose business includes undertaking the safe custody of documents or with an advocates or firm of solicitors;

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	7. The Debenture Trustee shall, as regards, all trusts, powers and authorities, have discretion, in consultation with the Debenture Holders, as to the exercise thereof and to the mode and time of exercise thereof; 8. With a view to facilitating any dealing under any provisions of the Transaction Documents the Debenture Trustee shall have full power to consent (where such consent is required) to a specified transaction or class of transactions unconditionally; 9. The Debenture Trustee shall have full power, in consultation with the Debenture Holders, to determine all questions and doubts arising in relation to any of the provisions of the Transaction Documents and every such determination bona fide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Debenture Trustee) shall be conclusive and binding upon all Persons interested under these presents; 10. The Debenture Trustee shall accept, perfect, manage and administer the Security and, for that purpose, without the prior consent of the Debenture Holders, perform all such acts, deeds and things which the Debenture Trustee may, from time to time, deem necessary for or incidental to the management and administration of the rights and security interest vested in it, including but not limited to executing the Debenture Trust Deed, the Deed of Hypothecation and such deeds and documents modifying these presents and the Deed of Hypothecation, for this purpose; 11. The Debenture Trustee does not make any representation and warranty as to the adequacy of the security for the Debentures; 12. Provided nevertheless that nothing contained in Clause of the Debenture Trust Deed shall exempt the Debenture Trustee from or indemnify it against any liability for fraud, gross negligence, wilful misconduct, breach of trust or contract which was knowingly or intentionally committed by it nor any liability which by virtue of any rule or Applicable Law would otherwise attach to them in respect of any fraud, gross negligence, wilful misconduct, breach of trust or contract which they may be guilty in relation to their duties thereunder; 13. The Debenture Trustee will not, without the authority of a Majority Resolution accede to any request of the Company which will lead to dilution/ non-maintenance of the Asset Cover Ratio; and
Risk factors pertaining to the Issue	Please refer to the section titled 'Risk Factors' in Section I of this Disclosure Document.
Governing Law and Jurisdiction	The Issue shall be governed by and construed in accordance with the laws of India. The Company agrees that the courts and tribunals at Mumbai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Transaction Documents and that accordingly, any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Transaction Documents may be brought in such courts or tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals. The Company irrevocably waives any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at Mumbai and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at Mumbai shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction, (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by law.

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	Nothing contained in this clause, shall limit any right of the Secured Parties to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum. The Company hereby consents generally in respect of any Proceedings arising out of or in connection with this DD and the Debenture Trust Deed to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings. For the avoidance of doubt, this provision shall not restrict the right of the Company to participate in such Proceedings or appeal against the order of any court or tribunal in any such Proceedings. To the extent that the Company may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Company hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

Note:

1 The interest rates mentioned in above cases are the minimum interest rates payable by the Company and are independent of each other.

2 The list of documents which has been executed or will be executed in connection with the issue and subscription of the Debentures shall be annexed.

3 While the Debentures are secured to the tune of 100% (One Hundred Percent) of the principal and interest amount or as per the terms of this Disclosure Document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the Security is maintained, however, the recovery of 100% (One Hundred Percent) of the amount shall depend on the market scenario prevalent at the time of enforcement of the Security.

4 Creation of Security: The Secured Obligations shall be *inter alia* secured by a non-exclusive first ranking *pari passu* Security Interest (by way of hypothecation) over the Hypothecated Assets, both present and future, to be created by the Company in favour of the Secured Parties, as more particularly described in, and pursuant to the terms of the Deed of Hypothecation. It is clarified that on and from the Merger Date, DHFL's Movable Assets (forming part of the Merged Entity's Movable Assets) shall form part of the Hypothecated Assets (in addition to the Company's Movable Assets) and shall be secured in favour of the Debenture Trustee acting on behalf of and for the benefit of the Debenture Holders, and the value of such Movable Assets of DHFL, which are classified as Standard Assets in accordance with Applicable Law, shall be considered towards the calculation of Asset Cover Ratio under the Debenture Trust Deed. The Security to be created in terms of the Debenture Trust Deed and the Deed of Hypothecation to secure the Secured Obligations and any proceeds realised upon enforcement of such Security will rank *pari passu*: (i) amongst the Debenture Holders; and (ii) amongst the Secured Parties and the First Ranking Creditors

5 The debt securities shall be considered as secured only if the charged asset is registered with the registrar of companies or CERSAI, as applicable, or is independently verifiable by the Debenture Trustee.

6 The Company shall not forfeit unclaimed interest/dividend, and such unclaimed amount shall be transferred to the Investor Education and Protection fund under Section 125 of the Act.

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XVII. DRR

It is acknowledged that, in terms of the Companies (Share Capital and Debentures) Rules, 2014 issued under Companies Act, 2013, the Company is currently not required to maintain a debenture redemption reserve ("**DRR**") in respect of the Debentures. The Company hereby agrees that, and if during the currency of these presents, any guidelines are formulated (or modified or revised) by SEBI or any other Governmental Authority under the Applicable Law in respect of creation and maintenance of the DRR, the Company shall abide by such guidelines.

XVIII. ISSUE / INSTRUMENT SPECIFIC REGULATIONS:

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the relevant notified rules thereunder, the SEBI Regulations, the Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI vide Notification No. RBI/2020-21/73 dated February 17, 2021 and the other applicable RBI and NHB guidelines.

XIX. APPLICATION PROCESS

Please refer to Section III of Part B of this DD.

XX. TERMS AND CONDITIONS OF THE DEBENTURE TRUSTEE AGREEMENT

a) Fees charged by the Debenture Trustee

The Company shall pay to the Debenture Trustee, so long as it holds the office of the Debenture Trustee, remuneration and all reasonable costs, charges, legal, traveling and expenses as set out in the Debenture Trustee Consent Letter/ fees letter for its services as Debenture Trustee. Arrears, if any, shall carry interest at the rate specified in the Debenture Trustee Consent Letter.

b) Details of security to be created

Please refer to the row titled 'Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Offer Document/ Information Memorandum' of Paragraph XIII (*Summary Term Sheet*) of Section I of Part B of this DD.

c) Process of due diligence carried out by the Debenture Trustee

The Debenture Trustee, either by itself or through its agents/ advisors/ consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the Hypothecated Assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Disclosure Document and the Applicable Laws, have been obtained.

The Debenture Trustee confirms that it has undertaken the necessary due diligence in accordance with Regulation 44 (3) of the Securities and Exchange Board of India (Issue and Listing Of Non-Convertible Securities) Regulations, 2021 read with the SEBI (Debenture Trustees) Regulations, 1993, as amended from time to time. read with the SEBI Circular for 'Creation of security in issuance of listed debt securities and 'due diligence' by Debenture Trustee(s)' (SEBI/HO/MIRSD/CRADT/CIR/P/2020/218) dated November 3, 2020 and SEBI Circular for 'Monitoring and disclosures by Debenture Trustee(s)' (SEBI/HO/MIRSD/CRADT/CIR/P/2020/230) dated November 12, 2020 (collectively the **SEBI Diligence Circular**). The Debenture Trustee has furnished to the stock exchange a due diligence certificate dated 22nd September, 2021 and 27th September, 2021, as per the format specified in Schedule IV of the Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Annexure A of the SEBI Diligence Circular.

XXI. DUE DILIGENCE CERTIFICATE PROVIDED BY THE DEBENTURE TRUSTEE

Please refer to Annexure VIII of this DD.

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SECTION II: DISCLOSURES AS PER THE ACT

1.1 GENERAL INFORMATION:

I. **Name, address, website and other contact details of the Company, indicating both registered office and the corporate office**:

Issuer / Company:	Piramal Capital & Housing Finance Limited (formerly known as Piramal Housing Finance Limited)
Registered Office:	4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013
Corporate Office:	4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013
Website:	www.pchf.in
Fax:	22 6151 3693
Contact Person:	Mr. Bipin Singh
Email:	bipin.singh@piramal.com

II. **Date of Incorporation of the Company**: February 10, 2017

III. **Business carried on by the Company and its subsidiaries with the details of branches or units, if any**:

Lending including housing finance activities and investments.

IV. Brief particulars of the management of the Company:

Management of the Company has been over seen by the Board of the Company. Please refer to Paragraph V of Section I of Part B of this DD.

V. **Name, address, DIN and occupations of the directors**:

Please refer to Paragraph V of Section I of Part B of this DD.

VI. Management's perception of Risk Factors:

Please refer to "RISK FACTORS" in Part A of this DD.

VII. Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:

(i)	Statutory Dues:	NIL
(ii)	Debentures and interest thereon:	NIL
(iii)	Deposits and interest thereon:	NIL
(iv)	Loans from banks and financial institutions and interest thereon:	NIL

VIII. Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:

Compliance/ Investor Relations Officer:	Mr. Bipin Singh
Designation/Department:	Company Secretary and Compliance Officer
Registered Office Address:	4th Floor, Piramal Tower, Peninsula Corporate Park,Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400 013, Maharashtra, India,
Tel. Nos.:	+91 22 3802 3085
Fax Nos.:	+91 22 61513444
Email address(s):	cs.team@piramal.com

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IX. Any default in Annual filing of the Company under the Companies Act, 2013 or the rules made thereunder.

Sr. No.	Financial Year	Name of the form	Due date of filing	Actual date of filing	Remarks
1.	2016 – 17	MGT – 7 AOC – 4	26.09.2017 27.08.2017	25.11.2017 04.12.2017	Delayed
2.	2018 – 19	AOC – 4	29.07.2019	21.09.2019	

1.2 PARTICULARS OF THE OFFER:

Financial position of the Company for the last 3 (Three) financial years	Please refer to Annexure V
Date of passing of Resolution of by Committee of Directors (Administration Authorisation and Finance)	A Copy of the said resolutions have been annexed hereto under Annexure VI.
Date of passing of resolution in general meeting, authorizing the offer of securities	Shareholders resolution passed under Section 42 of the Act dated July 28 2021; and A copy of the said resolution has been annexed hereto under Annexure VII. Shareholders resolution passed under Section 180 (1)(a) and 180(1)(c) of the Act dated September 28, 2017 and June 11, 2018, respectively and a copy of the said resolution has been annexed hereto under Annexure VII.
Kinds of securities offered and class of security; the total number of shares or other securities to be issued	19,53,25,290 (Nineteen Crores Fifty Three Lakhs Twenty Five Thousand Two Hundred Ninety) secured, rated, listed, redeemable non-convertible debentures aggregating up to Rs. 1,95,32,52,90,000 (Rupees Nineteen Thousand Five Hundred Thirty Two Crores And Fifty Two Lakhs Ninety Thousand Only)
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at face value of Rs. 1,000/- (Rupees One Thousand Only) each. The said issuance is being made towards in favour of various financial creditors of DHFL for discharge of the part-consideration of the assignment of debt by financial creditors of DHFL to the Company as per the Resolution Plan, the NCLT Order, the RBI Approvals and the SEBI Approval.
Redemption Amount	As per Annexure III
Name and address of the valuer who performed valuation of the security offered	Not applicable.
Relevant date with reference to which the price has been arrived at Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held	Not Applicable

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<table>
<tr><td>class or classes of persons to whom the allotment is proposed to be made</td><td>• Companies and bodies corporate including public sector undertakings
• Scheduled commercial banks
• Non-Banking Finance Company
• Mutual Funds
• Urban / Central / State / District / Primary Co-operative Banks
• Regional rural banks
• Financial institutions including development financial institutions
• Insurance companies
• Foreign Institutional Investors
• Foreign Portfolio Investors
• Other Government / Non-Government Agencies / Boards / Institutions
• Trusts
• Any other investor(s) authorised to invest in these Debentures, subject to the compliance with the relevant regulations/guidelines applicable to them for investing in this Issue.</td></tr>
<tr><td>The proposed time within which the allotment shall be completed</td><td>Issue Opening Date: 28 September 2021
Issue Closing Date: 28 September 2021
Pay-in Date: Not Applicable
Deemed Date of Allotment: 28 September 2021</td></tr>
<tr><td>The change in control, if any, in the company that would occur consequent to the private placement</td><td>Not Applicable</td></tr>
<tr><td>The number of persons to whom allotment on preferential basis/ private placement/ rights issue has already been made during the year, in terms of securities as well as price</td><td>During the FY 2021-22, the Company has allotted Non-Convertible Debentures (‘NCDs’), details of which are set out as below:
<table>
<tr><th>Sr. No</th><th>Date of Allotment</th><th>Amount in Rs. (in crores)</th><th>No. of Allottees</th><th>Face Value (in Rs.)</th><th>No. of NCDs</th></tr>
<tr><td>1.</td><td>07.04.2021</td><td>150</td><td>5</td><td rowspan="4">10,00,000</td><td>1,500</td></tr>
<tr><td>2.</td><td>16.04.2021</td><td>120</td><td>3</td><td>1,200</td></tr>
<tr><td>3.</td><td>03.05.2021</td><td>50</td><td>1</td><td>500</td></tr>
<tr><td>4.</td><td>29.06.2021</td><td>20</td><td>2</td><td>200</td></tr>
</table></td></tr>
<tr><td>The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer</td><td>As a part of implementation of the Resolution Plan in relation to the CIR Process of DHFL approved pursuant to the NCLT Order, RBI Approval and SEBI Approval, the Debentures are being issued as part consideration towards assignment and transfer of DHFL Financial Debt in favour of the Company on the terms and conditions as set out in the Debenture Trust Deed and the Disclosure Document. Hence, the Issue is for consideration other than cash, accordingly, the Issuer will not receive any proceeds towards issuance of the Debentures.</td></tr>
<tr><td>Amount, which the Company intends to raise by way of securities</td><td>Not applicable as the Debentures are being issued for consideration other than cash.</td></tr>
<tr><td>Terms of raising of securities: Duration, if applicable, rate of dividend or rate of interest, mode of payment and repayment</td><td>Please refer to Paragraph XIII of Section I of Part B of this DD.</td></tr>
</table>

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Proposed time schedule for which the offer letter is valid	The Issue shall open on 28 September 2021 and shall close on 28 September 2021.
Purpose and objects of the offer	Please refer to Paragraph I of Section III of Part B of this DD.
Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of the object	Not Applicable
Principal terms of assets charged as security, if applicable	At the time of issuance of the debentures: Non-exclusive first ranking *pari passu* charge with the First Ranking Creditors by way of hypothecation over its Movable Assets. Post-merger: Upon the Company reverse merging into DHFL, the Debentures will be secured by non-exclusive first ranking *pari passu* charge with the First Ranking Creditors by way of hypothecation over the Company's Movable Assets and DHFL's Movable Assets.
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	Under Section 30(4) of the Code, the Company has been declared as the successful resolution applicant and the Resolution Plan was voted as the successful plan, in each case, on 15 January 2021 by the committee of creditors formed in respect of DHFL ("**CoC**"). Further, the Resolution Plan submitted by the Company has been approved by the NCLT pursuant to an order dated 7 June 2021. As part of the implementation of the Resolution Plan and in furtherance to the NCLT Order, the Company will be filing an application for the reverse merger of the Company into DHFL, pursuant to which the Merged Entity will be formed.

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The pre-issue and post-issue shareholding pattern of the Company in the following format:

S. No.	**Category**	**Pre-issue**		**Post-issue**	
		No. of shares held	**Percentage (%) of shareholding**	**No. of shares held**	**Percentage (%) of shareholding**
A	Promoters' holding				
	Indian	-	-	-	-
1	Individual	4,832	Negligible	4,832	negligible
	Bodies Corporate	19,28,37,13,565	100%	19,28,37,13,565	100%
Sub-total		**19,28,37,18,397**	**100%**	**19,28,37,18,397**	**100%**
2	Foreign promoters	-	-	-	-
Sub-total (A)		**19,28,37,18,397**	**100%**	**19,28,37,18,397**	**100%**
B	Non-promoters' holding				
1	Institutional Investors	-	-	-	-
2	Non-Institutional Investors	-	-	-	-
	Private Corporate Bodies	-	-	-	-
	Directors and relatives	-	-	-	-
	Indian public	-	-	-	-
	Others (including Non-resident Indians)	-	-	-	-
Sub-total (B)		**-**	**-**	**-**	**-**
GRAND TOTAL Sub-Total(A) + Sub-Total(B)		**19,28,37,18,397**	**100%**	**19,28,37,18,397**	**100%**

1.3 Mode of payment for subscription (Cheque/ Demand Draft/ other banking channels): Not applicable pursuant to the approved Resolution Plan and in compliance with the NCLT Order, as the Issue will be for consideration other than cash.

1.4 DISCLOSURE WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION, ETC:

Any financial or other material interest of the directors, promoters or key managerial personnel in the Issue and the effect of such interest in so far as it is different from the interests of other persons	NIL
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any Promoter of the Company during the last 3 (three) years immediately preceding the year of the circulation of this Disclosure Document and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	NIL

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<table>
<tr><td>Remuneration of directors (during the current year and last 3 (three) financial years)</td><td>
<table>
<tr><td>Name of Director</td><td>FY 21-22 (Rs.)</td><td>FY 20-21 (Rs.)</td><td>FY 19-20 (Rs.)</td><td>FY 18- 19 (Rs.)</td></tr>
<tr><td>Shitin Desai*</td><td>-</td><td>-</td><td>-</td><td>1,50,000</td></tr>
<tr><td>Suhail Nathani*</td><td>2,50,000</td><td>9,00,000</td><td>5,00,000</td><td>600000</td></tr>
<tr><td>Harish Engineer*</td><td>-</td><td>-</td><td>1,50,000</td><td>650000</td></tr>
<tr><td>Khushru Jijina</td><td>16,98,76,795</td><td>6,36,16,601</td><td>9,93,59,577</td><td>17,37,81,608</td></tr>
<tr><td>Gautam Doshi*</td><td>1,50,000</td><td>6,50,000</td><td>3,50,000</td><td>-</td></tr>
</table>
* Sitting Fees for attending meetings of the Board / Committee of Directors
</td></tr>
<tr><td>Related party transactions entered during the last 3 (three) financial years immediately preceding the year of circulation of this Disclosure Document including with regard to loans made or, guarantees given or securities provided</td><td>Refer Annexure V for Audited Financial Statements</td></tr>
<tr><td>Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of circulation of this Disclosure Document and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark</td><td>NIL</td></tr>
<tr><td>Details of any inquiry, inspections or investigations initiated or conducted under the Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of offer letter in the case of the Company and all of its subsidiaries. Also if there were any were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this Disclosure Document and if so, section-wise details thereof for the Company and all of its subsidiaries</td><td>NIL</td></tr>
<tr><td>Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company</td><td>NIL</td></tr>
</table>

1.5 FINANCIAL POSITION OF THE COMPANY:

The capital structure of the Company in the following manner in a tabular form:

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<table>
<tr><td>The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value) (as on September 30, 2020)</td><td>
<table>
<tr><th>Share Capital</th><th>Rs. In Lakhs</th></tr>
<tr><td>Authorised
Equity Shares of Rs.10/- Each</td><td>25,00,000</td></tr>
<tr><td>Issued, Subscribed and Fully Paid- up
19,28,37,18,397 equity shares of Rs. 10/- Each</td><td>19,28,371</td></tr>
<tr><td>Forfeited shares</td><td>NIL</td></tr>
<tr><td>Total</td><td>19,28,371</td></tr>
</table>
</td></tr>
<tr><td>Size of the Present Issue</td><td>The aggregate size of the Issue is Rs. 1,95,32,52,90,000 (Rupees Nineteen Thousand Five Hundred Thirty Two Crores And Fifty Two Lakhs Ninety Thousand Only)</td></tr>
<tr><td>Paid-up Capital:
a. After the offer:
b. After the conversion of Convertible Instruments (if applicable):</td><td>The paid-up share capital of the Company shall not be altered on account of issuance of the Debentures.</td></tr>
<tr><td>Share Premium Account:
a. Before the offer:
b. After the offer:</td><td>The balances in the share premium account shall not be altered on account of the issuance of Debentures.</td></tr>
<tr><td colspan="2">Details of the existing share capital of the Issuer:
Please refer to Paragraph IV(c) and Paragraph IV(d) of Section I of Part B of this DD.</td></tr>
<tr><td>Details of Allotments made by the Company for Consideration other than cash</td><td>NIL</td></tr>
<tr><td>Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this Disclosure Document</td><td>
<table>
<tr><th></th><th>F.Y. 2020-2021</th><th>F.Y. 2019-2020</th><th>F.Y. 2018-2019</th><th>F.Y. 2017-2018</th></tr>
<tr><td>Profit Before Tax (In Cr)</td><td>1,540.23</td><td>601.87</td><td>2,211.91</td><td>2.69</td></tr>
<tr><td>Profit After Tax (In Cr)</td><td>1,034.44</td><td>30.48</td><td>1,442.58</td><td>44.75</td></tr>
</table>
</td></tr>
<tr><td>Dividends declared by the Company in respect of the said 3 (three) financial</td><td>
<table>
<tr><th>(Rs. Crs)</th><th>F.Y. 2020-2021</th><th>F.Y. 2019-2020</th><th>F.Y. 2018-2019</th><th>F.Y. 2017-</th></tr>
</table>
</td></tr>
</table>

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<table>
<tr><td>years; interest coverage ratio (Includes hedging expenses and forex loss) for last three years (cash profit after tax plus interest paid/interest paid)</td><td>
<table>
<tr><th></th><th></th><th></th><th></th><th>2018</th></tr>
<tr><td>Dividend</td><td>NIL</td><td>*Rs. 496.7 crores</td><td>NIL</td><td>NIL</td></tr>
</table>
*Interim dividend has been paid on July 27, 2019.
</td></tr>
<tr><td>A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Disclosure Document</td><td>Please refer to Paragraph IV (h) of Section I of Part B of this DD.</td></tr>
<tr><td>Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Disclosure Document</td><td>Please refer to Paragraph IV (h) of Section I of Part B of this DD.</td></tr>
<tr><td>Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company</td><td>NIL</td></tr>
</table>

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SECTION III: DISCLOSURES PERTAINING TO NBFC/ HFC

Where the issuer is a Non-Banking Finance Company or Housing Finance Company the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials (as may be applicable) as per the SEBI Regulations:

1. Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement)

(a) Lending Policy: Should contain overview of origination, risk management, monitoring and collections.

Lending policies and procedures

Overview
Within the regulatory guidelines, directions, and circulars, HFCs can establish their own credit policy. As such, once a company has obtained an HFC license, the terms, credit levels and any credit approvals are based upon the HFC's established internal credit approval processes framed in accordance with applicable regulations.

Customer appraisal and approval process

Every retail financing proposal goes through the following stages:

Credit appraisal: This process covers the assessment of creditworthiness of the prospective borrower and his or her ability to repay the loan in the stipulated time period. We have various credit checks and controls at multiple stages of

the loan process to assess the customer eligibility. These include:

(i) onboarding, i.e. review of identification documentation, residence and office address verification, KYC and fraud checks, etc.;

(ii) customer assessment, i.e. ROC (wherever applicable) and other database checks for litigation, credit, defaults, etc., as well as a financial assessment;

(iii) collateral assessment, i.e. a legal and technical assessment of the proposed collateral, site visit and project level feedback; and

(iv) system controls and audit, i.e. most of the policy norms are built in rule engine for a system control, regular audits by internal team as well as external auditors

Approval process:
We have implemented various approval levels on a delegated basis, depending on the size of the financing and other metrics, in order to streamline the process, while still providing for exceptional authorisations depending on the risk

assessment.

For mortgages, critical policy revisions (e.g. new products, income programmes, etc.) are jointly approved by the head credit policy, the chief operating officer post discussion/views from risk and compliance, and thereafter placed to the Piramal Group's Board for ratification on a quarterly basis.

For partnerships, critical policy revisions (e.g. new products, programmes, etc.) are jointly approved by the chief business officer, chief operating officer and chief executive officer post discussion/views from risk and compliance, and thereafter placed to the Piramal Group's Board for ratification on a quarterly basis.

For mortgages, in addition, the business intelligence unit has developed an automated proprietary fraud analytical rule engine that has strengthened the loan application screening process and has helped identify fraudulent applications. The engine scrutinises the applications that have been processed through an external database and matches the information in these applications with our

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internal data and other public domain information. The applications are scrutinised across 60 parameters and inconsistences are red-flagged. Only those applications that successfully pass the scrutiny move to the next level in the loan approval process. Further, the team has also implemented its first generation Piramal credit risk model for retail to minimise risk and provide superior customer experience by improving the turnaround time for loan processing.

Portfolio monitoring

Monitoring
A risk dashboard is prepared by the Business Intelligence Unit which is updated monthly for the critical parameters and is reviewed by credit, policy, risk and other stakeholders

Recovery
We have a dedicated recovery team spread across all geographies that manages the loan administration and overdue follow up for collection processes. Overdue loan collection is facilitated through online transfer via a payment gateway, representation of instrument or cheque payment. We also have a dedicated legal team that tracks and pursues legal action for all delinquent and NPA accounts. There is a robust system that generates reports on regular intervals of overdue loans and bounce reports. Basis system reports backed by analytics, collection team ensures the follow up and collection of delinquent accounts. All bounce and overdue cases are closely monitored, and bounce reports and account level overdue reports are published to stakeholders at regular intervals.

(b) Classification of loans/ advances given to associates, entities/ person relating to board, senior management, promoters, others, etc.;

Name of the Party	Nature of related Party	Nature of instrument	Outstanding as on March 31, 2021 (in INR Crores
PHL Fininvest Private Limited	Fellow Subsidiary	Inter Corporate Deposit	1,152.75
Piramal Investment Advisory Services Private Limited	Fellow Subsidiary	Inter Corporate Deposit	248.4

(c) Classification of loans/ advances given, according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.;

Classification of loans/ advances given according to:

a. Type of loans

S. No.	Type of loans	Rs. Crore
1	Secured	**32,259.19**
2	Unsecured	**94.37**
	Total assets under management (AUM)*^	**32,353.56**

* Note: Information required at borrower level (and not by loan account as customer may have multiple loan accounts); ^Issuer is also required to disclose off balance sheet items.

b. i) Denomination of retail loans outstanding by loan-to-value

S. No.	LTV (at the time of origination)	Percentage of AUM
1	Upto 40%	**6.43%**
2	40-50%	**6.46%**
3	50-60%	**9.67%**
4	60-70%	**19.52%**
5	70-80%	**37.46%**
6	80-90%	**13.94%**

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7	>90%	**4.39%**
	NA*	**2.13%**
	Total	**100.00%**

*NA - Unsecured Loans (Consumer Durable, Personal Loan, Micro Finance)

ii) Denomination of wholesale loans outstanding by loan-to-value

For wholesale lending, in ordinary course of business, LTV is not applicable.

c. Sectoral Exposure

S. No.	Segment-wise break-up of AUM	Percentage of AUM
1.	**Retail**	
A	Mortgages (home loans and loans against property)	**13.40%**
B	Gold loans	**0.00%**
C	Vehicle finance	**0.00%**
D	MFI	**0.27%**
E	MSME	**0.00%**
F	Capital market funding (loans against shares, margin funding)	**0.00%**
G	Others	**0.02%**
2.	**Wholesale**	
A	Infrastructure	**6.65%**
B	Real estate (including builder loans)	**77.58%**
C	Promoter funding	**0.00%**
D	Any other sector (as applicable)	**0.00%**
E	Others	**2.07%**
	Total	**100.00%**

d. Denomination of loans outstanding by ticket size*

S. No.	Ticket size (at the time of origination)	Percentage of AUM
1	Upto Rs. 2 lakh	**0.29%**
2	Rs. 2-5 lakh	**0.01%**
3	Rs. 5 - 10 lakh	**0.16%**
4	Rs. 10 - 25 lakh	**1.06%**
5	Rs. 25 - 50 lakh	**3.20%**
6	Rs. 50 lakh - 1 crore	**3.60%**
7	Rs. 1 - 5 crore	**3.59%**
8	Rs. 5 - 25 crore	**2.50%**
9	Rs. 25 - 100 crore	**15.79%**
10	>Rs. 100 crore	**69.81%**
	Total	**100.00%**

** Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts)*

e. Geographical classification of borrowers:

S. No.	Top 5 states	Percentage of AUM
1	Maharashtra	**52.21%**
2	Karnataka	**19.38%**
3	Delhi	**12.18%**
4	Tamil Nadu	**10.13%**
5	Gujarat	**2.53%**
	Total	**96.44%**

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f. Aggregated exposure to top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time;

Name of the Borrower	**Rs. Crores (as on 31 March 2021)**
Macrotech Developers Limited	934.87
Wadhwa Group Holdings Pvt Ltd	920.88
Mytrah Energy India Pvt Ltd	880.53
Transcon Sheth Creators Pvt Ltd	765.08
Mantri Castles Pvt Ltd	743.40
Mahatva Infracon Private Limited	730.42
Prateek Realtors India Pvt Ltd	724.90
Homescapes Constructions Private Limited	720.71
Paranjape Schemes Construction Ltd	591.30
Ramesh Rajann Constructions Pvt Ltd	566.32
Kanakia Spaces Realty Pvt Ltd	541.98
Mytrah Ujjval Power Pvt Ltd	518.11
Primebuild Developers and Farms Private Limited	514.20
Udhyaman Investments Pvt Ltd	500.33
Omkar Realtors & Developers Pvt. Ltd.	484.46
Ozone Holdings Private Limited	473.33
Mohan Premium Structures LLP	451.30
Century Real Estate Holdings Pvt Ltd	424.46
Sahana Sheth	411.05
Atria Brindavan Power Pvt Ltd	385.99
Total	**12,283.60**

g. Details of loans, overdue and classified as non-performing in accordance with RBI stipulations;

Movement of gross NPA*	**Rs. crore**
Opening gross NPA	737.01
- Additions during the year	474.69
- Reductions during the year	93.83
Closing balance of gross NPA	1117.87

Movement of provisions for NPA	**Rs. crore**
Opening balance	262.46
- Provisions made during the year	291.86
- Write-off/ write-back of excess provisions	15.9
Closing balance	538.42

** Please indicate the gross NPA recognition policy (Day's Past Due)*

2. In order to allow investors to better assess the debt securities issued by the NBFC/ HFC, the following disclosures shall also be made by such issuers in their offer documents:

(a) Portfolio summary with regard to industries/ sectors to which borrowings have been made; Please refer to section 1. (c) c. (*Sectoral Exposure*) above.

(b) NPA exposures of the issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the issuer;

Rs. Crores

NPA details	**Mar-19**	**Mar-20**	**Mar-21**
Gross NPA	140.81	737.01	1117.87

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Provision	87.47	262.46	538.41
Net NPA	53.34	474.55	579.46

(c) Quantum and percentage of secured vs. unsecured borrowings;

Nature of Borrowing	Rs. Crores
Secured	26,677.24
Unsecured	3,189.91
Total	29,867.15

(d) Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI.
NIL

3. Details of change in shareholding - Any change in promoters holding in the Issuer during last financial year beyond the threshold prescribed by Reserve Bank of India
NIL

4. Disclosure of Assets under management - Segment wise break up and type of loans
Please refer to sections 1. (c) a. (*Type of loans*) and 1. (c) c. (*Sectoral Exposure*) above.

5. Details of borrowers - Geographical location wise

Sr No	States	% of AUM
1	Maharashtra	52.21%
2	Karnataka	19.38%
3	Delhi	12.18%
4	Tamil Nadu	10.13%
5	Gujarat	2.53%
6	Telangana	1.97%
7	West Bengal	0.42%
8	Rajasthan	0.29%
9	Uttar Pradesh	0.18%
10	Madhya Pradesh	0.17%
11	Chandigarh	0.12%
12	Haryana	0.11%
13	Andhra Pradesh	0.08%
14	Punjab	0.06%
15	Kerala	0.04%
16	Chhattisgarh	0.03%
17	Bihar	0.03%
18	Orissa	0.02%
19	Uttarakhand	0.02%
20	Jharkhand	0.01%
21	Pondicherry	0.00%
22	Tripura	0.00%
23	Himachal Pradesh	0.00%

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6. Details of Gross NPA - Segment wise

Sl. No.	Segment-wise gross NPA	Gross NPA (%)
1	**Retail**	
A	Mortgages (home loans and loans against property)	1.36%
B	Gold loans	
C	Vehicle finance	
D	MFI	
E	MSME	
F	Capital market funding (loans against shares, margin funding)	
G	Others	
2	**Wholesale**	
A	Infrastructure	
B	Real estate (including builder loans)	2.86%
C	Promoter funding	
D	Any other sector (as applicable)	
E	Others	50.65%
Total		**3.46%**

7. Details of Assets and Liabilities - Residual maturity profile wise into several bucket

Category	Up to 30/31 days	>1 month – 2 months	>2 months – 3 months	>3 months – 6 months	>6 months – 1 year	>1 years – 3 years	>3 years – 5 years	>5 years	Total
Deposit	1,331.03	0.00	201.68	0.00	24.00	0.00	0.00	223.10	**1,779.80**
Advances/ Inflows**	474.96	138.12	327.38	2,044.57	3,922.28	21,353.75	13,899.33	10,579.97	**52,740.36**
Investments	1900.00	0.00	0.00	0.00	0.00	613.60	2,747.97	0.00	**5,261.57**
Borrowings	750.56	345.69	1,184.93	2,322.09	4,754.61	12,017.90	11,597.00	4,835.08	**37,807.8**
FCA*	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
FCL*	0.00	0.00	24.24	24.37	346.30	273.46	0.00	0.00	**668.37**

*FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities
**Advances/Inflows includes investment in ICDs

8. Additional details of loans made by the Issuer
The information has been disclosed above.

9. Disclosure of latest ALM statements to stock exchange
The Company has submitted ALM statements for the year ended March 31, 2021 and quarter ended June 30, 2021 to NSE.

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1.6 Payment Instructions:

The Application Form should be submitted directly. As per Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the provisions on payment to be made for subscription to the Debentures will not apply as the Issue is for consideration other than cash and the Company shall not receive any proceeds towards issuance of the Debentures.

SECTION IV: OTHER INFORMATION AND APPLICATION PROCESS

I. DETAIL OF UTILISATION OF PROCEEDS/OBJECTS OF THE ISSUE

Proceeds of the current issue will be utilized for the following purposes: -

Pursuant to an order dated 3 December 2019, the National Company Law Tribunal, Mumbai bench ("**NCLT**") had initiated the corporate insolvency resolution process ("**CIR Process**") against DHFL under the Code. As a part of the CIR Process, the Company had submitted a resolution plan dated 22 December 2020 (along with an undertaking dated 21 January 2021 (the "**Undertaking**"), which forms an integral part of the resolution plan) ("**Resolution Plan**"). Under Section 30(4) of the Code, the Company has been declared as the successful resolution applicant and the Resolution Plan was voted as the successful plan, in each case, on 15 January 2021 by the committee of creditors formed in respect of DHFL ("**CoC**"). Further, the Resolution Plan submitted by the Company has been approved by the NCLT pursuant to an order dated 7 June 2021 ("**NCLT Order**").

Under the terms of the Resolution Plan as approved by the NCLT Order, PCHFL is required to discharge the consideration as a combination of: (a) cash; and (b) issuance of non-convertible debentures by PCHFL (as the successful resolution applicant) in favour of the various financial creditors of DHFL ("**Debentures**") for assignment/ transfer of the debt of DHFL. Therefore, the Debentures shall be issued only as part consideration towards assignment and transfer of DHFL Financial Debt in favour of the Company on the terms and conditions as set out in the Debenture Trust Deed and the Disclosure Document and it shall not receive any proceeds towards issuance of the Debentures..

II. UNDERTAKING TO USE A COMMON FORM OF TRANSFER

The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The Issuer undertakes that there will be a common transfer form / procedure for transfer of Debentures.

The Debentures shall be issued only in dematerialised form in compliance with the provisions of the Depositories Act, (as amended from time to time), any other applicable regulations (including of any relevant stock exchange) and these conditions. No physical certificates of the Debentures would be issued. The transfer of Debentures in demat form shall be in accordance with the procedure of transfer prescribed by the relevant depository and Applicable Law.

III. INFORMATION RELATING TO THE TERMS OF ISSUE

Face Value & Issue Price

Each Debenture has a face value of Rs. 1,000/- (Rupees One Thousand only) and is issued at par.

Market Lot

The market lot will be one Debenture ("**Market Lot**"). Since the Debentures are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of Debentures.

Interest on Debentures

a. The Company shall be liable to pay the Debenture Holders interest at the Interest Rate for the relevant Interest Period on the Interest Payment Date.

b. Payment of interest on the Debentures will be made to those of the Debenture Holders whose names appear in the register of Debenture Holders (or to the first holder in case of joint holders) as on the Record Date fixed by the Company for this purpose and/ or as per the list provided by the Depository to the Company of the beneficiaries who hold Debentures in demat form on such Record Date and are eligible to receive interest. Payment will be made by the Company after verifying the bank details of the investors by way of direct credit

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through Electronic Clearing Service (ECS), Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT) and where such facilities are not available the Company shall make payment of all such amounts by way of cheque(s)/ demand draft(s)/ interest warrant(s), which will be dispatched to the Debenture Holders by registered post/ speed post/ courier or hand delivery on or before the Interest Payment Date.

c. If the Due Date for payment of Coupon falls on a day that is not a Business Day, then the Due Date in respect of such payment shall be on the immediately succeeding Business Day; however, the dates of the future Coupon payments would be as per the original schedule. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular Coupon payment has been postponed earlier because of it having fallen on non-Business Day. If the date for performance of any event or the Maturity Date or the last Coupon payment date falls on a day that is not a Business Day, then the due date in respect of the performance of such event or the Maturity Date or the last coupon payment date shall be paid on the immediately preceding Business Day.s

d. Interest for broken period**:** In the case of redemption of any of the Debentures on a day other than a Coupon Payment Date, in compliance with the terms and conditions of the Issue, accrued Interest on the Debentures for such broken period shall be paid on a pro-rata basis.

e. **Additional Interest**

A. Delay in execution of the Debenture Trust Deed
In case of delay in execution of this Deed beyond a period as specified in Applicable Law (i.e. prior to making the application for listing of the Debentures) in respect of the Debentures, the Company will pay additional interest of 2% (two percent) per annum over and above the Interest Rate till the Debenture Trust Deed is executed by the Parties.

B. Default in Payment and Other Defaults
In case of default in payment of interest at the Interest Rate and/ or the Redemption Amount on the respective due dates, an additional interest of 2% (two percent) per annum over and above the Interest Rate will be payable by the Company on the overdue amounts, computed from the original due date till (and including) the date on which such overdue amounts are repaid in full.

C. Delay in Listing
In case of delay in listing of the Debentures beyond 4 (Four) Business Days from the date of closure of the issue in respect of the Debentures, the Company will pay penal interest of 1% (one percent) per annum over and above the Interest Rate from the expiry of 4 (Four) Business Days from the Deemed Date of Allotment till the date of listing of the Debentures.

D. Delay in Early Redemption
In case of delay in payment of Early Redemption Amount on the Early Redemption Date, an additional interest of 15% (fifteen percent) per annum over and above the Interest Rate will be payable by the Company on such delayed amounts, computed from the original due date till (and including) the date on which such amounts are paid in full.

Computation of Interest

All Interest accruing on the face value of the Debentures shall accrue from day to day and shall be computed on the basis of the actual number of days in the relevant year and a year of 365 (Three Hundred and Sixty Five) days or, in case of a leap year, a year of 366 (Three Hundred and Sixty Six) days.

Redemption

The repayment/ redemption of the Debentures shall be made on each Redemption Date by paying the Redemption Amount in the manner specified below. The Company shall redeem all the outstanding Debentures on the Maturity Date by paying all Secured Obligations in full.

Payment of the Redemption Amount of the Debentures shall be made through the RTGS/ ECS/ Direct Credit. NEFT system to the Debenture Holders and in case of joint holders to the one whose name stands first in the register of Debenture Holders.

Effect of Holidays

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If the Coupon Payment Date of the Debentures falls on a day which is not a Business Day, the coupon payment shall be made on the immediately succeeding Business Day. If the Redemption Date of the Debentures falls on a day which is not a Business Day, the redemption proceeds shall be paid on the immediately previous Business Day as per the SEBI Operational Circular.

Illustration depicting computation of days regarding coupon and redemption has been set out below:

Name of the issuer	Piramal Capital & Housing Finance Limited
Face Value (per security)	Rs. 1,000 (Rupees One Thousand Only)
Tranche Issue date/ Date of allotment	Tuesday, 28 September 2021
Date of redemption	26 September 2031
Tenure and coupon rate	10 years, 6.75%
Frequency of the interest/ dividend payment (with specified dates)	Semi-annually; first coupon shall become payable on 28 March 2022 and subsequently at semi-annual intervals till maturity/ redemption.
Day Count Convention	Actual/ Actual

Cash Flows	**Day and date for coupon/ redemption becoming due**	**Number of days for denominator**	**Amount (in Rupees)**
1st Coupon	Monday, 28 March 2022	181	-6,538,045,837
Principal	Monday, 28 March 2022	181	-4,883,132,250
2nd Coupon	Wednesday, 28 September 2022	184	-6,480,250,957
Principal	Wednesday, 28 September 2022	184	-4,883,132,250
3rd Coupon	Tuesday, 28 March 2023	181	-6,211,143,545
Principal	Tuesday, 28 March 2023	181	-4,883,132,250
4th Coupon	Thursday, 28 September 2023	184	-6,147,930,395
Principal	Thursday, 28 September 2023	184	-4,883,132,250
5th Coupon	Thursday, 28 March 2024	182	-5,900,584,888
Principal	Thursday, 28 March 2024	182	-4,883,132,250
6th Coupon	Saturday, 28 September 2024	184	-5,799,720,189
Principal	Saturday, 28 September 2024	184	-4,883,132,250
7th Coupon	Friday, 28 March 2025	181	-5,557,338,962
Principal	Friday, 28 March 2025	181	-4,883,132,250
8th Coupon	Sunday, 28 September 2025	184	-5,483,289,271
Principal	Sunday, 28 September 2025	184	-4,883,132,250
9th Coupon	Saturday, 28 March 2026	181	-5,230,436,670
Principal	Saturday, 28 March 2026	181	-4,883,132,250
10th Coupon	Monday, 28 September 2026	184	-5,150,968,709
Principal	Monday, 28 September 2026	184	-4,883,132,250
11th Coupon	Sunday, 28 March 2027	181	-4,903,534,378
Principal	Sunday, 28 March 2027	181	-14,649,396,750
12th Coupon	Tuesday, 28 September 2027	184	-4,486,327,586
Principal	Tuesday, 28 September 2027	184	-14,649,396,750
13th Coupon	Tuesday, 28 March 2028	182	-3,933,723,258
Principal	Tuesday, 28 March 2028	182	-14,649,396,750
14th Coupon	Thursday, 28 September 2028	184	-3,479,832,113
Principal	Thursday, 28 September 2028	184	-14,649,396,750
15th Coupon	Wednesday, 28 March 2029	181	-2,942,120,627
Principal	Wednesday, 28 March 2029	181	-14,649,396,750
16th Coupon	Friday, 28 September 2029	184	-2,492,404,214
Principal	Friday, 28 September 2029	184	-14,649,396,750
17th Coupon	Thursday, 28 March 2030	181	-1,961,413,751
Principal	Thursday, 28 March 2030	181	-14,649,396,750
18th Coupon	Saturday, 28 September 2030	184	-1,495,442,529

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Principal	Saturday, 28 September 2030	184	-14,649,396,750
19th Coupon	Friday, 28 March 2031	181	-980,706,876
Principal	Friday, 28 March 2031	181	-14,649,396,750
20th Coupon	Friday, 26 September 2031	182	-493,062,573
Principal	Friday, 26 September 2031	182	-14,649,396,750
Total		3650	-280,993,567,328

Record Date

The Record Date for any Debentures shall be 15 days prior to any Due Date for such Debentures.

In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.

List of Debenture Holders/Beneficiaries

The Issuer shall request the Registrar and Transfer Agent of the issuance or the Depository, in case of dematerialised Debentures, to provide a list of Debenture Holders at the end of each Record Date. This shall be the list, which shall be considered for payment of Interest or repayment of principal amount, as the case may be.

Tax Deduction at Source (TDS)

A. Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source for which a certificate will be issued by the Company. As per the provisions of the Income Tax Act, 1961, with effect from June 1, 2008, no tax is deductible at source from the amount of interest payable on any listed dematerialised security, held by a Person resident in India. Since the Debentures shall be issued in dematerialised mode, no tax will be deductible at source on the payment/ credit of interest on Debentures held by any Person resident in India. In the event of rematerialisation of the Debentures, or Debentures held by Persons resident outside India or a change in Applicable Law governing the taxation of the Debentures, the following provisions shall apply:

(a) In the event the Debentures are rematerialised and the Company is required to make a tax deduction, the Company shall make the payment required in connection with that tax deduction within the time allowed and in the minimum amount required by Applicable Law. Any Taxes payable in relation to the Outstanding Balance shall be over and above the sum payable under the Transaction Documents;

(b) The Company shall within 60 (Sixty) days or lower period as prescribed by Applicable Law, after the due date of payment of any tax or other amount which it is required to pay, deliver to the Debenture Trustee evidence of such deduction, withholding or payment and of the remittance thereof to the relevant taxing or other authority, and shall comply with all the obligations in respect of such tax deduction as required under the Applicable Law.

For seeking TDS exemption/ lower rate of TDS, relevant certificate/ document must be lodged by the Debenture Holders at the registered office of the Company at least 15 (Fifteen) days before the interest payment becoming due. Tax exemption certificate/ declaration of non-deduction of tax at source on interest on application money should be submitted along with the application form.

Issue Procedure

Who Can Apply

Nothing in this DD shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the Indian public or any section thereof through this DD, and this DD and its contents should not be construed to be a prospectus under the Act.

This DD and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by or on behalf of the Issuer and only such recipients are eligible to apply for the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

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The following categories of investors, when specifically approached, were eligible to apply for the private placement of the Debentures and are now eligible transferees of the Debentures:

- Companies and bodies corporate including public sector undertakings
- Scheduled commercial banks
- Non-Banking Finance Company
- Mutual Funds
- Urban / Central / State / District / Primary Co-operative Banks
- Regional rural banks
- Financial institutions including development financial institutions
- Insurance companies
- Foreign Institutional Investors
- Foreign Portfolio Investors
- Other Government / Non-Government Agencies / Boards / Institutions
- Trusts
- Any other investor(s) authorised to invest in these Debentures, subject to the compliance with the relevant regulations/guidelines applicable to them for investing in this Issue.

Electronic Book Mechanism

As per the terms of the approved Resolution Plan and in compliance with the NCLT Order, PCHFL will be issuing the Debentures for an amount of INR 1,95,32,52,90,000 (Rupees Nineteen Thousand Five Hundred Thirty Two Crores And Fifty Two Lakhs Ninety Thousand Only) to the financial creditors. Therefore, the size of this issuance will far exceed the INR 100 crores limit set out under the SEBI Operational Circular for the mandatory use of the electronic book provider platform ("**EBP Platform**").

There are approximately 2,400 financial creditors to whom the Debentures need to be issued as part consideration for the assignment/ transfer of the debt of DHFL. Considering: (a) the large diverse pool of financial creditors (including small retail investors) to whom the Debentures are required to be issued; and (b) this issuance will be: (i) pursuant to an NCLT Order and on such terms as have been approved by NCLT; and (ii) limited to current financial creditors of DHFL (and not public/ new investors at large), PCHFL will need operational flexibility (without mandatorily going through EBP Platform) to complete the issuance in the most optimal manner and comply with the NCLT Order. Considering the above, PCHFL filed an application with the SEBI seeking approval of the issuance of the Debentures through an alternate mechanism and not through the EBP Platform.

The Issuer has been, pursuant to an approval dated September 13, 2021 issued by SEBI, exempted from utilizing the electronic book provider platform for the present issuance, to enable the Company to implement the Resolution Plan in accordance with the NCLT Order.

How to Apply

Application(s) for the Debentures must be made submitting the Application Form accompanying this DD issued in relation to the NCD issue, which must be completed in block letters in English.
The applications must be accompanied by certified true copies of (i) a letter of authorization, and (ii) specimen signatures of authorised signatories.

Instructions for Application

- Application must be completed in BLOCK LETTERS IN ENGLISH. A blank must be left between two or more parts of the name.

- Signatures should be made in English.

- Applications for incorrect amounts are liable to be rejected.

- Applications under Power of Attorney/Relevant Authority

  In case of an application made under a power of attorney or resolution or authority to make the application a certified true copy of such power of attorney or resolution or authority to make the application and the Memorandum and Articles of Association and/or bye-laws of the Investor must be attached to the Application Form at the time of making the application, failing which, the Company reserves the full, unqualified and absolute

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right to accept or reject any application in whole or in part and in either case without assigning any reason therefore. Further any modifications / additions in the power of attorney or authority should be notified to the Company at its registered office. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application.

- An application once submitted cannot be withdrawn. The applications should be submitted during normal banking hours at the office mentioned below:

  Piramal Capital & Housing Finance Limited
  4th Floor, Piramal Tower,
  Peninsula Corporate Park, Ganpatrao Kadam Marg
  Lower Parel Mumbai, Maharashtra 400 013, Direct +91 22 30465903, Fax +91 22 6151 3444

- The applications would be scrutinised and accepted as per the terms and conditions specified in this DD.

- The Company is entitled at its sole and absolute discretion to accept or reject any application, in part or in full without assigning any reason whatsoever. Any application, which is not complete in any respect, is liable to be rejected.

- Applicants residing or situated at places other than in Mumbai, may send their application to the centre mentioned above.

- The Investor/Applicant shall apply for the Debentures in electronic, i.e., dematerialised form only. Applicants should mention their Depository Participant's name, DP-ID and Beneficiary Account Number in the Application Form. In case of any discrepancy in the information of Depository/Beneficiary Account, the Company shall be entitled to not credit the beneficiary's demat account pending resolution of the discrepancy.

  The Applicant is requested to contact the office of the Company as mentioned above for any clarifications.

Applications under Power of Attorney

A certified true copy of the Power of Attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to its Registrar and Transfer Agent or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

Basis of Allotment

The Issuer shall decide the final allocation/Allotment. The Issuer reserves the right to reject in full or partly any or all the offers received by them to invest in these Debentures without assigning any reason for such rejections.

Right to Accept or Reject Applications

The Board of the Issuer reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The rejected applicants will be intimated of the same. The Application Forms that are not complete in all respects are liable to be rejected. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- Details for issue of Debentures in electronic/ dematerialised form not given;
- In case of applications under power of attorney by limited companies, corporate bodies, etc. relevant documents not submitted.

Depository Arrangements

The Issuer has appointed Link Intime India Private Limited as Registrar and Transfer Agent for the present Debenture issue. The Issuer has made necessary depository arrangements with NSDL/ CDSL for issue and holding of Debentures in dematerialized form.

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Transfer of Debentures

The Debentures shall be freely transferable and transmittable by the Debenture Holders in whole or in part without the prior consent of the Company.

Debenture Trustee for the Debenture Holder(s)

The Issuer has appointed Catalyst Trusteeship Limited to act as Debenture Trustee for the Debenture Holders (hereinafter referred to as "**Trustee**"). A copy of letter from the Debenture Trustee conveying its consent to act as Debenture Trustee for the Debenture Holders is enclosed in this DD at **Annexure II**. The address and contact details of the Debenture Trustee are as under:

Catalyst Trusteeship Limited GDA House, Plot No. 85,
Bhusari Colony (Right),
Kothrud, Pune-411038Tel: +91 20 66807200
Email: dt@ctltrustee.com

1. The Issuer and the Trustees have entered into a Debenture Trustee Agreement, inter alia, specifying the rights, powers, authorities and obligations of the Issuer and the Debenture Trustee in respect of the Debentures.
2. The Debenture Holder(s) shall, by signing the Application Form and without any further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorized officials to do inter-alia all acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of this DD.
3. All the rights and remedies of the Debenture Holders shall vest in and be exercised by the said Debenture Trustee without reference to the Debenture Holders unless otherwise provided in the DD.
4. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so unless otherwise provided in the DD.
5. Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holders.
6. The Debenture Trustee will protect the interest of the Debenture Holders in the Event of Default by the Issuer in regard to timely payment of Interest and they will take necessary action at the cost of the Issuer.

The Debenture Trustee shall duly intimate the Debenture Holders and the general public by issuing a press release on occurrence of any of the following events:

(a) default by the Company to pay Interest on the Debentures or Redemption Amount;
(b) failure of the Company to create a charge on the assets for the secured Debentures; and
(c) revision of credit rating assigned to the Debentures.

Such information shall also be placed on the websites of the Debenture Trustee, the Issuer and the Exchange.

Underwriting of the Issue

The Issue of Debentures has not been underwritten.

Early Redemption

a) The Debentures may be redeemed by the Company, whether in part or in full, any time, after the expiry of 5 (Five) years from the Deemed Date of Allotment of such Debentures unless it is not permitted under Applicable Law("**Early Redemption Date**").

b) Any early redemption of the Debentures in accordance with this paragraph shall be subject to the Company issuing a notice to the Debenture Trustee and/ or the Debenture Holders (if required under Applicable Law) ("**Early Redemption Notice**") at least 21 (Twenty one) days prior to the proposed Early Redemption Date. The Early Redemption Notice must specify (i) the Early Redemption Date; and (ii) whether the redemption is to be carried out in terms of paragraph (d) or (e) below (and where such Early Redemption is to be carried out in terms of (e) below, the outstanding amount of such Debentures that are proposed to be redeemed).

c) The Company shall provide a copy of the Early Redemption Notice to the Exchange.

d) Subject to sub-paragraph (e) below, in the event that the right available to the Company under sub-paragraph (a) above is exercised by the Company, the Company will be required to pay to the Debenture Holders an amount

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equivalent to:
(i) the nominal value of the Debentures being redeemed;
(ii) accrued but unpaid interest till the Early Redemption Date, default interest (if applicable), costs, charges, fees and any other monies/ amounts (as applicable) due and payable to the Debenture Holders, their trustees, agents or advisors under the Transaction Documents.

e) If, pursuant to exercise of the right available to the Company under sub-paragraph (a) above, the amount to be redeemed is less than the total Outstanding Balance, then such redemption shall be proportionately across all outstanding Debentures such that the Outstanding Nominal Value of each Debenture is reduced equally to the extent of the amounts paid on the Early Redemption Date in respect of such Early Redemption and such amounts are applied pro-rata to payment obligations of the Company specified in the Redemption Schedule.

f) Upon redemption or payment as specified in (e) above, the Company shall continue to remain obliged to make all payments in respect of all the remaining Outstanding Balance until the Final Settlement Date in accordance with the Transaction Documents. All redemption of the Debentures will be in accordance with: (i) Applicable Law (including any restrictions applicable to foreign portfolio investors); and (ii) the provisions of the Transaction Documents.

g) The Early Redemption Notice, once delivered to the Debenture Trustee and/ or the Debenture Holders (if required under Applicable Law) in accordance with this paragraph, shall be irrevocable.

h) The Issuer shall also provide a copy of the Early Redemption Notice to the Exchange and shall make an advertisement in an English national daily and regional daily having wide circulation at the place where the registered office of the Issuer is situated, indicating the details of such rights and eligibility of the Debenture Holders who are entitled to avail such right.

i) After the completion of the exercise of such right, the Issuer shall:
(i) submit a report to the Exchange regarding the details of Debentures redeemed during the exercise period and details of redemption thereof;
(ii) inform the Debenture Trustee regarding the Debentures redeemed during the exercise period and details of early redemption thereof; and,
(iii) inform the Depositories for extinguishing the Debentures that have been redeemed.

Buy-back and extinguishment of the Debentures

a) The Company shall, prior to the Merger Event and post the Merger Event, subject to Applicable Law and the terms of the Disclosure Document at any time and from time to time and subject to compliance with (b) below, have the power exercisable at its sole and absolute discretion to purchase some or all of the Debentures held by the Debenture Holders at any time prior to the specified date(s) of redemption from the open market, subject to Applicable Law and in accordance with the prevailing guidelines/ regulations issued by the RBI, NHB, SEBI and other authorities.

b) The Company can exercise its right to re-purchase some or all of the Debentures in accordance with (a) above, only if the option of re-purchase is made available to all of the Debenture Holders in terms of a written notice to be issued by the Company to the Debenture Trustee ("**Repurchase Notice**"), which written notice must (a) specify the number of Debentures the Company is proposing to re-purchase; (b) the timeline within which the relevant Debenture Holder may accept the offer of the Company to re-purchase the Debentures; and (c) the proposed date on which such re-purchase will be made by the Company ("**Repurchase Date**").

c) Each Repurchase Notice is irrevocable.

d) If, the option to repurchase pursuant to the Repurchase Notice by the Company is oversubscribed by the Debenture Holders, then such repurchase shall be done by the Company proportionately across all Debenture Holders who have accepted the offer of the Company to re-purchase under sub-paragraph (a) above.

e) The Company shall redeem the Debentures which are subject to the repurchase option as set out sub-paragraph (a) and (b) above in full and shall pay:
(iv) the nominal value of the Debentures being re-purchased; and
(v) accrued but unpaid interest till the Repurchase Date along with default interest (if applicable), costs, charges, fees and any other monies/ amounts (as applicable) due and payable to such Debenture Holders, their trustees, agents or advisors under the Transaction Documents as of that Repurchase Date.

f) The Debentures so purchased shall be cancelled by the Company and the Company shall immediately after and in

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any event no later than 1 (One) Business Day following each such repurchase, notify the Debenture Trustee in writing of the number of Debentures which continue to remain outstanding.

g) All costs incurred by the Debenture Holders (including but not limited to break costs relating to interest, currency exchange and/ or hedge agreements) pursuant to the repurchase by the Company before the Maturity Date as set out above, shall be borne by Company, and will be calculated (and the Debenture Holders will be reimbursed) on the basis as if an acceleration event had occurred.

Issue/ Instrument specific regulations

The Companies Act, 2013, , SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 10 August 2021, Uniform Listing Agreement issued by SEBI *vide* Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015, the Companies Act, 1956 (to the extent not repealed and in force), the Companies Act, 2013, Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014, Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI notification no. RBI/2020-21/73 dated 17 February 2021, as amended from time to time and/ or any Applicable Law including all other notification, circular, press release issued by SEBI/ RBI/ NHB, from time to time.

Undertaking by the Issuer

The Issuer undertakes that:

a) the Company shall make best efforts to settle investor grievances expeditiously and satisfactorily within 30 (Thirty) days from the date of receipt of such complaint . In case of non-routine complaints and where external agencies are involved, the Company shall make best endeavours to redress these complaints as expeditiously as possible.
b) it shall take all steps for completion of formalities for listing and commencement of trading at all the concerned Exchange(s) where securities are to be listed and taken within 4 (Four) Business Days from the date of closure of the Issue;
c) necessary co-operation to the Rating Agencies shall be extended in providing true and adequate information till the debt obligations in respect of the Debentures are outstanding;
d) it shall provide latest audited or limited review financials in line with timelines as mentioned in by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, for furnishing / publishing its half yearly/ annual result.

Sharing of Information

The Issuer may, at its option, use on its own, as well as exchange, share or part with any financial or other information about the Debenture holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer or its subsidiaries and affiliates nor their agents shall be liable for use or disclosure of the aforesaid information.

Register of Debentures Holders

The Company shall, as required by the provisions of the Act, keep and maintain a register of the Debenture Holders, and enter therein the particulars prescribed under the Act and related rules, including addresses of the Debenture Holders, record of subsequent transfers and changes of ownership and provide a certified true copy of such updated register of Debenture Holders to the Debenture Trustee.

Notices

Any notice, demand, communication or other request (individually, a "**Notice**") to be given or made under this DD and the Debenture Trust Deed shall be in writing and in English. Such Notice shall be delivered by hand, registered mail (postage prepaid and with acknowledgement due), electronic mail or recognised overnight courier service to the party to which it is addressed at such party's address specified in the Debenture Trust Deed or at such other address as such party shall from time to time have designated by 15 (Fifteen) Business Days' prior written Notice to the Debenture Trustee/ Company (as the case may be).

All such Notices and communications shall be effective: (a) if sent by Person, when delivered; (b) if sent by courier, when proof of delivery is received; (c) if sent by registered letter when acknowledgement of delivery is received; and

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(d) if sent by electronic mail, when the Person does not receive a delivery failure message. In case of sub-clauses (b) and (c), in case acknowledgement is not received, Notices and communications shall be effective upon receipt of 'remark of non-acceptance/ refusal to accept', from the courier agency/ postal authority.

An original of each Notice and communication sent by overnight courier (if for inland delivery) or international courier (if for overseas delivery) and, if such Person or courier service is not available, by registered airmail (or, if for inland delivery, registered first class mail) with postage prepaid and acknowledgement due, provided that the effective date of any such Notice shall be determined in accordance with the above clause without regard to the dispatch of such original.

Trusts of Debentures not recognised and Succession

The Company and the Debenture Trustee shall not be affected by any notice, express or implied of the right, title or claim of any Person to such monies other than the Debenture Holders. However, in the event of demise of a Debenture Holder, the Company will recognize the executor or administrator of the demised Debenture Holder or the other legal representative of the demised Debenture Holder as the registered holder of such Debenture(s), if such a Person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter and delivers a copy of the same to the Company. The Company may, in its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the demised Debenture Holder on production of sufficient documentary proof or indemnity. In case a Person other than individual holds the Debenture, the rights in the Debenture shall vest with the successor acquiring interest therein, including the liquidator of any such Person appointed as per the Applicable Law.

Debenture Holder not entitled to shareholders' rights

The Debenture Holders shall not be entitled to any of the rights and privileges available to the shareholders of the Company including right to receive notices of or to attend and vote at general meetings or to receive annual reports of the Company.

Provisions for Meeting of Debenture Holders

The terms set out in the relevant provisions of the Debenture Trust Deed shall apply to the meetings of the Debenture Holders.

Modification to the Transaction Documents

Any modifications to the Transaction Documents shall be made only upon the concurrence of the Company and the Debenture Trustee, and in writing. The Debenture Trustee shall with the authority of a Majority Resolution make any modifications to these presents.

Governing Law and Jurisdiction

The Issue shall be governed by and construed in accordance with the laws of India.

The Company agrees that the courts and tribunals at Mumbai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Transaction Documents and that accordingly, any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Transaction Documents may be brought in such courts or tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.

The Company irrevocably waives any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at Mumbai and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at Mumbai shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction, (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by law.

Nothing contained in this clause, shall limit any right of the Secured Parties to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal,

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and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

The Company hereby consents generally in respect of any Proceedings arising out of or in connection with this DD and the Debenture Trust Deed to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings. For the avoidance of doubt, this provision shall not restrict the right of the Company to participate in such Proceedings or appeal against the order of any court or tribunal in any such Proceedings.

To the extent that the Company may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Company hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

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SECTION V

DISCLOSURES PERTAINING TO WILFUL DEFAULTER

The Issuer for itself and on behalf of its promoters makes the following disclosures:

Name of the bank declaring the entity as a wilful defaulter: Not Applicable
The year in which the entity is declared as wilful defaulter: Not Applicable
Outstanding amount when the entity is declared as wilful defaulter: Not Applicable
Name of the entity declared as a wilful defaulter: Not Applicable
Steps taken, if any, for the removal form the list of wilful defaulter: Not Applicable
Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: Not Applicable
Any other disclosure as specified by the board: Not Applicable

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COMPANY'S DECLARATION

The Issuer undertakes that this Disclosure Document contains full disclosures in accordance with SEBI Regulations, SEBI Operational Circular, as well as the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' in Section I of this Disclosure Document under the section 'General Risks'.

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that, this Offer Document contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/placement memorandum. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

The Issuer accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the Issuer and that any one placing reliance on any other source of information would be doing so at his own risk.

Without prejudice to the above, the Company and the Directors of the Company, confirm that:

(a) The Company has complied with the provisions of the Act and the rules made thereunder in relation to the Issue;

(b) The Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder; and

(c) The compliance with the Act and the rules do not imply that payment of dividend or interest or repayment of Debentures, if applicable, is guaranteed by the Central Government.

The Company confirms that the Debentures shall be issued only as part consideration towards assignment and transfer of DHFL Financial Debt in favour of the Company on the terms and conditions as set out in the Debenture Trust Deed and the Disclosure Document and it shall not receive any proceeds towards issuance of the Debentures.

The permanent account number, Aadhaar number, driving license number, bank account number(s) and passport number of the promoters and permanent account number of directors have been submitted to the Exchange at the time of filing the draft offer document.

I, Mr. Bipin Singh, is authorized by the Committee of Directors (Administration Authorisation and Finance) of the Issuer *vide* resolution dated 23 September 2021 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this Disclosure Document and matters incidental thereto have been complied with. Whatever is stated in this Disclosure Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of the Disclosure Document has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association of the Company.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form

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For **Piramal Capital & Housing Finance Limited**

Signed by Mr. Bipin Singh

Authorised Signatory
Date: 23rd September 2021
Place: Mumbai

Enclosed
Annexure I – Rating Letter by the Rating Agencies and the Rating Rationale adopted
Annexure II – Debenture Trustee Consent Letter
Annexure III – Illustration of NCD Cash Flows per Debenture
Annexure IV – List of Directors along with their other Directorships
Annexure V – Audited Financial Statements
Annexure VI – Copy of Committee Resolution
Annexure VII – Copy of Shareholders Resolution
Annexure VIII – Due Diligence Certificate provided by the Debenture Trustee
Annexure IX – In-Principle Approval for Listing from NSE and BSE
Annexure X – List of documents which have been executed in connection with the Issue
Annexure XI – Management Discussion and Analysis

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ANNEXURE I

RATING LETTER ISSUED BY THE RATING AGENCIES AND RATING RATIONALE ADOPTED

CARE Ratings

CARE Ratings
Professional Risk Opinion

No. CARE/HO/RL/2021-22/2302

Shri Lalit Ostwal
Head - Treasury
Piramal Capital & Housing Finance Limited
(Erstwhile known as Piramal Housing Finance Ltd)
4th Floor, Piramal Towers,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai, Maharashtra 400013.

September 17, 2021

Confidential

Dear Sir,

Credit rating for Non-Convertible Debentures

Please refer to our letter no. CARE/HO/RL/2021-22/1683 dated July 01, 2021 and your request for revalidation of the rating assigned to the Non-Convertible Debentures of your company, for a limit of Rs.31,510.00 crore.

2. The following rating(s) have been reviewed:

Sr. No.	Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
1.	Non Convertible Debentures	460.00	CARE AA (CWD) (Double A) (Under Credit watch with Developing Implications)	Continues to be on Credit watch with Developing Implications
2.	Non Convertible Debentures	7,500.00	CARE AA (CWD) (Double A) (Under Credit watch with Developing Implications)	Continues to be on Credit watch with Developing Implications
3.	Non Convertible Debentures	3,000.00	CARE AA (CWD) (Double A) (Under Credit watch with Developing Implications)	Continues to be on Credit watch with Developing Implications
4.	Non Convertible Debentures	1,000.00	CARE AA (CWD) (Double A) (Under Credit watch with Developing Implications)	Continues to be on Credit watch with Developing Implications
5.	Non Convertible Debentures	19,550.00	CARE AA (CWD) (Double A) (Under Credit	Continues to be on Credit watch

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

CARE Ratings Ltd.

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400022.
Tel.: +91-22-6754 3456 || Fax: +91-22-022 6754 3457 || www.careratings.com || CIN-L67190MH1993PLC071691

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CARE Ratings
Professional Risk Opinion

Sr. No.	Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
			watch with Developing Implications)	with Developing Implications
	Total Instruments	31,510.00 (Rs. Thirty-One Thousand Five Hundred Ten Crore Only)		

**Outstanding: Rs.10,100.90 crore, Proposed limit of Rs.21,409.10 crore as on September 17, 2021*

3. The proposed NCDs of Rs.19,950 crore would have a tenure of upto 10 years.
4. CARE will take a view on the ratings once the exact implications of the [announcement related to PCHFL being announced as the successful resolution applicant for DHFL, under the Corporate Insolvency Resolution Process for DHFL and the possible impact of the same on the credit risk profile of the company are clear.
5. Please arrange to get the rating revalidated, in case the proposed issue is not made within **six months** from the date of this letter.
6. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr.)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Trustee/IPA	Details of top 10 investors

7. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
8. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE shall carry out the review on the basis of best available information throughout the life time of such

CARE Ratings
Professional Risk Opinion

instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

9. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
10. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
11. CARE ratings are not recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Bhavik Mayur Shah
Analyst
bhavik.shah@careratings.com

Aditya R Acharekar
Associate Director
aditya.acharekar@careratings.com

Encl.: As above

CARE Ratings Ltd.

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.
Tel.: +91-22-6754 3456 || Fax: +91-22-022 6754 3457 || www.careratings.com || CIN-L67190MH1993PLC071691

CARE Ratings
Professional Risk Opinion

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

CARE Ratings Ltd.

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.
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Press Release

CARE Ratings

Piramal Capital & Housing Finance Limited
July 07, 2021

Ratings

Instruments/ Facilities	Rated Amount (Rs. crore)	Rating[1]	Rating Action
Long Term Bank Facilities	31,100 (Rs. Thirty One Thousand One Hundred Only)	CARE AA (CWD) [Double A (Under Credit watch with Developing Implications)]	Continues to be on Credit watch with Developing Implications
Non Convertible Debentures	3,000 (Rs. Three Thousand crore only)	CARE AA (CWD) [Double A (Under Credit watch with Developing Implications)]	Continues to be on Credit watch with Developing Implications
Non Convertible Debentures	7,500 (Rs. Seven Thousand Nine Hundred Sixty crore only)	CARE AA (CWD) [Double A (Under Credit watch with Developing Implications)]	Continues to be on Credit watch with Developing Implications
Non Convertible Debentures	460 (Rs. Four Hundred Sixty crore only)	CARE AA (CWD) [Double A (Under Credit watch with Developing Implications)]	Continues to be on Credit watch with Developing Implications
Non Convertible Debentures	1,000 (Rs. One Thousand crore only)	CARE AA (CWD) [Double A (Under Credit watch with Developing Implications)]	Assigned
Non Convertible Debentures	19,550 (Rs. Nineteen Thousand Five Hundred Fifty crore only)	CARE AA (CWD) [Double A (Under Credit watch with Developing Implications)]	Assigned
Subordinate Debt	500 (Rs. Five Hundred crore only)	CARE AA (CWD) [Double A (Under Credit watch with Developing Implications)]	Continues to be on Credit watch with Developing Implications
Subordinate Debt	1,000 (Rs. One Thousand crore only)	CARE AA (CWD) [Double A (Under Credit watch with Developing Implications)]	Continues to be on Credit watch with Developing Implications
Proposed Public Issue of Non Convertible Debentures	2,000 (Rs. Two Thousand crore only)	CARE AA (CWD) [Double A (Under Credit watch with Developing Implications)]	Continues to be on Credit watch with Developing Implications
Principal Protected Market Linked Debentures	600 (Rs. Six hundred crore only)	CARE PP-MLD AA (CWD) (Principal Protected-Market Linked Debentures Double A) (Under Credit watch with Developing Implications)	Continues to be on Credit watch with Developing Implications
Principal Protected Market Linked Debentures	500 (Rs. Five Hundred crore only)	CARE PP-MLD AA (CWD) (Principal Protected-Market Linked Debentures Double A) (Under Credit watch with Developing Implications)	Assigned
Commercial Paper	5,000 (Rs. Five Thousand crore only)	CARE A1+ (A One Plus)	Reaffirmed
Short-term Inter Corporate Deposits	500 (Rs. Five Hundred crore only)	CARE A1+ (A One Plus)	Reaffirmed

Details of instruments/facilities in Annexure-1

The Ratings assigned to Rs.19,550 crore worth of NCD is with respect to proposed deferred payments to DHFL creditors under the resolution plan as approved by NCLT on June 07, 2021.

Detailed Rationale & Key Rating Drivers

The ratings assigned to various instruments and bank facilities of Piramal Capital & Housing Finance Limited continues to remain 'Under Credit Watch with Developing Implications'. Earlier during January 2021, CARE had placed the ratings under credit watch with developing implication following the announcement made by Piramal Enterprises Limited (parent company), vide stock exchange notification dated January 22, 2021, that the Committee of Creditors of Dewan Housing Finance Limited (DHFL) has declared PCHFL as successful resolution applicant in relation to the Corporate Insolvency

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

Resolution Process of DHFL under the Insolvency & Bankruptcy Code, 2016 and identified the resolution plan submitted by PCHFL as successful resolution plan vide the Letter of Intent (LOI) from the Administrator of DHFL.

The acquisition would be significant as compared to the existing balance sheet size of PCHFL and PEL; as a result, the long-term ratings have been put on 'Credit Watch with Developing Implications'. While the transaction will increase the retail asset proportion in PCHFL's loan book, it will also lead to an increase in overall gearing. CARE is yet to review the asset quality and the provisioning requirement in DHFL's residual Retail loan portfolio (On book including the MRR portion of the securitized portfolio) which stands at ~ Rs.26,500 crore (Gross level) as on March 31, 2021, consisting of Housing Loans (69.5%), Non-Housing Loan (19.0%) and SME loan book (11.5%) and also the status of residual wholesale loan book.

CARE has noted that the said resolution plan has received approval from RBI, Competition Commission of India (CCI) and NCLT; and the group is working out the nuances of the plan and its implementation. CARE will continue to engage with the management of the Piramal group to obtain a better understanding on this development and will resolve the watch once there is enough clarity related to the outcome of legal suits against the resolution plan and consequent impact of acquisition on the business & financial profile of PCHFL and PEL.

The ratings continue to derive strength from strong and resourceful promoter group which has presence in diversified segments like real estate, healthcare, and financial services, along with shared brand name and common treasury with its parent, Piramal Enterprises Limited (PEL) (rated 'CARE AA (Under credit watch with Developing Implications)'. PCHFL is the flagship company in the financial services segment of the Piramal group. The ratings also take into account the experienced Board of Directors and management team, capitalization comfortably above regulatory requirement and moderate leverage of the company. Further, the rating is also supported by diversified resource profile and adequate liquidity profile.

Apart from significant experience in the healthcare business, the promoter group has experience in real estate and real estate financing and the company has built-in strong risk management and asset monitoring processes which helps it to proactively manage its exposures.

However, a prolonged slowdown in the real estate market has resulted in increase in stress in Real estate portfolio. While company has adequate provisioning as of now, any further deterioration in asset quality will be key monitorable.

The rating strengths are further constrained by PCHFL's moderately seasoned loan book and moderation in asset quality along with significant exposure to the real estate sector. Further, the client concentration in the loan portfolio given the large ticket size of loans to real estate developers continues to remain high. The group has been taking steps to reduce the proportion of wholesale book either by sell down of its exposures, refinance or other measures and has plan to reduce the level and proportion of real estate exposures in the near to medium term and bring in more granularity to the loan book by reducing the borrower concentration. CARE will continue to monitor the progress on the same and would review the ratings if required. CARE also takes comfort from the Piramal group's demonstrated resource raising ability both at PEL (the parent company) levels as well as in PCHFL.

The risk aversion in the market continues towards the NBFC / HFC sector in general and wholesale lending focused nonbanking lenders which has seen challenges in resource mobilization in recent times. Therefore, continuous mobilization of resources and maintaining adequate liquidity in the current operating environment is a key rating monitorable for PCHFL.

Rating sensitivities:

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

- Substantial reduction in exposure to real estate segment in overall loan book and reduction in single group exposure to tangible net worth on a sustained basis.

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

- Deviation from plan to reduce real estate loan book going forward.
- Mismatch in asset liability maturities and challenges in raising long term funding.
- Further deterioration in asset quality with Net-NPA going above 4% on a sustained basis based on current loan book
- Reduction in support from Piramal Enterprises Limited.

Detailed description of the key rating drivers

Key Rating Strengths

Strong and resourceful promoter group

PCHFL (post amalgamation) is a wholly owned subsidiary of PEL that is a part of the Ajay Piramal group of companies. The group is a diversified Indian business house with interests in healthcare, real estate, and financial services. The company has successful track record of around more than two decades in the healthcare business. Over the past decade, the group has built its financial services business with consolidated loan portfolio of Rs.44,668 crore as on March 31, 2021 (Rs.50,963 crore as on March 31, 2020) with PCHFL being the flagship company for the financial services business of the group.

CARE also takes comfort from the Piramal group's demonstrated resource raising ability both at PEL (the parent company) levels as well as in PCHFL. The group has demonstrated ability to raise resources time and again with raising around Rs.7,000 crore of fresh equity in FY18 and Rs.5,400 crore in FY20 (including of Rs.1,750 crore from CDPQ). Further PEL has also raised ~Rs.9,000 crore from part stake sale of its investment in Shriram group and sale of Healthcare & Analytics business in FY20.

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This provides cushion to the group's ability to absorb any external shocks in financial services business. Further, Piramal Pharma Limited (PPL, 100% subsidiary of Piramal Enterprises Limited) has raised around Rs.3,500 crore by 20% equity stake dilution to Carlyle Group. The above steps have helped PEL to reduce leverage over past couple of years and improve its liquidity profile. CARE also takes note of PEL's intent to exit from its investment in the Shriram group which will further deleverage its balance sheet and provides comfort.

While PEL has total equity deployment in financial services business of ~Rs.18,073 crore and debt support in terms of ICD's. PCHFL being the flagship entity of the financial services business of PEL, is expected to continue to receive support from PEL as and when needed.

Shared brand name and common treasury between PEL and PCHFL

PCHFL benefits from group synergies in the form of shared 'Piramal' brand name, capital, managerial and operational support from the parent. PCHFL also benefits from the real estate expertise of Piramal Group. The financial services companies of the group have a shared treasury desk, which is responsible for raising resources for the financial services segment. The common treasury help's PCHFL to raise resources to fund growth at a competitive rate.

Experienced board of directors and management team

The company's board is headed by Mr. Ajay Piramal who is the promoter and Chairman of the Piramal group. The company has a strong Board of Directors comprising experienced professionals. The company's management team comprises of qualified professionals heading different business verticals with adequate and relevant experience in their respective fields.

Significant experience of group in the real estate space with

The loan portfolio of PEL – Financial Services business has grown from Rs.4,766 crore as on March 31, 2015, to Rs.Rs.44,668 crore as on March 31, 2021 (March 31, 2019: Rs.56,624 crore) with nearly 80% of overall book consisting of real estate finance. The book has degrown in past couple of years on account of challenges faced by wholesale entities, especially with real estate exposures in raising resources. The company has consciously decided to reduce the wholesale disbursement while it was revamping its retail lending strategy which led to overall slowdown in disbursements since FY20.

As on March 31, 2021, PCHFL's exposure to real estate segment constituted 79% (March 31, 2020: 74%) of the total loan portfolio and PCHFL remains one of the largest non - bank real estate financiers in India with real estate loan book of Rs.24,198 crore. Real estate finance largely comprises of construction finance, corporate loans and small portion of LRD loans. Post the merger into HFC and scale up of retail home loan book, PCHFL has seen gradual diversification and the proportion of retail loan portfolio increased to 14% as on March 31, 2021 (March 31, 2020: 16%) as against nearly 4% as on March 31, 2018. The loan portfolio also comprises of 5% of Corporate Finance Group (7%) and 2% of Emerging Corporate Lending (2%) as on March 31, 2020. Over the years, through its experience, the group has developed expertise in the real estate business which helps its financial services business through providing valuable insights in funding real estate projects.

Capitalization comfortably above the minimum regulatory requirement and comfortable gearing levels

PEL has been raising equity capital and has been providing growth capital to the financial services business including PCHFL. Out of the around Rs.7,000 crore of equity capital raised by PEL in FY18, Rs.3,500 crore was infused as equity capital in PCHFL in FY18 which helped the company strengthen its capitalization levels. During FY20, PEL further raised nearly Rs.14,500 crore of capital (including Rs.5,400 crore of fresh equity) from which it infused Rs.1,400 crore into PCHFL to strengthen its capitalization levels.

PCHFL reported tangible net worth of Rs.11,187 crore as on March 31, 2021 (March 31, 2020: Rs.10,166 crore). The company reported capital adequacy ratio (CAR) of 32.30%, which is well above regulatory requirement, with Tier I CAR at 32.06% as on March 31, 2021, and overall gearing level of 2.67 times (March 31, 2019: 3.51 times) as company is reducing debt since past 2 years on account of tough operating environment for NBFCs and reduction in loan book.

PEL (consolidated) has been raising capital and reducing the leverage at the group level over the last two years. PEL (consolidated) reported net worth of Rs.31,578 crore as on March 31, 2021, with net debt of Rs.30,154 crore. The company's consolidated net gearing stood at 0.91 times as on March 31, 2021, as compared to 2.02 times as on March 31, 2019.

Diversified resource profile and adequate liquidity profile

PCHFL has a diversified resource profile with PCHFL's borrowing comprising of bank borrowings (50%), Non-Convertible Debentures (36%), ICDs (9%), ECB's (2%) and Securitization (3%) as on March 31, 2021, while funding through Commercial Paper reduced to 0.1% from 15% of its total borrowings as on March 31, 2019. The company has reduced its reliance on short-term borrowing which has helped it improve its asset liability maturity profile.

The parent company, PEL on consolidated level has raised long term debt resources to the tune of ~Rs.13,500 crore during FY20 and ~Rs.20,220 crore during FY21 (of which PCHFL has raised nearly ~Rs.12,000 crore) largely from public sector banks in recent times, which has been used to refinance the immediate terms maturities.

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PCHFL's liquidity profile as on March 31, 2021, was comfortable on account of Rs.5,458 crore free cash and equivalent as against Rs.4,852 crore worth of Outflows during next 6 months. While significant cash will be required to fund the DHFL acquisition, CARE expects company to maintain adequate liquidity in near term.

Key Rating Weaknesses

Moderately seasoned loan book

The Piramal group has largely built its wholesale loan portfolio post FY16 due to which the seasoning of the loan book is moderate and the performance of the asset quality over multiple business cycles is yet to be seen.

Also, the majority of retail portfolio of Rs.4,404 crore (March 31, 2020: Rs.5,503 crore) as on March 31, 2021, has been disbursed over post FY17 and the performance of the same is yet to be seen over multiple economic and business cycles.

Moderation in profitability over past couple of years largely on account of provisioning and degrowth in portfolio

During FY21, the company reported Profit After Tax (PAT) of Rs.1,034 crore on total income of Rs.5,088 crore as against PAT of Rs.30.5 crore on total income of Rs.5,623 crore during FY20. During Q4FY20, the company made one-time incremental conservative provisioning for expected credit loss on account of current macro situation in light of COVID-19 resulting in significant decline in profit for FY20. Further, the company has written off accumulated MAT credit of Rs.504.61 crore on account of selection of lower tax at 25.168% and reversed deferred tax liabilities of Rs.131.74 crore through P&L thus resulting into one-time expense of Rs.372.86 crore.

While PAT has improved sequentially for FY21, the profitability has moderated over past couple of years with company reporting ROTA of 2.49% and 0.1% for FY21 and FY20 respectively as against 3.82% during FY19. The Pre-provisioning Operating (PPOP) has also moderated to Rs.1,460 crore as against Rs.1,778 crore for FY20 and Rs.2,342 crore for FY19 on account of reduction in Loan book by ~20% since March 31, 2019. The Return on net-worth has reduced from 17.16% during FY19 to 9.675 during FY21.

Moderation in asset quality

The group has put in place strong risk management practices, rigid underwriting norms and set up an asset monitoring division for continuous monitoring of the loan portfolio.

The asset quality has deteriorated on account of slowdown in real estate since past couple of years and further impacted by impact of Covid-19 on various sector of economy including real estate and Auto ancillary, where the company has experienced defaults during FY21. On overall PEL - financial services level, the group has reported GNPA of 4.5% as on March 31, 2021 (March 31, 2020: 2.40%) with nearly 49% of provisioning coverage ratio. CARE takes comfort from healthy provisioning including management overlay for Covid-19 which stand at 6.3% of overall loan book.

As on March 31, 2021, PCHFL reported deterioration in asset Quality with Gross NPA ratio of 3.46% (March 31, 2020: 2.12%), Net NPA ratio of 1.87% (1.37%) and Net NPA to Net worth ratio of 5.2% (4.7%).

During the initial months of lockdown, the financial services business saw borrowers opting for moratorium under regulatory relief. Around 67% of the wholesale portfolio and 25% of the retail portfolio were under moratorium as of May 2020 (moratorium 1) and around 74% of the wholesale portfolio and 25% of the retail portfolio were under moratorium as of August, 2020 (moratorium 2).

The economic slowdown, lower sales/construction/collection by real estate developers during lockdown and moratorium availed by them under regulatory relief package for Covid-19, affected the collections of the company in absolute numbers. While the construction activity has resumed post lifting of lockdown, along with increase in sales in H2FY21 as compared to lockdown months, the sustenance of the same needs to be seen. While the company's scheduled collections had seen a severe decline during April – August 2020 period, as significant portion of book had availed 6-month moratorium under regulatory relief package for Covid-19, the company managed to receive repayment / pre-payment / sell down from its loan book during H2FY21 which led to reduction in wholesale book by 11.2% as against CARE anticipated 15% to 20%, restricted by disbursements to already sanctioned but under construction projects. CARE takes comfort from the improved collection from the wholesale segment in H2FY21 and expects the company to reduce wholesale book by around 10% to 12% in near term, in line with Company's commitment to reduce the wholesale exposure and bring it down in long term.

The One-time restructuring book, under the RBI Covid-19 package, of PEL – Financial services stand at ~3.8% of overall loan book which is susceptible to the stress caused on account of Covid-19 second wave. Further, the second wave of Covid-19 may impact the asset quality and the same will continue to be a monitorable.

Significant sectorial exposure primarily to real estate sector

The exposure to Real estate sector as % of overall portfolio has increased from nearly 70% as on March 31, 2019, to 79% as on March 31, 2021, on account of accelerated reduction in non real estate loan book (-55%, CFG + ECL + Retail) as compared to subdued reduction in real estate (-10%). The operating environment for wholesale real estate entities have been tough since September 2018 with continued risk aversion and challenges in raising resources to finance real estate business which

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led to slowdown in sell down deals and pre-payments from PCHFL's real estate portfolio as large part of portfolio was under principal moratorium.

The company has reduced its loan portfolio over past couple of years as it faced large scheduled repayments during FY20 and FY21. The company raised large amount of long-term debt during this period which was largely used for repaying the immediate term maturities and elongate the liability profile to have a positive asset liability maturity profile. The disbursements were impacted in non real estate segments, while real estate still required disbursements to complete the sanctioned but under construction projects.

In general, PCHFL's Real estate loans typically had principal moratorium of 6 months and above (depending on loan-to-loan basis). The group has established a strong developer network along with real estate research arm which has benefited the company to invest and exit the exposure at various stages which provides comfort. CARE expects company to reduce the real estate exposure in near term.

Client concentration risk in the loan portfolio

The loan book of PCHFL is largely wholesale in nature and has significant borrower concentration. PCHFL's top 10 group exposures (of which 9 are in real estate segment) constituted around 98% (March 31, 2020: 101%) of the tangible net worth as on March 31, 2021. CARE has noted that PCHFL plans to bring down the top exposures down in near term.

The group is expected to ramp up its housing finance business as well as consumer finance lending products, which is expected to increase the granularity of the portfolio. The pace of diversification and de-risking of portfolio will remain key monitorable.

Analytical approach: CARE has analyzed PCHFL's standalone credit profile along with its managerial, operational and financial linkages with its parent, PEL.

Applicable Criteria

Criteria on assigning 'Outlook' and 'Credit Watch' to Credit Ratings
CARE's policy on default recognition
Rating Methodology: Factoring Linkages in Ratings
Rating Methodology- Housing Finance Companies
Financial Ratios- Financial Sector
Criteria for Short Term Instruments

Liquidity Position: Adequate

As per the asset liability maturity (ALM) statement as on March 31, 2021, PCHFL on a standalone basis has cumulative outflows of around ~Rs.9,755 crore over the next 12 months against which it had inflows of ~Rs.13,578 crore (including free cash and equivalent of ~Rs.5,458 crore). Further, the company has received Rs.2,666 crore capital support from PEL by the way of ICD as on March 31, 2021.

About the Company

PCHFL erstwhile Piramal Housing Finance Limited (PHFL)] is a housing finance company, incorporated in February 2017 as wholly owned subsidiary of Piramal Finance Limited. With effect from March 31, 2018, Piramal Finance Limited and Piramal Capital Limited have amalgamated with Piramal Housing Finance Limited and subsequently, the name of the entity has changed to Piramal Capital & Housing Finance Limited. PCHFL has become a wholly owned subsidiary of Piramal Enterprise Limited (PEL) and is the flagship entity of the group's financial services business.

Piramal Capital & Housing Finance Limited

Brief Financials (Rs. crore)[3]	FY19	FY20	FY21
	12m, A	*12m, A*	*12m, A*
Total income	5,572	5,623	5,088
PAT	1,443	30	1,034
Total Assets (adjusted for intangible assets)	41,808	40,502	42,364
Net NPA (%)	0.14	1.37	1.93
ROTA (%) (PAT/Average Tangible Total Assets)	3.82	0.07	2.50

A: Audited; All ratios are as per CARE's calculation

[3] *(IND AS)*

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Non Convertible Debentures	INE641O07086	04-May-17	8.75%	03-May-24	25	CARE AA*
Non Convertible Debentures	INE641O07185	05-Oct-18	9.25%	03-Oct-25	35	CARE AA*
Non Convertible Debentures	INE641O07193	02-Nov-18	9.75%	02-Nov-23	25	CARE AA*
Non Convertible Debentures	INE516Y07014	19-Dec-18	9.27%	19-Dec-28	500	CARE AA*
Non Convertible Debentures	INE516Y07105	15-Jan-19	9.50%	15-Apr-22	650	CARE AA*
Non Convertible Debentures	INE516Y07089	21-Jan-19	9.50%	21-Apr-22	50	CARE AA*
Non Convertible Debentures	INE516Y07063	11-Mar-19	9.51%	09-Mar-29	1500	CARE AA*
Non Convertible Debentures	INE516Y07113	14-Jun-19	10.00%	08-Nov-24	180	CARE AA*
Non Convertible Debentures	INE516Y07121	16-Sep-19	9.50%	16-Sep-22	300	CARE AA*
Non Convertible Debentures	INE516Y07147	13-May-20	8.75%	12-May-23	500	CARE AA*
Non Convertible Debentures	INE516Y07154	30-Jun-20	8.75%	31-May-23	325	CARE AA*
Non Convertible Debentures	INE516Y07162	16-Jul-20	7.85%	14-Jan-22	100	CARE AA*
Non Convertible Debentures	INE516Y07170	31-Jul-20	7.85%	31-Jan-22	500	CARE AA*
Non Convertible Debentures	INE516Y07188	31-Jul-20	8.50%	31-Jul-23	500	CARE AA*
Non Convertible Debentures	INE516Y07196	5-Aug-20	7.85%	04-Feb-22	40	CARE AA*
Non Convertible Debentures	INE516Y07204	17-Aug-20	7.85%	17-Feb-22	150	CARE AA*
Non Convertible Debentures	INE516Y07212	21-Aug-20	7.85%	21-Feb-22	50	CARE AA*
Non Convertible Debentures	INE516Y07220	4-Sep-20	8.10%	4-Mar-22	150	CARE AA*
Non Convertible Debentures	INE516Y07238	22-Sep-20	8.10%	22-Mar-22	150	CARE AA*
Non Convertible Debentures	INE516Y07246	03-Nov-20	9.32%	01-Nov-30	50	CARE AA*
Non Convertible Debentures	INE516Y07253	19-Nov-20	8.10%	19-May-22	175	CARE AA*
Non Convertible Debentures	INE516Y07261	12-Mar-21	9.25%	12-Mar-26	2,000	CARE AA*
Non Convertible Debentures	INE516Y07279	19-Mar-21	9.25%	19-Mar-26	2,050	CARE AA*
Non Convertible Debentures	INE516Y07287	26-Mar-21	ZCB	23-Jan-23	50.90	CARE AA*
Non Convertible Debentures	INE516Y07295	30-Mar-21	9.00%	28-Mar-31	25	CARE A*
Non Convertible Debentures	Proposed	-	-	-	1,879.10	CARE AA*
Non Convertible Debentures	Proposed	-	-	-	19,550	CARE AA*
Principal Protected -Market Linked Debentures	INE516Y07303	07-04-2021	8.5%	07-10-2022	150	CARE PP-MLD AA*
Principal Protected -Market Linked Debentures	INE516Y07311	16-04-2021	8.25%	14-04-2023	120	CARE PP-MLD AA*
Principal Protected -Market Linked Debentures	INE516Y07311	03-05-2021	8.25%	14-04-2023	50	CARE PP-MLD AA*
Principal Protected -Market Linked Debentures	Proposed	-	-	-	780	CARE PP-MLD AA*
Public Issue of Non Convertible Debentures	Proposed	-	-	-	2,000	CARE AA*
Subordinate Debt	INE641O08035	08-Mar-17	9.55%	08-Mar-27	500	CARE AA*
Subordinate Debt	Proposed	-	-	-	1,000	CARE AA*
Long Term Bank Facilities	-	-	-	Apr-2027	31,100	CARE AA*
Commercial Paper Issue	-	-	-	7 to 365 days	5,000	CARE A1+
Short term Inter Corporate Deposits	Proposed	-	-	-	500	CARE A1+

*(Under Credit Watch with Developing Implication)

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CARE Ratings

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Non-convertible debentures	LT	460.00	CARE AA (Under Credit Watch with Developing Implications)	-	1) CARE AA (Under Credit Watch with Developing Implications) (28-Jan-21) 2) CARE AA; Stable (11-Dec-20) 3) CARE AA; Stable (07-Oct-20) 4) CARE AA; Stable (28-Apr-20)	1) CARE AA; Stable (05-Jul-19)	1) CARE AA+; Stable (22-June-18)
2.	Subordinate Debt	LT	500.00	CARE AA (Under Credit Watch with Developing Implications)	-	1) CARE AA (Under Credit Watch with Developing Implications) (28-Jan-21) 2) CARE AA; Stable (11-Dec-20) 3) CARE AA; Stable (07-Sep-20)	1) CARE AA; Stable (05-Jul-19)	1) CARE AA+; Stable (22-June-18)
3.	Non-convertible debentures	LT	7,500.00	CARE AA (Under Credit Watch with Developing Implications)	-	1) CARE AA (Under Credit Watch with Developing Implications) (28-Jan-21) 2) CARE AA; Stable (11-Dec-20) 3) CARE AA; Stable (07-Oct-20) 4) CARE AA; Stable (28-Apr-20)	1) CARE AA; Stable (05-Jul-19)	1) CARE AA+; Stable (06-Aug-18)
4.	Long term bank facilities	LT	31,100.00	CARE AA (Under Credit Watch with Developing Implications)		1) CARE AA (Under Credit Watch with Developing Implications) (28-Jan-21) 2) CARE AA; Stable (11-Dec-20)	1) CARE AA; Stable (05-Jul-19)	1) CARE AA+; Stable (13-Feb-19) 2) CARE AA+; Stable (06-Aug-18)

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CARE Ratings

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
						3) CARE AA; Stable (28-Apr-20)		
5.	Commercial Paper issue	ST	5,000.00	CARE A1+	-	1) CARE A1+ (28-Jan-21) 2) CARE A1+ (11-Dec-20) 3) CARE A1+ (28-Apr-20)	1) CARE A1+ (05-Jul-19)	1) CARE A1+ (06-Aug-18)
6.	Short-term Inter Corporate Deposits	ST	500.00	CARE A1+		1) CARE A1+ (28-Jan-21) 2) CARE A1+ (11-Dec-20) 3) CARE A1+ (07-Oct-20)	1)CARE A1+ (05-Jul-19) 2)CARE A1+ (24-Apr-19)	-
7.	Subordinate Debt (Tier II)	LT	1,000.00	CARE AA (Under Credit Watch with Developing Implications)		1) CARE AA (Under Credit Watch with Developing Implications) (28-Jan-21) 2) CARE AA; Stable (11-Dec-20) 3) CARE AA; Stable (07-Sep-20)	1)CARE AA; Stable (05-Jul-19 2)CARE AA+; Stable (29-May-19)	-
8.	Non-convertible debentures	LT	3,000.00	CARE AA (Under Credit Watch with Developing Implications)	-	1) CARE AA (Under Credit Watch with Developing Implications) (28-Jan-21) 2) CARE AA; Stable (11-Dec-20) 3) CARE AA; Stable (07-Sep-20)	-	-
9	Market Linked Debentures	LT	600.00	CARE PP-MLD AA (Under Credit Watch with Developing Implications)	-	1) CARE PP-MLD AA (Under Credit Watch with Developing Implications) (12-Feb-21)	-	-
10	Public Issue of Non Convertible Debentures	LT	2,000.00	CARE AA (Under Credit Watch with Developing Implications)	-	1) CARE AA (Under Credit Watch with Developing Implications) (25-Mar-21)	-	-

8 CARE Ratings Limited

Press Release

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
11	Market Linked Debentures	LT	500.00	CARE PP-MLD AA (Under Credit Watch with Developing Implications)	-			
12	Non-convertible debentures	LT	19,550.00	CARE AA (Under Credit Watch with Developing Implications)	-			
13	Non-convertible debentures	LT	1,000.00	CARE AA (Under Credit Watch with Developing Implications)	-			

Annexure-3: Complexity Level of various Instruments rated of this company

Sr. No.	Name of Instrument	Complexity Level
1.	Non Convertible Debentures	Simple
2.	Subordinate Debt	Complex
3.	Long Term Bank Facilities	Simple
4.	Commercial Paper Issue	Simple
5.	Short-term Inter Corporate Deposits	Simple
6.	Market Linked Debentures	Highly Complex

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications*

Press Release

CARE Ratings

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CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.
Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**For detailed Rationale Report and subscription information, please contact us at www.careratings.com

ICRA Limited

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Ref: ICRA/Piramal Capital & Housing Finance Limited/06082021/02
Date: September 06, 2021

Mr. Sachin Deodhar
Chief Financial Officer
Piramal Capital & Housing Finance Limited
Piramal Tower, A Wing, Second Floor,
G.K. Marg, Lower Parel,
Mumbai – 400 013.

Dear Sir,

Re:ICRA rating for Rs. 18,550 crore non-convertible debenture (NCD) of Piramal Capital & Housing Finance Limited.

Please refer to your request dated August 31, 2021 for revalidating the rating letter issued for the captioned programme.

We confirm that the [ICRA]AA& (pronounced as ICRA double A rating watch with developing implications) rating assigned to your captioned programme and last communicated to you vide our letter dated August 9, 2021 stands. Instruments with [ICRA]AA rating indicate high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

The other terms and conditions for the rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref: ICRA/Piramal Capital & Housing Limited/09082021/08 dated August 9, 2021.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instruments to be issued by you.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

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RATING RESEARCH INFORMATION

ICRA

August 13, 2021

Piramal Capital & Housing Finance Limited: Rating placed on Watch with Developing Implications; rating assigned to fresh NCD programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture (NCD) Programme	2,530	2,530	[ICRA]AA&; placed on watch with developing implications
NCD Programme	865	0	[ICRA]AA (Negative); withdrawn
NCD Programme	-	19,550	[ICRA]AA&; assigned
Retail NCD Programme	2,000	2,000	[ICRA]AA&; placed on watch with developing implications
Long-term Market-linked Debenture (Principal Protected) (MLD (PP)) Programme	500	500	PP-MLD[ICRA]AA&; placed on watch with developing implications
Subordinated Bonds (Tier II)	1,500	1,500	[ICRA]AA&; placed on watch with developing implications
Long-term Bank Lines (Fund-based/CC)	900	900	[ICRA]AA&; placed on watch with developing implications
	725	0	[ICRA]AA (Negative); withdrawn
Long-term Bank Lines (Term Loans)	4,650	4,650	[ICRA]AA&; placed on watch with developing implications
	3,750	0	[ICRA]AA (Negative); withdrawn
Total	17,420	31,630	

**Instrument details are provided in Annexure-1*

& Rating placed on Watch with Developing Implications

PP-MLD refers to the principal protected market linked debenture programme. According to the terms of the rated market linked debentures, the amount invested, i.e. the principal, is protected against erosion while the returns on the investment could vary as they are linked to movements in one or more variables such as equity indices, commodity prices, and/or foreign exchange rates. The assigned rating expresses ICRA's current opinion on the credit risk associated with the issuer concerned. The rating does not address the risks associated with variability in returns resulting from adverse movements in the variable(s) concerned

Rationale

ICRA has withdrawn the rating assigned to the Rs. 865-crore NCD programme, Rs. 725-crore long-term bank lines (fund-based/cash credit) and Rs. 3,750-crore long-term bank lines (term loans) of Piramal Capital & Housing Finance Limited (PCHFL) as there is no amount outstanding against the rated instruments. The rating has been withdrawn at the request of the company and as per ICRA's policy on the withdrawal and suspension of credit ratings.

The rating has been placed on 'watch with developing implications' given the imminent acquisition of Dewan Housing Finance Limited (DHFL) by PCHFL after it emerged as the successful resolution applicant for DHFL. The transaction has received all the statutory and regulatory approvals, including the approval from the National Company Law Tribunal (NCLT), Mumbai Bench. PCHFL is in the process of implementing the resolution plan; however, certain petitions challenging the resolution plan are pending in the courts. This could result in some delay in resolution implementation.

ICRA

Given the large scale of the acquisition compared to that of the financial services business of Piramal Enterprises Limited (PEL FS; total loan book of Rs. 44,668 crore as on March 31, 2021), its successful completion and the seamless integration of the operations remain critical. ICRA notes that this transaction would result in a material improvement in the diversification and granularity of PCHFL's asset profile. However, the performance and quality of DHFL's loan portfolio over the medium term remains uncertain and would have a bearing on the asset quality and credit costs of the combined entity (PCHFL + DHFL). Further, the quality and recoverability of DHFL's wholesale loan book is uncertain. However, the discounted valuation considered for the acquisition of the wholesale book provides comfort. ICRA will continue to closely monitor the developments and take suitable rating action based on the closure of the transaction, integration of operations and the asset quality outlook for the consolidated loan book.

The assigned rating takes into account PEL FS' healthy capitalisation profile with a net worth of Rs. 18,378 crore as on June 30, 2021 (Rs. 18,073 crore as on March 31, 2021), supported by regular capital infusions by PEL. PEL has infused ~Rs. 10,000-crore equity in PEL FS over the past four years (FY2018-FY2021). The rating also considers PEL FS' endeavours to diversify and elongate its liabilities profile. PEL FS raised long-term funds (other than equity) of ~Rs. 13,500 crore in FY2020 and ~Rs. 20,000 crore in FY2021 and reduced the share of commercial paper (CP) significantly in its overall borrowings (~7% of total debt as on June 30, 2021 compared to ~35% as on September 30, 2018). It continues to explore fresh funding avenues such as market-linked debentures and public issuance of NCDs to diversify its borrowing profile. The rating also factors in PCHFL's established position and track record in the real estate lending segment, the promoter group's domain experience given its presence across the real estate industry value chain, and the experienced leadership team.

The rating is constrained by the high sectoral concentration (to real estate) of the portfolio, the slower-than-expected reduction in client concentration, and the heightened portfolio vulnerability because of the Covid-19 pandemic. PEL FS reported some weakening in its asset quality in recent quarters with the reported gross non-performing assets (GNPAs) increasing to 4.7% of the loan book as on June 30, 2021 from 2.5% as on June 30, 2020 (0.9% as on June 30, 2019). Additionally, it has provided relief to the borrowers impacted by the pandemic through the extension of the date of commencement of commercial operations (DCCO) and one-time restructuring. The collection efficiency improved to the pre-pandemic levels (96-97%) in H2 FY2021 and was steady at ~95% in Q1 FY2022 supported by a pickup in June 2021.

ICRA has taken note of PEL FS' monitoring and risk management systems as well as its efforts towards asset sales for reducing the portfolio concentration and shoring up the liquidity. The ability to maintain healthy collections and asset quality would remain critical. The rating also factors in the elevated cost of borrowing as the risk-averse sentiment of domestic investors persists towards non-banks with developer loan exposure. The company's ability to raise capital from diverse sources and at competitive terms, on a sustained basis, would remain a monitorable.

With PCHFL discontinuing disbursements in its retail housing finance business (affluent segment) to align with PEL FS' strategy of creating a multi-product retail lending portfolio (includes affordable and mass-affluent housing finance), the retail loan book posted a ~4% decline in FY2021. Retail loans accounted for ~12% of PEL FS' loan book as on March 31, 2021 and June 30, 2021. The share of individual home loans is below the Reserve Bank of India (RBI) prescribed minimum level (40% of the loan book by March 31, 2022) for housing finance companies (HFCs). PEL FS' plans of improving the granularization of the loan book now hinge on the DHFL acquisition. The rating also considers the company's limited experience and sizeable expansion plans in retail lending. PEL FS plans to utilise DHFL's branch network (~290 branches across the country) to drive growth under its new retail lending strategy.

Key rating drivers and their description

Credit strengths

Domain expertise and financial flexibility as a part of Piramal Group; established position in real estate lending – PCHFL draws strength from the Group's technical expertise, given its experience in real-estate-based private equity investment, advisory services and the development space. Further, given the long-standing experience of the Group in the real estate segment, the company leverages the large network of developers with relationships built over a period of time. The Group's demonstrated ability to incubate and scale up new ventures also provides comfort. As on June 30, 2021, PEL FS had a

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consolidated loan book of Rs. 42,754 crore[1], a decline of ~17% compared to Rs. 51,265 crore as on June 30, 2020. Of this, the real estate exposure was ~80%, making the Group one of the leading lenders to the real estate segment.

Adequate capitalisation supported by capital infusions from the parent – The capitalisation of PEL's financial services subsidiaries (including PCHFL) has been supported by regular capital infusions from the parent. In FY2020-FY2021, PEL raised Rs. 18,173 crore of equity funds through a mix of avenues like preferential issue (Rs. 1,750 crore in December 2019), rights issue (Rs. 3,650 crore in January 2020), divestment of investments (Rs. 2,300 crore raised through sale of stake in Shriram Transport in June 2019), divestment of non-core businesses (Rs. 6,750 crore raised through sale of the DRG business in February 2020) and partial stake sale in its pharmaceutical business (Rs. 3,523 crore in October 2020). Of the total funds raised, Rs. 3,700 crore was infused into PEL FS (Rs. 1,400 crore was infused into PCHFL and Rs. 2,060 crore was infused into PHL Fininvest) as equity in FY2020.

PEL FS' tangible net worth (net of goodwill on amalgamation) was comfortable at Rs. 18,378 crore and the capitalisation ratio (CRAR[2]) was adequate at 39% as on June 30, 2021. This, coupled with the moderation in the loan book and hence in borrowings, resulted in an improvement in PEL FS' net gearing to 1.8 times as on March 31, 2021 (1.6 times as on June 30, 2021) from 2.3 times as on March 31, 2020.

PCHFL's standalone net worth increased to Rs. 11,230 crore as of March 31, 2021 from Rs. 10,195 crore as of March 31, 2020, while the gearing improved to 2.7 times from 2.9 times during the same period. As on March 31, 2021, PCHFL reported a CRAR of 32.30% (Tier I capital of 32.06%) compared to 34.89% (Tier I capital of 32.06%) as on March 31, 2020. PEL maintained an unallocated capital pool of Rs. 11,029 crore as on March 31, 2021, which could be allocated to the financial services business, including PCHFL, if required.

PEL FS also has a moderately diversified resource profile with banks accounting for 62% of its borrowings, followed by foreign institutional investors/foreign portfolio investors (FII/FPI; 17%) and the balance from other sources including insurance companies, provident funds, and mutual funds, among others as on June 30, 2021. During Q3 FY2019 to Q1 FY2022, PEL FS' debt maturity profile was elongated with the share of short-term sources of funding (including revolving bank lines) declining to ~8% of borrowings as on June 30, 2021 from ~42% as on September 30, 2018. CP borrowings accounted for ~7% of PEL's total debt as on June 30, 2021 compared to ~35% as on September 30, 2018. PEL FS continues to explore fresh funding avenues such as market-linked debentures and public issuance of NCDs (PCHFL raised Rs. 804 crore in July 2021) to diversify its borrowing profile.

Experienced management team – ICRA also draws comfort from the Group's experienced management team, which has a track record of successfully scaling up businesses. PEL FS also has a strong focus on risk management, control systems and compliance processes, which provides comfort. Moreover, it has a dedicated asset monitoring team for monitoring and managing the post-disbursement performance of the loans and the overall portfolio quality. While the Group's experience in retail lending remains limited, it has taken on board seasoned industry professionals to build its franchise in the retail segment, including the recently announced entry in the technology-driven consumer lending business. It has also engaged reputed and experienced external consultants for framing its credit policies and credit appraisal systems, expansion strategy and operational policies.

Credit challenges

High sectoral and client concentration risks; slower-than-expected loan book diversification – The loan book is concentrated towards the inherently risky real estate sector (~80% of the overall loan book as on June 30, 2021). The early stages of development of some of the underlying projects and the loans given to developers' holding company level (mezzanine debt) heighten the portfolio risk. Moreover, the top group exposures form a sizeable proportion of the overall loan book. PEL FS has, however, funded a bouquet of projects in some of these exposures, including projects with healthy sales tie-ups and finished

[1] Total assets under management (AUM) stood at Rs. 47,181 crore as on June 30, 2021 including the loan book, investments in alternative investment funds (AIFs) and other investments; AUM was Rs. 48,891 crore as on March 31, 2021 including the loan book, AIF investments of Rs. 3,121 crore and other investments. In addition, PEL FS carried investment property worth Rs. 1,298 crore as on June 30, 2021

[2] CRAR: Capital to risk weighted assets ratio

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stock, which provides comfort. Though a part of the wholesale loan book is under scheduled moratorium, PEL FS has been receiving sizeable prepayments from its loan portfolio over the years due to asset sell-down/refinancing and prepayment, providing some comfort regarding the asset quality. Over the past two years, PEL FS has reduced the top 10 exposures by ~Rs. 5,000 crore, and the management intends to reduce it further by Rs. 2,000-3,000 crore in FY2022.

While PEL FS has been diversifying its loan book over the past three years through its foray into new segments like housing finance and emerging corporate lending (ECL), the progress has been slower than expected. Housing loan disbursements reduced significantly from Q3 FY2020 as PEL FS decided to recalibrate its retail growth strategy amid the challenging operating environment and the subdued segmental profitability. This resulted in a lower-than-expected diversification and granularity of the book as of June 2021. The Group announced its entry in the technology-driven consumer lending business, which commenced operations in Q3 FY2021. ICRA notes that while the new business would help diversify the portfolio, the concentration and credit risks will remain high over the near term given the large real estate exposure.

ICRA notes that the successful completion of the DHFL transaction would result in a material improvement in the diversification and granularity of PEL FS and PCHFL's asset profile. The share of individual home loans (~12% of the loan book as on June 30, 2021) for PCHFL is below the RBI-prescribed minimum level (40% of the loan book by March 31, 2022) for HFCs. PEL FS' plans of improving the granularization of the loan book now hinge on the DHFL acquisition. ICRA notes the company's limited experience and sizeable expansion plans in retail lending.

Moderation in asset quality; current challenging operating environment for real estate, the key borrowing segment, to have a bearing on asset quality and profitability in the near term – The concerns over the asset quality have heightened, given the challenging operating environment for real estate developers due to the prolonged slowdown in sales and the funding constraints over the past few years. The spread of the pandemic and the resulting lockdown further impacted the sale of residential units in H1 FY2021. While a pickup in sales was witnessed in H2 FY2021, the second wave of the pandemic again impacted the sales in Q1 FY2022. The pandemic also impacted the commercial and retail real estate segments. A sustained pickup in sales is critical for the cash flows of the developers over the medium term. However, ICRA notes that PEL FS carries adequate provisions on its books (Rs. 2,748 crore or 6.4% of the loan book as on June 30, 2021) to cushion the impact of the increased portfolio vulnerability.

While the collections, including prepayments, were impacted in H1 FY2021 due to the pandemic and the lockdown, the repayments (including prepayments) improved in H2 FY2021. Although the collection efficiency was impacted again in Q1 FY2022 due to the second wave of the pandemic, the impact was less severe than in H1 FY2021. ICRA notes that PEL FS has hitherto maintained a healthy asset quality, though the same deteriorated in FY2020 and FY2021, with the GNPAs increasing to 4.7% of the loan book as on June 30, 2021 from 2.5% as on June 30, 2020 (0.9% as on March 31, 2019). Additionally, PEL FS has provided relief to the borrowers impacted by the pandemic through the extension of the DCCO and one-time restructuring, aggregating to ~15% of the loan book as on March 31, 2021. The presence of a collateral cover on such exposures, the Group's expertise in the real estate segment and its emphasis on risk management and monitoring processes also provide comfort.

Fund-raising challenges for wholesale-oriented non-bank financiers impacting business; ability to maintain asset and liability profile remains critical – PEL raised long-term debt (more than 1-year maturity) of ~Rs. 13,500 crore in FY2020 and ~Rs. 20,000 crore in FY2021. While the quantum of funds raised is sizeable, the cost of funds has increased since the September 2018 crisis. Although PEL FS has been able to pass on the cost increase to its customers to mitigate any risk on its margins, its market position (ability to capture attractive deals from reputed developers) has been impacted by the increase in the cost of funds. The Group's ability to consistently raise long-term funds from diverse sources and at adequate rates would remain critical.

ICRA

Liquidity position: Adequate

As on March 31, 2021, PCHFL had unencumbered on-book liquidity of Rs. 3,459 crore compared to debt repayment obligations (including interest and revolving lines) of Rs. 4,628 crore in H1 FY2022. PCHFL's liquidity profile is, thus, adequate. As on March 31, 2021, PEL FS had total liquidity of ~Rs. 6,600 crore.

As on April 30, 2021, PEL had an on-book liquidity of Rs. 8,440 crore compared to debt repayment obligations (including interest and revolving lines) of Rs. 8,221 crore in the next six months (May 2021 to October 2021). The opening liquidity fully covers the next six months' debt repayment. PEL's liquidity is, thus, adequate.

Rating sensitivities

Positive factors/Negative factors – The rating watch will be resolved upon the successful completion of the DHFL acquisition and the integration of the operations and based on the asset quality outlook for the consolidated loan book.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Housing Finance Companies Consolidation and Rating Approach ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Financial support from PEL
Consolidation/Standalone	To arrive at the rating, ICRA has analysed the consolidated performance of PEL FS and has factored in the financial support available from PEL; ICRA also factors in the financial flexibility available to PCHFL by being a part of Piramal Group

About the company

Piramal Capital & Housing Finance Limited (PCHFL) was incorporated in February 2017 as a subsidiary of Piramal Finance Limited and received its housing finance licence from National Housing Bank (NHB) in September 2017. As per a scheme of amalgamation, Piramal Finance Limited and Piramal Capital Limited were merged with PCHFL w.e.f. March 31, 2018, with PCHFL becoming a direct subsidiary of Piramal Enterprises Limited (PEL). Consequent to the merger, the Piramal Group's financial services business, including real estate lending, housing finance, corporate lending and emerging corporate lending, was housed under PCHFL and PHL Fininvest Private Limited (PHL Fininvest), a fellow subsidiary.

In FY2021, PCHFL reported a profit after tax (PAT) of Rs. 1,034 crore on a total income of Rs. 5,088 crore compared to a PAT of Rs. 30 crore on a total income of Rs. 5,623 crore in FY2020. PCHFL's PAT for FY2020 was impacted by an additional conservative provisioning of Rs. 1,249 crore (total provisioning of Rs. 1,929 crore) and a one-time write-off of deferred tax assets (DTA) and a minimum alternate tax (MAT) credit reversal of Rs. 373 crore. Excluding the impact of the additional provisioning and the DTA and MAT credit reversal, the normalised PAT would have been Rs. 1,338 crore in FY2020. PCHFL accounted for ~72% of PEL FS' total income in FY2021.

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Key financial indicators

PCHFL	FY2019	FY2020	FY2021
Net interest income (Rs. crore)	2,670	2,262	2,136
Total income (Rs. crore)	5,572	5,623	5,088
Profit after tax (Rs. crore)	1,443	30	1,034
Net worth* (Rs. crore)	9,274	10,195	11,230
Loan book (Rs. crore)	41,033	35,261	32,994
Total assets* (Rs. crore)	42,532	42,291	44,158
Return on assets (%)	3.7%	0.1%	2.4%
Return on net worth (%)	16.8%	0.3%	9.7%
Gross NPA (%)	0.3%	2.1%	3.4%
Net NPA (%)	0.1%	1.3%	1.8%
Net NPA/Net worth (%)	0.6%	4.6%	5.2%
Gross gearing (times)	3.48	2.88	2.66
Tier I capital (%)	26.9%	32.1%	32.1%
CRAR (%)	29.9%	34.9%	32.3%

Source: PCHFL and ICRA Research; Note: All ratios are as per ICRA calculations
** Adjusted for goodwill on consolidation; total assets have been grossed up for expected credit loss provisions*

PEL FS

PEL FS refers to the financial services business of PEL. This includes the real estate lending, corporate and emerging corporate lending and retail lending businesses carried out under PCHFL, PHL Fininvest and PEL (standalone). PEL FS had a total AUM of Rs. 47,181 crore as on June 30, 2021, including the loan book (Rs. 42,754 crore), investments in AIFs and other investments. The AUM was Rs. 48,891 crore as on March 31, 2021 including the loan book (Rs. 44,668 crore), AIF investments (Rs. 3,121 crore) and other investments. In addition, PEL FS carried an investment property (land development rights) worth Rs. 1,298 crore as on March 31, 2021 and June 30, 2021.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

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Rating history for past three years

	Instrument	Current Rating (FY2022)				Chronology of Rating History for the Past 3 Years							
						Date & Rating in FY2021			Date & Rating in FY2020		Date & Rating in FY2019		
		Type	Amount Rated (Rs. crore)	Amount Outstanding as on Jun 30, 2021 (Rs. crore)	Date & Rating								
					Aug 13, 2021	Mar 29, 2021	eb 3, 2021 Oct 12, 2020	Jul 27, 2020	Jun 25, 2019	May 31, 2019 Apr 22, 2019	ep 14, 2018 Sep 4, 2018	Jul 6, 2018	May 31, 2018
1	NCD Programme	Long Term	2,530	1,625	[ICRA]AA&	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	ICRA]AA (Negative)	ICRA]AA+ (Negative)	ICRA]AA+ (Stable)	ICRA]AA (Positive)	-
2	NCD Programme	Long Term	865	-	[ICRA]AA (Negative); withdrawn	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	ICRA]AA (Negative)	ICRA]AA+ (Negative)	ICRA]AA+ (Stable)	ICRA]AA (Positive)	-
3	NCD Programme	Long Term	19,550	-	[ICRA]AA&; assigned	-	-	-	-	-	-	-	-
4	Retail NCD Programme	Long Term	2,000	804.05	[ICRA]AA&	[ICRA]AA (Negative)	-	-	-	-	-	-	-
5	MLD (PP) Programme	Long Term	500	-	PP-MLD [ICRA]AA&	PP-MLD [ICRA]AA (Negative)	-	-	-	-	-	-	-
6	Subordinated Bonds (Tier II)	Long Term	1,500	500	[ICRA]AA&	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	ICRA]AA (Negative)	ICRA]AA+ (Negative)	ICRA]AA+ (Stable)	ICRA]AA (Positive)	-
7	Bank Lines (Cash Credit)	Long Term	900	NA	[ICRA]AA&	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	ICRA]AA (Negative)	ICRA]AA+ (Negative)	ICRA]AA+ (Stable)	ICRA]AA (Positive)	-
8	Bank Lines (Cash Credit)	Long Term	725	-	[ICRA]AA (Negative); withdrawn	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	ICRA]AA (Negative)	ICRA]AA+ (Negative)	ICRA]AA+ (Stable)	ICRA]AA (Positive)	-
9	Bank Lines (Term Loan)	Long Term	4,650	2,730	[ICRA]AA&	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	ICRA]AA (Negative)	ICRA]AA+ (Negative)	ICRA]AA+ (Stable)	ICRA]AA (Positive)	-
10	Bank Lines (Term Loan)	Long Term	3,750	-	[ICRA]AA (Negative); withdrawn	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	ICRA]AA (Negative)	ICRA]AA+ (Negative)	ICRA]AA+ (Stable)	ICRA]AA (Positive)	-
11	CP Programme	Short Term	-	-	-	-	-	[ICRA]A1+; withdrawn	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

& Rating on Watch with Developing implications

ICRA

Complexity level of the rated instrument

Instrument	Complexity Indicator
NCD Programme	Simple
Retail NCD Programme	Very Simple
MLD (PP) Programme	Complex
Subordinated Bonds (Tier II)	Very 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: www.icra.in

ICRA

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE641007037	NCD	Mar 10, 2017	8.95%	Mar 08, 2024	5	[ICRA]AA&
INE641007086	NCD	May 04, 2017	8.75%	May 03, 2024	25	[ICRA]AA&
INE641007144	NCD	Sep 20, 2017	7.96% (monthly)	Sep 19, 2025	167	[ICRA]AA&
INE641007144	NCD	Sep 20, 2017	7.96% (monthly)	Sep 18, 2026	167	[ICRA]AA&
INE641007144	NCD	Sep 20, 2017	7.96% (monthly)	Sep 20, 2027	166	[ICRA]AA&
INE516Y07170	NCD	Jul 31, 2020	7.85%	Jan 31, 2022	500	[ICRA]AA&
INE516Y07188	NCD	Jul 31, 2020	8.50%	Jul 31, 2023	500	[ICRA]AA&
INE516Y07246	NCD	Nov 3, 2020	9.32%	Nov 1, 2030	50	[ICRA]AA&
INE516Y07295	NCD	Mar 30, 2021	9.00%	Mar 28, 2031	25	[ICRA]AA&
INE516Y07329	NCD	Jun 29, 2021	8.85%	Jun 27, 2031	20	[ICRA]AA&
NA	NCD (proposed)	-	-	-	20,455	[ICRA]AA&
INE641007128	NCD	Aug 04, 2017	8.35%	Aug 04, 2020	125	[ICRA]AA (Negative); withdrawn
INE641007151	NCD	Sep 25, 2017	8.07%	Sep 25, 2020	500	[ICRA]AA (Negative); withdrawn
INE641007169	NCD	Sep 29, 2017	8.10%	Sep 29, 2020	125	[ICRA]AA (Negative); withdrawn
INE641007177	NCD	Nov 08, 2017	7.96%	Nov 06, 2020	115	[ICRA]AA (Negative); withdrawn
INE516Y07337	Retail NCD	Jul 23, 2021	8.10%	Sep 23, 2023	5.25	[ICRA]AA&
INE516Y07345	Retail NCD	Jul 23, 2021	0.00%	Sep 23, 2023	1.23	[ICRA]AA&
INE516Y07352	Retail NCD	Jul 23, 2021	8.25%	Jul 23, 2024	1.38	[ICRA]AA&
INE516Y07360	Retail NCD	Jul 23, 2021	8.50%	Jul 23, 2026	10.75	[ICRA]AA&
INE516Y07378	Retail NCD	Jul 23, 2021	8.75%	Jul 23, 2031	0.12	[ICRA]AA&
INE516Y07386	Retail NCD	Jul 23, 2021	8.35%	Sep 23, 2023	346.64	[ICRA]AA&
INE516Y07394	Retail NCD	Jul 23, 2021	0.00%	Sep 23, 2023	49.55	[ICRA]AA&
INE516Y07402	Retail NCD	Jul 23, 2021	8.50%	Jul 23, 2024	154.26	[ICRA]AA&
INE516Y07410	Retail NCD	Jul 23, 2021	8.75%	Jul 23, 2026	80.87	[ICRA]AA&
INE516Y07428	Retail NCD	Jul 23, 2021	9.00%	Jul 23, 2031	154.01	[ICRA]AA&
NA	Retail NCD (proposed)	-	-	-	1195.95	[ICRA]AA&
INE641008035	Subordinated Bonds (Tier II)	Mar 08, 2017	9.55%	Mar 08, 2027	500	[ICRA]AA&
NA	Subordinated Bonds (Tier II) (proposed)	-	-	-	1,000	[ICRA]AA&
NA	Long-term Bank Lines – Line of Credit/Cash Credit	NA	NA	NA	900	[ICRA]AA&
NA	Long-term Bank Lines – Line of Credit/Cash Credit	NA	NA	NA	725	[ICRA]AA (Negative); withdrawn
NA	Long-term Bank Lines – Term Loans	2014-2020	8.75% - 11.50%	2021-2024	4,650	[ICRA]AA&
NA	Long-term Bank Lines – Term Loans	2014-2020	8.75% - 11.50%	-	3,750	[ICRA]AA (Negative); withdrawn
NA	MLD (PP) Programme (Proposed)	-	-	-	500	PP-MLD[ICRA]AA&

Source: PCHFL
& Rating on Watch with Developing Implications

ICRA

Annexure-2: List of entities considered for consolidated analysis

Not applicable

ICRA

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MEDIA AND PUBLIC RELATIONS CONTACT

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info@icraindia.com

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ICRA

ICRA Limited

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Branches

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ANNEXURE II

DEBENTURE TRUSTEE CONSENT LETTER

CATALYST
Believe in yourself... Trust us!

CL/PUN/21-22/DEB/31

08.09.2021

To,

The Company Secretary
Piramal Capital & Housing Finance Ltd
Piramal Tower – 4th Floor,
Peninsula Corporate Park,
Ganapatrao Kadam Marg,
Lower Parel, Mumbai 400 013

Dear Sir/Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Secured Rated Listed Redeemable Non-Convertible Debentures of the of ₹ 19,550 crores (Rupees Nineteen Thousand Five Hundred and Fifty Crore only) in FY 2021-22

We refer to your mail dated 08.09.2021, requesting us to convey our consent to act as a Debenture Trustee for Private Placement of Secured Rated Listed Redeemable Non-Convertible Debentures of **₹19,550 crores** (Rupees Nineteen Thousand Five Hundred and Fifty Crore only) in FY 2021-22.

We hereby give our consent to act a Debenture Trustee for Private Placement of Secured Rated Listed Redeemable Non-Convertible Debentures of **₹19,550 crores** (Rupees Nineteen Thousand Five Hundred and Fifty Crore only) in FY 2021-22.

The Company shall enter into an Agreement with Trustee as required by Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993 thereby agreeing to create the security in accordance with the Companies Act, 2013 or as per the provisions as prescribed by any regulatory authority as applicable and comply with the provisions of applicable laws.

Assuring you of the best professional services.

Thanking you.

Yours faithfully,

Authorised Signatory

CATALYST TRUSTEESHIP LIMITED

An ISO 9001 Company

Mumbai Office Window, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 098. Tel +91 022 4922 0555 Fax +91 022 4922 0505
Regd. Office CDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune 411 038 Tel +91 020 66202200
Delhi Office Office No. 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 Tel +91 011 4302 2018/19.
CIN No. U74999MH1997PLC110262 Email vk@ctltrustee.com Website www.catalysttrustee.com
Pune | Mumbai | Bengaluru | Delhi | Chennai

CATALYST
Believe in yourself... Trust us!

To,

The Manager, **BSE Limited,** Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, **Mumbai – 400 001**	**The Manager,** **NSE Limited.** Exchange Plaza, 5 Floor, Plot C/1, G Block, Bandra - Kurla Complex, Bandra (E), **Mumbai 400 051**

Dear Sir / Madam

SUB.: ISSUE OF SECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES UP TO RS. 1,95,32,52,90,000 (RUPEES NINETEEN THOUSAND FIVE HUNDRED THIRTY TWO CRORES AND FIFTY TWO LAKHS NINETY THOUSAND ONLY) , EACH HAVING A FACE VALUE OF Rs. 1,000/- (RUPEES ONE THOUSAND ONLY), THE TOTAL ISSUE SIZE AGGREGATING AND NOT EXCEEDING UP TO RS. 1,95,32,52,90,000 (RUPEES NINETEEN THOUSAND FIVE HUNDRED THIRTY TWO CRORES AND FIFTY TWO LAKHS NINETY THOUSAND ONLY) EXERCISED BY PIRAMAL CAPITAL & HOUSING FIN ANCE LIMITED .

We, the debenture trustee(s) to the above mentioned fo rthcoming issue state as follows:

1. We have examined documents pertaining to the creation of charge over assets of Issuer

2. On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and of independent verification of the various relevant documents, WE CONFIRM that:

   a) The Issuer has created charge over its assets in favour of debenture trustee as per terms of offer document or private placement memorandum/information memorandum and debenture trustee agreement.

   b) Issuer has executed the debenture trust deed as per terms of offer document or private placement memorandum/information memoran dum and debenture trustee agreement.

   c) The Issuer has given an undertaking that charge shall be registered with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI),Depository etc., as applicable, within 30 days of creation of charge.

We have satisfied ourselves about the ability of the Issue r to service the debt securities.

Yours faithfully,

S. B. Jalawade.

Authorized Signatory

PLACE: Pune
DATE:27.09.2021

CATALYST TRUSTEESHIP LIMITED

An ISO 9001 Company

Mumbai Office Windsor, 4th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 098 Tel +91 (22) 4922 0555 Fax +91 (22) 4922 0505
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Delhi Office Office No. 610, 6th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 Tel +91 (11) 430 20101/02
CIN No. U74900PN1997PLC110302 Email cl@catalysttrustee.com Website www.catalysttrustee.com
Pune | Mumbai | Bengaluru | Delhi | Chennai

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ANNEXURE III

ILLUSTRATION OF NCD CASH FLOWS PER DEBENTURE

As per the SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, the cash flows emanating from the Debentures are mentioned below by way of an illustration.

Tenor	10 Years
Coupon rate p.a.	6.75%
Number of Debentures	19,53,25,290

Particulars	Day	Tenure	Interest Calculation Date	Days	Payment Dates	Amount	Amount per NCD	Balance Principal	Face Value	Redemption %
Subscription Date	Tuesday		28-Sep-21	Tuesday	28-Sep-21	195,325,290,000	1,000.0000	195,325,290,000	1,000	
Coupon Payment date	Monday	181.00	28-Mar-22	Monday	28-Mar-22	-6,538,045,837	-33.4726	195,325,290,000	1,000	
Principal Payment date	Monday		28-Mar-22	Monday	28-Mar-22	-4,883,132,250	-25.0000	190,442,157,750	975	2.50%
Coupon Payment date	Wednesday	184.00	28-Sep-22	Wednesday	28-Sep-22	-6,480,250,957	-33.1767	190,442,157,750	975	
Principal Payment date	Wednesday		28-Sep-22	Wednesday	28-Sep-22	-4,883,132,250	-25.0000	185,559,025,500	950	2.50%
Coupon Payment date	Tuesday	181.00	28-Mar-23	Tuesday	28-Mar-23	-6,211,143,545	-31.7990	185,559,025,500	950	
Principal Payment date	Tuesday		28-Mar-23	Tuesday	28-Mar-23	-4,883,132,250	-25.0000	180,675,893,250	925	2.50%
Coupon Payment date	Thursday	184.00	28-Sep-23	Thursday	28-Sep-23	-6,147,930,395	-31.4753	180,675,893,250	925	
Principal Payment date	Thursday		28-Sep-23	Thursday	28-Sep-23	-4,883,132,250	-25.0000	175,792,761,000	900	2.50%
Coupon Payment date	Thursday	182.00	28-Mar-24	Thursday	28-Mar-24	-5,900,584,888	-30.2090	175,792,761,000	900	
Principal Payment date	Thursday		28-Mar-24	Thursday	28-Mar-24	-4,883,132,250	-25.0000	170,909,628,750	875	2.50%
Coupon Payment date	Saturday	184.00	28-Sep-24	Friday	27-Sep-24	-5,799,720,189	-29.6926	170,909,628,750	875	
Principal Payment date	Saturday		28-Sep-24	Friday	27-Sep-24	-4,883,132,250	-25.0000	166,026,496,500	850	2.50%
Coupon Payment date	Friday	181.00	28-Mar-25	Friday	28-Mar-25	-5,557,338,962	-28.4517	166,026,496,500	850	
Principal Payment date	Friday		28-Mar-25	Friday	28-Mar-25	-4,883,132,250	-25.0000	161,143,364,250	825	2.50%
Coupon Payment date	Sunday	184.00	28-Sep-25	Friday	26-Sep-25	-5,483,289,271	-28.0726	161,143,364,250	825	
Principal Payment date	Sunday		28-Sep-25	Friday	26-Sep-25	-4,883,132,250	-25.0000	156,260,232,000	800	2.50%

Coupon Payment date	Saturday	181.00	28-Mar-26	Friday	27-Mar-26	-5,230,436,670	-26.7781	156,260,232,000	800	
Principal Payment date	Saturday		28-Mar-26	Friday	27-Mar-26	-4,883,132,250	-25.0000	151,377,099,750	775	2.50%
Coupon Payment date	Monday	184.00	28-Sep-26	Monday	28-Sep-26	-5,150,968,709	-26.3712	151,377,099,750	775	
Principal Payment date	Monday		28-Sep-26	Monday	28-Sep-26	-4,883,132,250	-25.0000	146,493,967,500	750	2.50%
Coupon Payment date	Sunday	181.00	28-Mar-27	Friday	26-Mar-27	-4,903,534,378	-25.1045	146,493,967,500	750	
Principal Payment date	Sunday		28-Mar-27	Friday	26-Mar-27	-14,649,396,750	-75.0000	131,844,570,750	675	7.50%
Coupon Payment date	Tuesday	184.00	28-Sep-27	Tuesday	28-Sep-27	-4,486,327,586	-22.9685	131,844,570,750	675	
Principal Payment date	Tuesday		28-Sep-27	Tuesday	28-Sep-27	-14,649,396,750	-75.0000	117,195,174,000	600	7.50%
Coupon Payment date	Tuesday	182.00	28-Mar-28	Tuesday	28-Mar-28	-3,933,723,258	-20.1393	117,195,174,000	600	
Principal Payment date	Tuesday		28-Mar-28	Tuesday	28-Mar-28	-14,649,396,750	-75.0000	102,545,777,250	525	7.50%
Coupon Payment date	Thursday	184.00	28-Sep-28	Thursday	28-Sep-28	-3,479,832,113	-17.8156	102,545,777,250	525	
Principal Payment date	Thursday		28-Sep-28	Thursday	28-Sep-28	-14,649,396,750	-75.0000	87,896,380,500	450	7.50%
Coupon Payment date	Wednesday	181.00	28-Mar-29	Wednesday	28-Mar-29	-2,942,120,627	-15.0627	87,896,380,500	450	
Principal Payment date	Wednesday		28-Mar-29	Wednesday	28-Mar-29	-14,649,396,750	-75.0000	73,246,983,750	375	7.50%
Coupon Payment date	Friday	184.00	28-Sep-29	Friday	28-Sep-29	-2,492,404,214	-12.7603	73,246,983,750	375	
Principal Payment date	Friday		28-Sep-29	Friday	28-Sep-29	-14,649,396,750	-75.0000	58,597,587,000	300	7.50%
Coupon Payment date	Thursday	181.00	28-Mar-30	Thursday	28-Mar-30	-1,961,413,751	-10.0418	58,597,587,000	300	
Principal Payment date	Thursday		28-Mar-30	Thursday	28-Mar-30	-14,649,396,750	-75.0000	43,948,190,250	225	7.50%
Coupon Payment date	Saturday	184.00	28-Sep-30	Friday	27-Sep-30	-1,495,442,529	-7.6562	43,948,190,250	225	
Principal Payment date	Saturday		28-Sep-30	Friday	27-Sep-30	-14,649,396,750	-75.0000	29,298,793,500	150	7.50%
Coupon Payment date	Friday	181.00	28-Mar-31	Friday	28-Mar-31	-980,706,876	-5.0209	29,298,793,500	150	
Principal Payment date	Friday		28-Mar-31	Friday	28-Mar-31	-14,649,396,750	-75.0000	14,649,396,750	75	7.50%
Coupon Payment date	Friday	182.00	26-Sep-31	Friday	26-Sep-31	-493,062,573	-2.5243	14,649,396,750	75	
Principal Payment date	Friday		26-Sep-31	Friday	26-Sep-31	-14,649,396,750	-75.0000	-	-	7.50%

ANNEXURE IV

LIST OF DIRECTORS ALONG WITH THEIR OTHER DIRECTORSHIPS

As on June 30, 2021

1. Mr. Ajay Piramal

Sr No.	Other Directorships
1	Piramal Enterprises Limited
2	Piramal Glass Private Limited
3	Allergan India Private Limited
4	Piramal Management Services Private Limited
5	Piramal Fund Management Private Limited
6	PEL Management Services Private Limited
7	Pratham Education Foundation
8	Kaivalya Education Foundation
9	Tata Sons Private Limited
10	Piramal Foundation

2. Dr. (Mrs.) Swati A. Piramal

Sr No.	Other Directorships
1	Piramal Enterprises Limited
2	Piramal Glass Private Limited
3	Allergan India Private Limited
4	Piramal Management Services Private Limited
5	Nestle India Limited
6	PEL Management Services Private Limited
7	PHL Fininvest Private Limited
8	Essilor Luxottica

3. Mr. Khushru Jijina

Sr No.	Other Directorships
1	Silver Pearl Realty Private Limited
2	Greendale Reserve Private Limited
3	Piramal Securities Limited
4	IndiaVenture Advisors Private Limited
5	Piramal Fund Management Private Limited
6	Piramal International
7	PHL Fininvest Private Limited
8	Viridis Power Investment Managers Private Limited
9	Viridis Infrastructure Investment Managers Private Limited
10	Greendale Isles Private Limited
11	Greendale Pearl Private Limited
12	Agfields Nutriments Private Limited
13	Piramal Enterprises Limited

4. Mr. Anand Piramal

Sr No.	Other Directorships
1	Piramal Enterprises Limited
2	PEL Management Services Private Limited

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3	Piramal Management Services Private Limited
4	Piramal Water Private Limited
5	Piramal Foundation for Education Leadership
6	PRL Developers Private Limited
7	Piramal Corporate Services Private Limited
8	Piramal Asset Management Private Limited
9	India Resurgence Asset Management Business Private Limited

5. Mr. Suhail Nathani

Sr No.	Other Directorships
1	Siddhesh Capital Markets Services Private Limited
2	Aga Khan Agency for Habitat India (Section 8 Co.)
3	Mahindra CIE Automotive Limited
4	UTI Trustee Company Private Limited
5	Progressive Electoral Trust (Section 8 Co.)
6	Salaam Bombay Foundation (Section 8 Co.)
7	Welspun Middle East Pipes LLC
8	Piramal Enterprises Limited

6. Mr. Gautam Doshi

Sr No.	Other Directorships
1	Sun Pharmaceutical Industries Limited
2	PHL Fininvest Private Limited
3	Capricon Realty Limited
4	Banda Real Estate Private Limited
5	Kudal Real Estate Private Limited
6	Connect Capital Private Limited
7	Aashni Ecommerce Private Limited
8	Sun Pharma Holdings
9	Sun Pharma Global FZE
10	Suzlon Energy Limited
11	Sun Pharmaceutical Industries, INC

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ANNEXURE V

AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Company for FY 2018-19, FY 2019-20 and FY 2020-21.

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ANNEXURE VI

COPY OF THE RESOLUTION OF COMMITTEE OF DIRECTOR (ADMINISTRATION, AUTHORISATION AND FINANCE) DATED 23rd SEPTEMBER 2021

Piramal Capital & Housing Finance

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE COMMITTEE OF DIRECTORS (ADMINISTRATION, AUTHORISATION & FINANCE) OF PIRAMAL CAPITAL & HOUSING FINANCE LIMITED HELD ON FRIDAY, 23RD SEPTEMBER 2021 AT MUMBAI

RESOLVED THAT pursuant to the order passed by the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, on 7th June 2021 approving the resolution plan submitted by the Company ("Resolution Plan") for the corporate insolvency resolution of Dewan Housing Finance Corporation Limited ("DHFL"), under Section 31 of the Insolvency & Bankruptcy Code 2016 ("NCLT Order") AND THAT as a part of implementation of the Resolution Plan and in compliance with the NCLT Order, approval of the Committee be and is hereby accorded for issuance of secured, rated, listed, redeemable, non-convertible debentures ("Debentures") on private placement basis for consideration other than cash to the existing creditors of DHFL;

RESOLVED FURTHER THAT in accordance with the resolution passed by the members of the Company at the Extra Ordinary General meeting held on 28th July 2021 and subject to such other approvals, consents and sanctions, as may be required, approval of the Committee be and is hereby given for issuance of Debentures for an aggregate amount of Rs. 1,95,32,52,90,000/- (Rupees Nineteen Thousand Five Hundred Thirty-Two crores and Fifty Two lakhs Ninety Thousand only) redeemable at par and on such terms and conditions as mentioned in information memorandum ("Information Memorandum") as placed before the Committee;

RESOLVED FURTHER THAT the aforementioned Debentures be issued under the Debenture Trust Deed dated 20th September 2021 ("DTD") as amended from time to time and secured by a non-exclusive first ranking *pari passu* charge, way of hypothecation, over its receivables arising out of lending, loans and advances, receivables arising out of its investments, inter-corporate deposits and current assets and/ or financial assets, both present and future ("Movable Assets");

RESOLVED FURTHER THAT the aforesaid Debentures be listed on the National Stock Exchange of India Limited and BSE Limited;

RESOLVED FURTHER THAT the Committee also hereby approves the following:

a) Appointment of CARE Rating Ltd. and ICRA Limited as the 'Rating Agency' on such terms and conditions as may be agreed between the Company and any other rating agencies, if any;

b) Appointment of National Securities Depository Limited ("NSDL") and/ or Central Depository Services (India) Limited ("CDSL") as the depositories for the issue of the Debentures;

c) Appointment of Link Intime India Private Limited as the Registrar and Transfer Agent to the issue of the Debentures;

d) Appointment of Catalyst Trusteeship Limited as the Debenture Trustee in connection with the issue of the Debentures;

RESOLVED FURTHER THAT, Mr. Lalit Ostwal, Mr. Sanjay Jain, Mr. Bipin Singh, Mr. Anant Katdare, Mr. Mridul Sharma, Ms. Garima Agarwal, Mr. Kshitish Bapat, Ms. Charu

Piramal Capital & Housing Finance Limited
CIN: [illegible]
Registered office: 4th Floor, PiramalTower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400013
T+91 22 [illegible] F +91 22 [illegible]
pchf.in

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Piramal Capital & Housing Finance

Garg Kalita, Ms. Rashmi Bhatnagar, Ms. Mitali Pavale, Ms. Leena Shetye and Mr. Ujas Popat ("Authorised Persons") be and are hereby severally authorised to:

a) negotiate and finalize the quantum, timing, other terms and conditions relating to the Debentures issue and the investors to whom the Debentures are to be issued on private placement basis;

b) accept and execute the transaction documents including Information Memorandum, DTD, deed of hypothecation, debenture trustee agreement and negotiate and agree/ accept any changes and modifications to the terms and conditions contained in the transaction documents (whether before or after execution of the transaction documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the transaction documents as may be necessary or required for the aforesaid purpose including to sign and/or dispatch all forms, filings, documents to which it is a party as well as to accept and execute any amendments to the transaction documents and other deeds, documents and other writings as and when necessary and to take all such further steps as may be required to give effect to the aforesaid resolutions;

c) appoint such intermediaries like lawyers, consultant and merchant bankers and negotiate and finalize fees payable to them and all other persons providing services or otherwise associated with the said issue, allotment and listing of Debentures;

d) make all necessary filings with governmental or other authorities, as necessary, in relation to the transaction documents (including but not limited to filing of Form CHG – 9 with the relevant registrar of companies);

e) make necessary application for rating certificates to CARE Rating Limited, ICRA Limited and any other credit rating agency ("Rating Agency");

f) to make any other necessary applications to all such authorities as may be necessary from time to time for purpose of issuance of the aforesaid Debentures;

g) obtain all necessary authorisation/ consents/ approvals from governmental authorities and/ or third parties required in connection with the transactions contemplated under the transaction documents and complete all formalities in respect thereto;

h) arrange for payment of all applicable stamp duty, registration fees or any other charges, costs, expenses (including but not limited to notarial fees, filing charges, etc.,) in respect of the transaction documents; and

i) to do all acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to this resolution and to execute on behalf of the Company such deeds, documents, power of attorney, agreements and writings in this regard;

RESOLVED FURTHER THAT the Authorised Persons, be and are hereby severally authorised to:

a) make the necessary application for creation of International Securities Identification Number to NSDL and CDSL;

Piramal Capital & Housing Finance Limited
CIN: U65999MH2005PLC293373
Registered office: 4th Floor, PiramalTower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400013
T+91 22 6280 9200 F+91 22 6153 6666

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Piramal Capital & Housing Finance

b) take all steps for the purpose of listing of the Debentures on the wholesale debt segment of the National Stock Exchange of India Limited and BSE Limited; and

c) take necessary actions including but not limited to filing of forms with the registrar of companies, intimation to the stock exchanges and make such applications and to finalise and execute, on behalf of the Company all deeds, documents, undertakings, other writings and do all such acts and things as may be required for this purpose;

RESOLVED FURTHER THAT the Directors of the Company hereby confirm and declare that:

a) the Company is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder, including the compliances in relation to making a private placement of the Debentures;

b) the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, if applicable, is guaranteed by the Central Government; and

c) whatever is stated in the Information Memorandum and in its annexures is true, correct and complete and no information material to the subject matter of the Information Memorandum has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association;

RESOLVED FURTHER THAT the aforesaid declaration confirmed by the Directors be and is hereby authenticated by Mr. Bipin Singh, Company Secretary of the Company;

RESOLVED FURTHER THAT the certified true copy of the aforesaid resolution under the signature of any of the aforesaid Authorised Persons or Company Secretary of the Company be forwarded to such persons or authorities as may be required from time to time."

Certified to be true
For Piramal Capital & Housing Finance Limited

BIPIN SINGH

Place: Mumbai
Date: 24th September 2021

Bipin Singh
Company Secretary

Piramal Capital & Housing Finance Limited
CIN: U65999MH2010LTPLC209371

ANNEXURE VII

SHAREHOLDERS RESOLUTION
COPY OF THE SHARHOLDERS RESOLUTION PURSUANT TO SECTION 42, 180 (1) (a) AND 180 (1) (c) OF THE COMPANIES ACT, 2013

a. Borrowing Powers

Piramal Capital & Housing Finance

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF PIRAMAL CAPITAL & HOUSING FINANCE LIMITED (FORMERLY KNOWN AS PIRAMAL HOUSING FINANCE LIMITED) HELD ON MONDAY, 11TH JUNE 2018 AT MUMBAI

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include its Committee(s) constituted / to be constituted by it for this purpose) to borrow any sum, or sums of monies and/or to receive/avail of financial assistance or to undertake financial obligation in any form, from time to time, from any one or more Financial Institutions, Banks, Funds and/or from other persons, firms, bodies corporate, mutual funds or entities, whether by way of loans, advances, deposits or bills discounting, issue of debentures, bonds, commercial papers, financial arrangement or obligations or otherwise and whether unsecured or secured by mortgage, charge, hypothecation, lien or pledge of the Company's assets and properties, whether immovable or movable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) or work- in- progress and all or any of the undertakings of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate paid-up share capital of the Company and its free reserves, PROVIDED THAT the total amounts so borrowed and outstanding at any point of time shall not exceed Rs. 65,000 crores (Rupees Sixty Five Thousand Crores) over and above the aggregate of the paid-up share capital of the Company and its free reserves as prevailing from time to time, exclusive of interest and other charges, and the Board be and is hereby authorized to execute / cause to execute such agreements, debenture trust deeds, indentures of mortgage, deeds of hypothecation / charge, lien, promissory notes and other deeds and instruments or writings containing such conditions and covenants as the Board may think fit and proper.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient for or in connection with this Resolution and to settle any question or difficulty that may arise in this regard in the best interest of the Company ."

Certified to be true
For Piramal Capital & Housing Finance Limited
BIPIN SINGH

Date: 27th September 2021
Place: Mumbai

Bipin Singh
Company Secretary

Piramal Capital & Housing Finance Limited
(Formerly Piramal Housing Finance Limited)
CIN: U65999MH2017PLC291071
Registered office : 4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400013
T +91 22 62304200 F +91 22 61536444
pchf.in

Piramal Customer Communication-Confidential

b. Issue of Non-Convertible Debentures on Private Placement Basis

Piramal Capital & Housing Finance

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF PIRAMAL CAPITAL & HOUSING FINANCE LIMITED HELD ON WEDNESDAY, 28TH JULY 2021 AT MUMBAI - 400013

ISSUE OF NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof to the extent notified and in effect) and subject to the provisions of the Articles of Association of the Company and subject to compliance with such other provisions of law as may be applicable, approval of the members be and is hereby accorded to the Board of Directors of the Company ("the Board", which term shall include its duly empowered Committee(s) constituted / to be constituted by it to exercise its powers including the powers conferred by this resolution), to offer or invite subscriptions for secured/unsecured non-convertible debentures ("Debentures"), in one or more series/tranches, on private placement basis, on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company, including as to when the Debentures be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected therewith or incidental thereto PROVIDED THAT the total amount that may be so raised in the aggregate, by such offer or invitation for subscriptions of the Debentures, and outstanding at any point of time, shall be within the overall borrowing limit as approved by the shareholders under Section 180(1)(c) of the Companies Act, 2013;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient for or in connection with this resolution and to settle any question or difficulty that may arise in this regard in the best interest of the Company."

Certified true copy
For Piramal Capital & Housing Finance Limited

BIPIN SINGH

Date: 27th September 2021
Place: Mumbai

Bipin Singh
Company Secretary

Piramal Capital & Housing Finance Limited
CIN: U65999MH2007PLC293025
Registered office : 4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400013
T +91 22 62369200 F +91 22 61536666
pchf.in

c. **Creation of Charge**

Piramal
Capital & Housing Finance

CERTIFIED TRUE COPY OF SPECIAL RESOLUTION PASSED BY THE MEMBERS OF PIRAMAL CAPITAL & HOUSING FINANCE LIMITED (FORMERLY KNOWN AS PIRAMAL HOUSING FINANCE LIMITED AT THEIR EXTRA-ORDINARY GENERAL MEETING HELD ON THURSDAY, SEPTEMBER 28, 2017 AT MUMBAI

"RESOLVED THAT consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as 'the Board', which term shall include its Committee(s) constituted / to be constituted by it for this purpose) to create mortgages/charges on all or any of the movable and/or immovable properties and assets, both present and future, or on the whole or substantially the whole of the undertaking or undertakings of the Company, exclusively or ranking pari-passu with or second or subservient or subordinate to the mortgages/charges, if any, already created or to be created in future by the Company, for securing any loans and/or advances and/or issue of debentures / bonds and/or guarantees and/or any financial assistance or obligations obtained/undertaken/made or that may be obtained/undertaken/made by the Company and/or any one or more of its subsidiary / group companies, both present and that which may be established or acquired by the Company in future, in India or abroad, with power to take over the management, business and undertaking of the Company in certain events of default, on such terms and conditions and at such times and in such form and manner as the Board may deem fit, so that the total outstanding amount at any time so secured shall not exceed the amounts consented by the Company by the resolution passed at this meeting pursuant to Section 180(1)(c) of the Companies Act 2013 or upto the higher amount/s as may be so consented by the Company from time to time in future, together with interest thereon, and further interest, costs, charges, expenses, remuneration and other monies payable in connection therewith AND THAT this consent shall also be the consent of the members under and as contemplated by Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable rules made thereunder;

RESOLVED FURTHER THAT the Board be and is hereby authorized to and cause to prepare, finalise, approve and execute on behalf of the Company, all documents, deeds, agreements, declarations, undertakings and writings as may be necessary and/or expedient for giving effect to the foregoing resolution and to vary and / or alter the terms and conditions of the security created/to be created as aforesaid as it may deem fit and generally to do and/or cause to do all acts, deeds matters and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution".

Certified to be true
For Piramal Capital & Housing Finance Limited

BIPIN SINGH

Date: 27th September 2021
Place: Mumbai

Bipin Singh
Company Secretary

Internal Use - Confidential

Piramal Capital & Housing Finance Limited
(formerly Piramal Housing Finance Limited)
CIN - L65999MH2017PLC295071
Registered office : 4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400013
T +91 22 62809200 F +91 22 61539444
pchf.in

ANNEXURE VIII
DUE DILIGENCE CERTIFICATE PROVIDED BY THE DEBENTURE TRUSTEE

Annexure – A

CATALYST
Believe in yourself... Trust us!

To

The Manager, **BSE Limited,** Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai – 400 001	**The Manager,** **NSE Limited.** Exchange Plaza, 5 Floor, Plot C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051.

Dear Sir/Madam,

SUB.: ISSUE OF SECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES UP TO RS. 1,95,32,52,90,000 (RUPEES NINETEEN THOUSAND FIVE HUNDRED THIRTY TWO CRORES AND FIFTY TWO LAKHS NINETY THOUSAND ONLY) , EACH HAVING A FACE VALUE OF Rs. 1,000/- (RUPEES ONE THOUSAND ONLY), THE TOTAL ISSUE SIZE AGGREGATING AND NOT EXCEEDING UP TO RS. 1,95,32,52,90,000 (RUPEES NINETEEN THOUSAND FIVE HUNDRED THIRTY TWO CRORES AND FIFTY TWO LAKHS NINETY THOUSAND ONLY) EXERCISED BY PIRAMAL CAPITAL & HOUSING FINANCE LIMITED .

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.
b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.
d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.
e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.
f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.
g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Yours faithfully,

Authorized Signatory

PLACE: Pune
DATE: 22.09.2021

Catalyst Trusteeship Limited

CATALYST TRUSTEESHIP LIMITED (FORMERLY GDA TRUSTEESHIP LIMITED) An ISO 9001 Company

Mumbai Office Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 098 Tel +91 (22) 4922 0555 Fax +91 (22) 4922 0505
Regd. Office GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune 411 038 Tel +91 (20) 66807200
Delhi Office Office No. 618, 6th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 Tel +91 (11) 43 29 10 02.
CIN No. U74999PN1997PLC116382 **Email** ds@ctltrustee.com **Website** www.catalysttrustee.com
Pune | Mumbai | Bengaluru | Delhi | Chennai

Piramal Customer Communication-Confidential

ANNEXURE IX
IN-PRINCIPLE APPROVAL FOR LISTING FROM NSE AND BSE

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

DCS/COMP/SU/IP-PPDI/228/21-22 September 27, 2021

Piramal Capital & Housing Finance Ltd
4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai, Maharashtra- 400013.

Dear Sir,

Re: Private Placement of 19,53,25,290 Secured, Rated, Listed, Redeemable Non-Convertible Debentures up to Rs. 1,95,32,52,90,000 (rupees nineteen thousand five hundred thirty-two crores and fifty-two lakhs ninety thousand only), each having a face value of Rs. 1,000/- (rupees one thousand only), the total issue size aggregating and not exceeding up to Rs. 1,95,32,52,90,000 (rupees nineteen thousand five hundred thirty-two crores and fifty-two lakhs ninety thousand only) (The "Issue").

We acknowledge receipt of your application on the online portal on September 22, 2021 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:

https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com)

Piramal Customer Communication-Confidential

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

10. The issuer is advised to comply with point "d" as mentioned in SEBI letter SEBI/HO/DDHS/Div-1/ON/2021/23834/1 dated 13th September, 2021 and provide us the confirmation for the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,

For BSE Limited

Sd/-
Rupal Khandelwal
Assistant General Manager

Sd/-
Raghavendra Bhat
Deputy Manager

NSE

National Stock Exchange Of India Limited

Ref. No.: NSE/LIST/4112

September 24, 2021

The Company Secretary
Piramal Capital & Housing Finance Limited
4th floor, Piramal Tower, Peninsula Corporate Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai- 400013

Kind Attn.: Mr. Bipin Singh

Dear Sir,

Sub.: In-principle approval for listing of Non-Convertible Debentures on private placement basis

This is with reference to your application dated September 22, 2021 requesting for In-principle approval for listing of Secured, Redeemable, Non-cumulative, Taxable, Non-convertible Debentures of face value of Rs. 1000 each, having total issue size aggregating upto Rs 1953252.9 lakhs, to be issued by Piramal Capital & Housing Finance Limited on private placement basis. In this regard, the Exchange is pleased to grant in-principle approval for the said issue, subject to adequate disclosures to be made in the Offer Document in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard and provided the Company prints the Disclaimer Clause as given below in the Offer Document after the SEBI disclaimer clause:

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). It is to be distinctly understood that the aforesaid submission or in-principle approval given by NSE vide its letter Ref.: NSE/LIST/4112 dated September 24, 2021 or hosting the same on the website of NSE in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever"

This Document is Digitally Signed

NSE

National Stock Exchange of India Limited | Exchange Plaza, C-1, Block C, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051, India +91 22 26598100 | www.nseindia.com | CIN U67120MH1992PLC069769

NSE

Continuation Sheet

Please note that the approval given by us should not in any way be deemed or construed that the draft Offer Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this draft offer document; nor does it warrant that the securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project.

Kindly also note that these debt instruments may be listed on the Exchange after the allotment process has been completed, provided the securities of the issuer are eligible for listing on the Exchange as per our listing criteria and the issuer fulfills the listing requirements of the Exchange. The issuer is responsible to ensure compliance with all the applicable guidelines issued by appropriate authorities from time to time including Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard.

Specific attention is drawn towards Para 1 of Chapter XV of SEBI Operational Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021. Accordingly, Issuers of privately placed debt securities in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of allotment of securities. The details can be uploaded using the following links:
https://www.nse-ebp.com
https://www.nseebp.com/ebp/rest/reportingentity/new=true

Yours faithfully,
For National Stock Exchange of India Limited

Priya Iyer
Manager

This Document is Digitally Signed

Signer: Priya Ranjith Iyer
Date: Fri, Sep 24, 2021 20:50:14 IST
Location: NSE

NSE

ANNEXURE X –
LIST OF DOCUMENTS WHICH HAVE BEEN EXECUTED IN CONNECTION WITH THE ISSUE

The following documents have been executed in connection with the Issue and subscription of the Debentures:

(a) Debenture trustee agreement;
(b) Debenture trust deed; and
(c) Deed of hypothecation.

Piramal Customer Communication-Confidential

ANNEXURE XI

MANAGEMENT DISCUSSION AND ANALYSIS

Piramal Customer Communication-Confidential

B S R & Co. LLP
Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

Independent Auditor's Report

To the Members of
Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Piramal Capital & Housing Finance Limited *(formerly known as Piramal Housing Finance Limited)* ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flows and standalone statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw your attention to Note 39 of the Standalone Financial Statements regarding the accounting treatment relating to the scheme of Amalgamation ('Scheme') sanctioned by the NCLT on 6 April 2018, has been accounted under Purchase method of accounting as per Accounting Standard 14 – Accounting for Amalgamation in compliance with the Scheme which is considered to be an override to the relevant provisions of Indian Accounting Standards ('Ind AS') 103.

Independent Auditor's Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of the audit of the Standalone Financial Statements as a whole, and in forming auditor's opinion thereon, and the auditor's do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How the matter was addressed in our audit
Impairment on financial instruments **Charge to the profit and loss account: INR 12,977 lakhs for year ended 31 March 2019** **Provision in the balance sheet: INR 75,301 lakhs at 31 March 2019**	
Refer to the Standalone Financial Statements: "Significant Accounting Policies - Financial instruments", "Note 5 to the Standalone Financial Statements: Loans", "Note 6 to the Standalone Financial Statements: Investments", "Note 19 to the Standalone Financial Statements: Provisions" and "Note 31 to the Standalone Financial Statements: Impairment on financial instruments"	
Subjective estimate Recognition and measurement of impairment of loans and advances involve significant management judgement. With the applicability of Ind AS 109, credit loss assessment is based on expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. The most significant areas are: - Segmentation of loan book - Loan staging criteria - Calculation of probability of default / Loss given default - Consideration of forward looking macro-economic factors	Our audit procedures included understanding and assessing the design and implementation of controls in respect of the Company's loan impairment process such as the timely recognition of impairment provisions, the completeness and accuracy of reports used in the loan impairment process and management review processes over the calculation of impairment provisions. ***Design and Operating effectiveness and Controls Testing:*** • Evaluation of the appropriateness of the impairment principles based on the requirements of Ind AS 109, our business understanding and industry practice. • Understanding management's processes, systems and controls implemented in relation to Ind AS impairment allowance process. Assessing the design and implementation of key internal financial controls over loan impairment process used to calculate the impairment charge.

Independent Auditor's Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Key Audit Matters *(Continued)*

Key audit matter description	How the matter was addressed in our audit
There is a large increase in the data inputs required by the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. In some cases, data is unavailable and reasonable alternatives have been applied to allow calculations to be performed, for example using internal risk ratings of the customers in assessing the increase in credit risk. The Company has evaluated loans for impairment on a collective basis grouping loans by product into homogenous exposure groups. For collective impairment provisions we identified that the key judgment areas which could result in a material misstatement are the determination of probabilities of default ('PDs') and loss given default ('LGD'), the use of management overlays and the periods considered for capturing the underlying data as base to the PD and LGD calculations in calculating the provision. As detailed in accounting policy referred above, the determination of loan impairment provisions is inherently judgmental and relies on managements' best estimate of a variety of inputs. Given the size of loan book relative to the balance sheet and the impact of impairment provision on the standalone financial statements, we have considered this as a key audit matter.	• We used our modelling specialists to test the model methodology and reasonableness of assumptions used. • Tested management review controls over model development, governance and measurement of impairment allowances and disclosures in standalone financial statements. **For impairment loss allowance as at 31 March 2019:** • The loan impairment methodology was evaluated to confirm it was consistent with the Ind AS 109 requirements and then confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings. • We tested the accuracy of key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made. • We tested the PD and LGD calculation workings performed by management, including testing the data used in the assessment and evaluation of whether the results of validation support the appropriateness of the PDs at the portfolio level. • We challenged completeness and validity of management overlays with assistance of our modelling team by critically evaluating the risks that have been addressed by management through overlays and also considering whether there are other risks not captured by the models which require additional overlays. • We tested the periods considered for capturing underlying data as base to PD and LGD calculations are in line with the past observed trends of the portfolio. • Changes to the modelling assumptions were assessed to confirm these were appropriate and in line with accounting standards.

Independent Auditor's Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Key Audit Matters *(Continued)*

Key audit matter description	How the matter was addressed in our audit
Changes to the standalone financial statements due to transition to Ind AS *Refer to the Standalone Financial Statements: Significant Accounting Policies – First time adoption" and "Note 46 to the Standalone Financial Statements: First time Ind AS adoption reconciliation"*	
On 1 April 2018 the Company adopted the Indian Accounting Standard ("Ind AS") notified by the Ministry of Corporate Affairs with effect from 1 April 2017 being transition date. The Company has followed Ind AS notified under Section 133 of the Companies Act 2013 ('the Act'), read with the relevant rules for preparation of the Statement. As a part of the transition from previous GAAP to Ind AS, the major areas of impact for the Company are: • Impairment on financial instruments • Fair valuation of financial instruments • Recognition of deferred tax • Presentation and disclosures of the standalone financial statements	Our audit procedures included the following: • Understood the methodology planned by the management to give impact to the transition adjustments. • Assessed that the adjustments made for the standalone financial statements are in lines with the Ind AS requirements. • Tested the accuracy of key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made for the adjustments. • We assessed the accuracy of the computations. • Verified the appropriateness of the disclosures required for the first time adoption of Ind AS • Compared the industry practice for management assumptions. • Tested management review controls over completeness and measurement of disclosures in standalone financial statements.
Taxes **Provision for tax** Charge to Profit or loss account – INR 76,933 lakhs for the year ended 31 March 2019 Provision for tax – INR 98,093 lakhs (Advance tax – INR 104,340 lakhs) as at 31 March 2019 **Deferred tax** Deferred tax asset (net): INR 3,359 lakhs at 31 March 2019 (net of deferred tax liability INR 129,471 lakhs) *Refer to the Standalone Financial Statements: Significant Accounting Policies - Taxes on income", "Note 8 to the Standalone Financial Statements: Current tax assets (Net)" "Note 9 to the Standalone Financial Statements: Deferred tax assets (Net)"*	

Independent Auditor's Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Key Audit Matters *(Continued)*

Key audit matter description	How the matter was addressed in our audit
Evaluation of tax positions The Company has material tax positions which involves significant judgement including the consideration of the tax deductibility of goodwill recognised as part of the merger of Piramal Housing Finance Limited with Piramal Finance Limited and Piramal Capital Limited. Based on legal opinions considered by the management, the goodwill recognised at date of merger is claimed under Income Tax by way of depreciation @ 25% under written down value. Under Ind AS, goodwill is not subject to amortization and instead the carrying amount of goodwill is subject to impairment testing. The above treatment creates a temporary difference which leads to the recognition of a deferred tax liability at each reporting date. Given the significance of the matters involved and the inherent judgement associated with tax positions of the Company, we have considered this to be a key audit matter.	Our audit procedures included the following • Obtained an understanding and assessed the design and implementation of controls in respect of the management review processes over the recognition of tax matters. • We involved our tax experts to analyse management's assessment of the recognition of provision for tax and the resulting deferred tax impact. • Our tax experts also considered legal precedence and other rulings in evaluating the Company's tax positions (including the consideration of the external tax advice obtained by the Company). • We tested the mathematical accuracy of the computations and considered the appropriateness of disclosures associated with this area in the standalone financial statements.
Valuation of goodwill	
Refer to the Standalone Financial Statements: Significant Accounting Policies – Impairment of non-financial assets" and Note 50 "Impairment of goodwill"	
The Company has recognized goodwill arising from the merger of Piramal Housing Finance Limited with Piramal Finance Limited and Piramal Capital Limited on 31 March 2018 in line with the scheme of arrangement approved by the NCLT. Under Ind AS, the Company is required to perform an impairment assessment of the goodwill at each reporting date.	Our audit procedures to assess potential impairment of goodwill included the following: • We assessed the management's identification of CGU, the allocation of assets and the methodology adopted by management in its impairment assessment of goodwill with reference to the requirements of the prevailing accounting standards;

Independent Auditor's Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Key Audit Matters *(Continued)*

Valuation of goodwill *(Continued)*	
In performing such impairment assessment, management compared the carrying value of the separately identifiable cash generating unit ("CGU") with its respective value in use based on discounted cash flow forecasts to determine if any impairment loss should be recognised. The preparation of discounted cash flow forecasts for the purpose of assessing potential impairment of goodwill involves estimating future cash flows, growth rates and discount rates which can be inherently uncertain. We identified the assessment of potential impairment of goodwill as a key audit matter because the year-end goodwill impairment assessments performed by management contain certain judgmental assumptions which could be subject to management bias.	• Evaluated the assumptions adopted in the preparation of the cash flow forecasts for the purpose of the impairment assessments of goodwill, including projected future growth rates for income and expenses with reference to our understanding of the business, historical trends and available industry information and available market data; • We assessed the impact of changes in the key assumptions, including projected profitability and the discount rates, adopted in the discounted cash flow forecasts on the conclusions reached in the impairment assessments and assessing whether there were any indicators of management bias in the selection of these assumptions; and • We tested the mathematical accuracy of the assessment.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Piramal Enterprises Limited's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of

Independent Auditor's Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Management's Responsibility for the Standalone Financial Statements *(Continued)*

adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Auditor's Responsibilities for the Audit of the Standalone Financial Statements *(Continued)*

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated in with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

Independent Auditor's Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Report on Other Legal and Regulatory Requirements *(Continued)*

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flows and standalone statement of changes in equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016.

(e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37(a) to the Standalone Financial Statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company;

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2019.

Independent Auditor's Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Report on Other Legal and Regulatory Requirements *(Continued)*

(h) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

V. Venkataramanan

Venkataramanan Vishwanath
Partner
Membership No. 113156

Mumbai
26 April 2019

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Annexure A to the Independent Auditor's Report – 31 March 2019

(Referred to in our report of even date on the standalone financial statements)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a programme of physical verification of its fixed assets by which all fixed assets are verified on yearly basis. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has no immovable property.

(ii) The Company is a service company and is in the business of housing finance. Accordingly, it does not maintain inventory. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) The Company has neither granted any loans to any director or any person in whom director is interested nor made investment in any company as specified in the provisions of section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of Section 73 to Section 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax and any other statutory dues have generally been deposited regularly during the year by the Company to the appropriate authorities except in case of provident fund ('PF'), where whilst the Company has demonstrated its ability to pay such amounts, for certain employees, the same have not been accepted by the PF authority on account of delay in linking of aadhar number by such employees of the Company to the provident fund account. As explained to us, the Company did not have any dues on account of sales tax, custom duty, excise duty, value added tax and cess.

According to the information and explanations given to us no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Annexure A to the Independent Auditor's Report – 31 March 2019 *(Continued)*

(b) According to the information and explanations given to us, there are no dues with respect to income tax, sales tax, goods and service tax, value added tax, custom duty, excise duty, which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:

Name of the statue	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	45	AY 2014-15	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	58	AY 2015-16	Income Tax Officer

(viii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or debenture holders during the year.

(ix) The Company has not raised any money by way of initial public offer or further public offer during the year. In case of term loans, according to the information and explanations given to us and based on examination of relevant records, the term loans taken by the Company have been applied for the purpose for which they were raised.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the section 177 and 188 of the Act where applicable and details have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Annexure A to the Independent Auditor's Report – 31 March 2019 *(Continued)*

(xvi) According to the information and explanation given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156

Mumbai
26 April 2019

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Annexure B to the Independent Auditor's Report – 31 March 2019

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls with reference to standalone financial statements of the Company as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Annexure B to the Independent Auditor's Report – 31 March 2019 *(Continued)*

Auditor's Responsibility *(Continued)*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

V. Venkataramanan

Venkataramanan Vishwanath
Partner
Membership No: 113156

Mumbai
26 April 2019

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Standalone Balance Sheet

as at March 31, 2019

(Currency : Rs in lakhs)

		Note	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	ASSETS				
1	**Financial assets:**				
(a)	Cash and cash equivalents	3	41,231	1,55,338	100
(b)	Bank balances other than (a) above	4	2,405	-	1,500
(c)	Loans	5	30,83,732	19,38,208	-
(d)	Investments	6	9,52,926	12,59,211	-
(e)	Other financial assets	7	80,537	3,671	7
2	**Non- financial assets:**				
(a)	Current tax assets (net)	8	6,325	1,998	1
(b)	Deferred tax assets (net)	9	3,359	29,776	-
(c)	Property, Plant and Equipment	11	3,196	1,378	8
(d)	Intangible assets under development	11	2,330	1,690	
(e)	Goodwill	11	10,25,681	10,21,429	
(f)	Other Intangible assets	11	69	29	
(g)	Asset held for sale		-	1,591	
(h)	Other non-financial assets	10	10,457	1,285	276
	Total Assets		**52,12,248**	44,15,604	1,892
	LIABILITIES AND EQUITY				
	Liabilities				
1	**Financial liabilities:**				
	Payables				
(a)	Trade payables				
	(i) Total outstanding dues of micro and small enterprises		-	-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises	12	8,026	2,440	290
(b)	Debt securities	13	5,90,594	5,95,526	-
(c)	Borrowings (other than debt securities)	14	24,40,954	18,74,220	-
(d)	Deposits	15	1,50,000	75,000	100
(e)	Subordinated debt liabilities	16	49,313	49,236	-
(f)	Other financial liabilities	17	5,369	6,312	-
2	**Non- financial liabilities:**				
(a)	Current tax liabilities (net)	18	78	409	-
(b)	Provisions	19	10,271	2,071	-
(c)	Deferred tax liabilities (net)	9	-	-	1
(d)	Other non- financial liabilities	20	4,557	1,459	-
	Equity				
(a)	Equity share capital	21	18,04,452	-	1,500
(b)	Other equity	22	1,48,634	18,08,931	1
	Total Liabilities and Equity		**52,12,248**	44,15,604	1,892

Significant accounting policies 2

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156

Mumbai,
Date: April 26, 2019

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953

Ajay Piramal
Director
DIN: 00028116

Sachin Deodhar
Chief Financial Officer

Ankit Singh
Company Secretary

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Standalone Statement of Profit and Loss
for the year ended March 31, 2019

(Currency : Rs in lakhs)

	Note	For the year ended **March 31, 2019**	For the year ended March 31, 2018
Revenue from operations			
Interest Income	*23*	5,46,464	4,246
Rental Income		74	-
Fees and commission Income	*24*	4,372	-
Others	*25*	2,032	374
Total Revenue from operations		**5,52,942**	4,620
Other Income	*26*	4,244	2,169
Total Income		**5,57,186**	6,789
Expenses			
Finance costs	*27*	2,76,082	1,594
Fees and commission expense	*28*	7,714	35
Net loss on fair value changes	*29*	855	-
Impairment on financial instruments	*31*	12,977	-
Employee benefits expense	*30*	19,571	2,030
Depreciation, amortization and impairment	-	681	86
Other expenses	*32*	18,116	2,775
Total Expenses		**3,35,996**	6,520
Profit before exceptional items and tax		2,21,191	269
Exceptional items		-	-
Profit before tax		**2,21,191**	269
Less: Tax Expenses			
Current tax		50,460	-
Deferred tax		26,473	(4,206)
		76,933	(4,206)
Profit for the year		**1,44,258**	4,475
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit liability/(asset)		159	-
Income tax relating to items that will not be reclassified to profit or loss		(55)	-
Net other comprehensive income		**104**	-
Total comprehensive income for the year		**1,44,154**	4,475
Profit for the Year		**1,44,154**	4,475
Earnings per equity share (Basic and Diluted) (Rs.)		*0.80*	*1.93*
Significant accounting policies	*2*		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156

Mumbai,
Date: April 26, 2019

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953

Ajay Piramal
Director
DIN: 00028116

Sachin Deodhar
Chief Financial Officer

Ankit Singh
Company Secretary

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Standalone Cash Flow Statement
for the year ended March 31, 2019

(Currency : Rs in lakhs)

		For the year ended **March 31, 2019**	For the year ended March 31, 2018
A.	**Cash flow from operating activities**		
	Profit before tax	**2,21,191**	269
	Short term capital gain on mutual fund	**(2,032)**	(374)
	Interest income from fixed deposits	**(4,498)**	(58)
	Loss on fair valuation	**855**	-
	Allowance for expected credit loss on loans and loan commitments	**12,977**	(2,167)
	Provision for lease equalisation reserve	**92**	14
	Depreciation and amortisation	**681**	86
	Operating cash flow before working capital changes	**2,29,266**	(2,231)
	Decrease / (Increase) in Loans	**(11,57,078)**	(79,825)
	Decrease/ (Increase) in Asset held for sale	**1,591**	(296)
	Decrease / (Increase) in Investments	**3,08,899**	(25,351)
	Decrease / (Increase) in other financials assets	**(78,209)**	7
	Decrease / (Increase) in other Non financials assets	**(8,344)**	276
	Decrease / (Increase) in Trade Payables	**5,586**	379
	Increase/ (Decrease) in Provisions	**447**	172
	Decrease / (Increase) in other financials liabilities	**(1,035)**	259
	Decrease / (Increase) in other non financials liabilities	**3,098**	193
	Cash used in operations	**(6,95,779)**	(1,06,416)
	Less: Income taxes paid	**(55,118)**	(245)
	Net cash used in operating activities (a)	**(7,50,897)**	(1,06,661)
B	**Cash flow from investing activities**		
	Fixed assets purchased	**(8,267)**	(1,018)
	Investments in mutual funds	**(69,56,301)**	-
	Redemptions from mutual funds	**69,61,034**	374
	Interest income from fixed deposits	**5,851**	58
	Investment in fixed deposits	**(2,405)**	-
	Redemption from in fixed deposits	**-**	1,500
	Net cash flow from investing activities (b)	**(88)**	914
C	**Cash flow from financing activities**		
	Borrowings taken during the year	**67,29,784**	1,77,268
	Borrowings repaid during the year	**(60,92,905)**	(84,907)
	Issue of equity shares	**-**	30,000
	Net cash flow from financing activities (c)	**6,36,879**	1,22,361
	Net increase in cash and cash equivalents (a+b+c)	**(1,14,107)**	16,614
	Cash and cash equivalents as at beginning of the year	**1,55,338**	100
	Add: Cash and cash equivalent transferred under Scheme of merger	**-**	1,38,624
	Cash and cash equivalents as at end of the year (refer note 3)	**41,231**	1,55,338

The notes referred to above form an integral part of the financial statements.
As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156

Mumbai,
Date: April 26, 2019

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953

Ajay Piramal
Director
DIN: 00028116

Sachin Deodhar
Chief Financial Officer

Ankit Singh
Company Secretary

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Standalone Statement of changes in equity
for the year ended March 31, 2019

(Currency : Rs in lakhs)

A. Equity Share Capital:

Particulars	Amount
Balance as at April 1, 2017	1,500
Add: Issued during the year	30,000
Less: Shares cancelled on amalgamation (refer note 39)	(31,500)
Balance as at March 31, 2018	-
Add: Issued during the year	18,04,452
Balance as at March 31, 2019	18,04,452

B. Other Equity:

Particulars	Reserves and Surplus				Total
	Equity Share Capital Suspense	Statutory Reserve	Capital Reserve	Retained Earnings	
Balance as at April 1, 2017	-	-	-	1	1
Add: Profit during the year	-	-	-	4,475	4,475
Add: On account of Amalgamation (refer note 39)	18,04,452	-	3	-	18,04,452
Balance as at March 31, 2018	18,04,452	-	3	4,476	18,08,931
Add/(Less): Transfer during the year	(18,04,452)	28,852	-	-	(17,75,600)
Add: Profit during the year	-	-	-	1,44,258	1,44,258
Less: Other Comprehensive Income (net of tax)	-	-	-	(104)	(104)
Less: Transfer to statutory reserve fund	-	-	-	(28,852)	(28,852)
Balance as at March 31, 2019	-	28,852	3	1,19,778	1,48,634

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156

Mumbai,
Date: April 26, 2019

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953

Ajay Piramal
Director
DIN: 00028116

Sachin Deodhar
Chief Financial Officer

Ankit Singh
Company Secretary

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Notes to the Standalone Financial Statements

for the year ended March 31, 2019

(Currency : Rs in lakhs)

1. GENERAL INFORMATION

Piramal Capital & Housing Finance Limited (formerly known as Piramal Housing Finance Limited) ('the Company') was incorporated under the Companies Act, 2013 on 10 February 2017 with its registered office in Mumbai to carry on the business of housing finance in India.
The Company was registered as a non-deposit taking housing finance company with the National Housing Bank ("NHB") on 28 August 2017.

The Company was converted into a public limited company w.e.f. 17 October 2017 and consequently the name of the Company was changed from Piramal Housing Finance Private Limited to Piramal Housing Finance Limited w.e.f. the date of the certificate of Registrar of Companies ('ROC'), Mumbai.

The Company has acquired Piramal Finance Limited and Piramal Capital Limited with effect from 31 March 2018 being the appointed date. The primary activities of the acquired Companies involve lending / investing.

The name of Company was changed from Piramal Housing Finance Limited to Piramal Capital & Housing Finance Limited w.e.f. 12 Jun 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('the Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Effective April 1, 2018, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First Time adoption of Indian Accounting Standards, with April 1, 2017 as the transition date. The transition was carried out from the Indian Accounting Principle generally accepted in India as prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.
Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

ii) Basis of Accounting

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

iii) Property, plant and equipment

All Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.
The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

B S R & Co LLP Chartered Accountants 4th Floor Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi Mumbai 400011 India

Piramal Capital & Housing Finance Ltd

(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

iii) Property, Plant and Equipment *(Continued)*

The estimated useful lives of Property, Plant and Equipment are as stated below:

Office Equipment	5 years
Furniture and fixtures	10 years
Computers Servers and Network	6 years
Computer - End user device	3 years
Leasehold Improvements	Amortised on SLM over lease tenure

iv) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.
Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

Intangible Assets are amortized on a straight line basis over their finite useful lives over the following period:

Computer Software	6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Individual fixed assets costing less than Rupees five thousand are depreciated fully in the year of purchase or acquisition.

v) Impairment of non financial assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

vi) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Classification

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through Other Comprehensive Income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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Mumbai-400011 India

(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

vi) Financial instruments *(Continued)*

Financial assets *(Continued)*

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Default assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

Retail lending:
The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

The Company uses ECL allowance for financial assets measured at amortised cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar characteristics. The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has recently started its operations and it's too early to observe actual defaults and corresponding recovery in its portfolio. Accordingly, the Company has used surrogate data from a reputed credit bureau agency for potential credit losses. Further, the estimates from the above sources have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions to comply with IndAS 109. The forward looking macro-economic conditions based adjustment is driven through a multi linear regression model which forecasts systemic gross non-performing assets under baseline future economic scenarios.

The financial instruments are classified into Stage 1 – Standard Assets with zero to sixty days past due (DPD), Stage 2 – Significant Credit Deterioration or overdue for more than sixty days and Stage 3 – Default Assets with overdue for more than 90 days.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk (as represented by days past due status of the individual accounts) since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Default assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

Derecognition of financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.
On derecognition of financial assets in entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, is recognised in the statement of profit and loss.

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Piramal Capital & Housing Finance Ltd.

(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

vi) Financial instruments *(Continued)*

Financial assets *(Continued)*

By default, all other financial assets are subsequently measured at fair value through profit and loss (FVTPL).

Debt instruments
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Effective interest rate method
Income is recognised on an effective interest rate basis for financial assets other than those financial assets classified as at FVTPL. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.
The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.
If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.
The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

Financial assets at fair value through profit or loss (FVTPL)
Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Changes in the fair value of financial assets at FVTPL are recognised in the statement of profit and loss.

Impairment of financial assets
Wholesale lending:
The Company applies the expected credit loss ("ECL") model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has devised an internal model to evaluate the probability of default and loss given default based on the parameters set out in Ind AS 109. The Company has a dedicated Asset Monitoring team which evaluates asset performance on a continued basis to flag of early warning signals. Probability of default have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions to comply with IndAS 109. The forward looking macro-economic conditions based adjustment is driven through a multi linear regression model which forecasts systemic gross non-performing assets under baseline future economic scenarios. Accordingly, the financial instruments are classified into Stage 1 – Standard Assets with zero to thirty days past due (DPD), Stage 2 – Significant Credit Deterioration or overdue between 31 to 90 days and Stage 3 – Default Assets with overdue for more than 90 days. The Company also takes into account the below qualitative parameters in determining the increase in credit risk for the financial assets:

1) Significant negative deviation in the business plan of the borrower
2) Internal rating downgrade for the borrower or the project
3) Current and expected financial performance of the borrower
4) Need for refinance of loan due to change in cash flow of the project
5) Significant decrease in the value of collateral
6) Change in market conditions and industry trends

B S R & Co. LLP Chartered Accountants
Mumbai 400011 India

Piramal Capital & Housing Finance Ltd.

Notes to the Standalone Financial Statements *(Continued)*

as at March 31, 2019

(Currency : Rs in lakhs)

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
3 Cash and cash equivalents			
Cash on hand	-	1	-
Balances with banks in current accounts	41,031	26,437	100
Fixed deposits (with maturity less than 3 months)	200	1,28,900	-
Total	**41,231**	1,55,338	100
4 Bank balances other than (a) above			
Fixed deposits maturing within next 12 months	2,405	-	1,500
Total	**2,405**	-	1,500
5 Loans			
Loans within India			
Term loan to borrowers - at amortised cost			
- Secured by tangible assets, considered good	30,70,471	19,40,115	-
Less: Allowance for impairment loss (expected credit loss allowance)	(39,498)	(32,046)	-
Term loan to borrowers - at FVTPL			
- Secured by tangible assets, considered good	29,295	22,382	-
Term loan to borrowers - at amortised cost			
- Unsecured, considered good	-	1,998	-
Less: Allowance for impairment loss (expected credit loss allowance)	-	(9)	-
Term loan to borrowers - at amortised cost			
- Significant increase in Credit Risk	20,741	5,926	-
Less: Allowance for impairment loss (expected credit loss allowance)	(2,486)	(158)	-
Term loan to borrowers - at amortised cost			
- Credit impaired	13,956	7,819	-
Less: Allowance for impairment loss (expected credit loss allowance)	(8,747)	(7,819)	-
Total	**30,83,732**	19,38,208	-

B S R & Co. LLP Chartered Accountants 5th Floor Lodha Excelus Apollo Mills Compound N. M. Joshi Marg Mahalaxmi Mumbai-400011 India

Notes to the Standalone Financial Statements *(Continued)*

as at March 31, 2019

(Currency : Rs in lakhs)

6 Investments

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investments within India			
Measured at Amortised Cost			
Quoted Investments (at fully paid)			
Redeemable Non Convertible Debentures	72,642	1,03,078	-
Total	**72,642**	1,03,078	-
Measured at Amortised Cost			
Unquoted Investments (at fully paid)			
Redeemable Non Convertible Debentures	8,80,903	11,48,958	-
Less: Allowance for impairment loss (expected credit loss allowance)	(15,877)	(21,192)	-
Total	**8,65,026**	11,27,766	-
Instruments at Fair Value through Profit & Loss			
Quoted Investments (at fully paid)			
Redeemable Non Convertible Debentures	15,258	25,666	-
Total	**15,258**	25,666	-
Instruments at Fair Value through Profit & Loss			
Quoted Investments (at fully paid)			
Investment in Mutual Funds	-	2,701	-
Total	-	2,701	-
Total Investments	**9,52,926**	12,59,211	-
Aggregated book value of quoted investments	**87,900**	1,31,445	-
Aggregated market value of quoted investments	**87,900**	1,31,445	-
Aggregated book value of unquoted investments	**8,80,903**	11,48,958	-
Aggregated amount of impairment in value of investments	-	-	-

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Piramal Capital & Housing Finance Ltd

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Notes to the Standalone Financial Statements *(Continued)*
as at March 31, 2019

(Currency : Rs in lakhs)

		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
7	**Other financial assets**			
	Interest receivable	43	1,395	7
	Security deposits	79,809	555	-
	Other receivable	667	976	-
	To related parties			
	Unsecured, considered good			
	Piramal Securities Limited	18	-	-
	Piramal Enterprises Limited	-	745	-
	Total other financial asset	**80,537**	3,671	7
8	**Current tax assets (Net)**			
	Advance Tax (net of Provision of Rs.94,531/-, 31 March 2018 Rs. 31,139/-)	6,325	1,998	1
	Total current tax assets (net)	**6,325**	1,998	1

B S R & Co. LLP
Chartered Accountants
Mumbai 400011
India

Piramal Capital & Housing Finance Ltd

(Currency : Rs in lakhs)

9 Deferred tax

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Deferred tax assets (net)	3,359	29,776	-
Deferred tax liabilities (net)	-	-	1

Particulars	Opening balance as at March 31, 2018	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing balance as at March 31, 2019
Movement in deferred tax assets:				
Depreciation on property, plant and equipment	16	70	-	86
Depreciation on intangible assets	(44,500)	(79,704)	-	(1,24,204)
Preliminary Expenses	92	(34)	-	58
Provision for compensated absence	124	109	-	233
Provision for Gratuity	207	56	55	318
Provision on loans and investments as per ECL	20,939	4,537	-	25,476
Business Loss	44,550	(39,552)	-	4,998
Unabsorbed depreciation	443	44,229	-	44,672
Lease straightlining	13	37	-	50
Gain on fair valuation	(342)	299	-	(43)
Net fair value changes on foreign currency loan	(414)	414	-	0
Deferrement of interest income due to EIR	9,956	(4,391)	-	5,566
Deferrement of interest expense due to EIR	(1,308)	(2,813)	-	(4,120)
Unamortised Processing fees paid to Piramal Enterprises Limited	-	(1,104)	-	(1,104)
Stamp duty on Amalgamation allowable u/s 35DD	-	914	-	914
MAT Credit Entilement	-	50,460	-	50,460
	29,776	(26,473)	55	3,359

Particulars	Opening balance as at April 1, 2017	Recognised in profit or loss	Acquisition through business combination	Closing balance as at March 31, 2018
Movement in deferred tax assets:				
Depreciation on property, plant and equipment	(1)	(26)	43	16
Depreciation on intangible assets	-	(44,500)	-	(44,500)
Preliminary Expenses	-	92	-	92
Provision for compensated absence	-	22	102	124
Provision for gratuity	-	29	178	207
Provision on loans and investments as per ECL	-	(761)	21,700	20,939
Business Loss	-	44,550	-	44,550
Unabsorbed depreciation	-	443	-	443
Lease straightlining	-	-	13	13
Gain on fair valuation	-	(342)	-	(342)
Net fair value changes on foreign currency loan	-	(1,181)	767	(414)
Deferrement of interest income due to EIR	-	7,797	2,159	9,956
Deferrement of interest expense due to EIR	-	(1,917)	609	(1,308)
	(1)	4,206	25,571	29,776

10 Other non-financial assets

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Capital Advance	828	-	-
Preliminary expenses	-	-	276
Cenvat credit receivable	3,572	219	-
Prepaid expenses	370	346	-
Advance for expenses	10	78	-
Advance processing fees paid	5,677	642	-
Total Other non-financial assets	10,457	1,285	276

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Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Notes to the Standalone Financial Statements *(Continued)*

as at March 31, 2019

(Currency : Rs in lakhs)

11 Property, plant and equipment, Intangible Assets and Intangibles under development

Particulars	Cost					Accumulated Depreciation / Amortisation				Net Carrying Amount
	Opening As at April 1, 2018	Acquisition through business combination	Additions during the year	Deductions	As at March 31, 2019 (A)	Opening As at April 1, 2018	Charge for the year	Deductions	As at March 31, 2019 (B)	As at March 31, 2019 (A-B)
Tangible Assets										
Land and Building	30	-	-	-	30	-	-	-	-	30
Office Equipment	180	-	332	-	512	12	86	-	98	414
Computer	266	-	316	10	571	28	145	2	171	400
Computer Server	142	-	156	-	298	10	42	-	52	246
Furniture	286	-	11	-	297	10	29	-	39	258
Motor Car	-	-	239	-	239	-	19	-	19	221
Leasehold Improvements	560	-	1,447	-	2,007	26	355	-	381	1,627
Other income										
Total (I)	1,464	-	2,503	10	3,956	86	675	2	760	3,196
Intangible Asset										
Goodwill on amalgamation	10,21,429	-	4,251	-	10,25,680	-	-	-	-	10,25,680
Computer software	29	-	45	-	75	-	6	-	6	69
Total (II)	10,21,458	-	4,296	-	10,25,755	-	6	-	6	10,25,749
Intangibles under development (III)	1,690	-	640	-	2,330	-	-	-	-	2,330
Grand Total (I+II+III)	10,24,612	-	7,439	10	10,32,041	86	681	2	766	10,31,276

Particulars	Cost					Accumulated Depreciation / Amortisation				Net Carrying Amount
	Opening As at April 1, 2017	Acquisition through business combination	Additions during the year	Deductions	As at March 31, 2018 (A)	Opening As at April 1, 2017	Charge for the year	Deductions	As at March 31, 2018 (B)	As at March 31, 2018 (A-B)
Tangible Assets										
Land and Building	-	16	14	-	30	-	-	-	-	30
Office Equipment	1	49	130	-	180	-	12	-	12	168
Computer	7	97	162	-	266	-	28	-	28	238
Computer Server	-	30	112	-	142	-	10	-	10	132
Furniture	-	62	224	-	286	-	10	-	10	276
Leasehold Improvements	-	296	264	-	560	-	26	-	26	534
Total (I)	8	550	906	-	1,464	-	86	-	86	1,378
Intangible Asset										
Goodwill on amalgamation	-	10,21,429	-	-	10,21,429	-	-	-	-	10,21,429
Computer software	-	29	-	-	29	-	-	-	-	29
Total (II)	-	10,21,458	-	-	10,21,458	-	-	-	-	10,21,458
Intangibles under development (III)	-	1,578	112	-	1,690	-	-	-	-	1,690
Grand Total (I+II+III)	8	10,23,586	1,018	-	10,24,612	-	86	-	86	10,24,526

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Piramal Capital & Housing Finance Ltd.

Notes to the Standalone Financial Statements *(Continued)*
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(Currency : Rs in lakhs)

		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
12	**Trade payables**			
(i)	Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	2,753	1,258	6
(iii)	Trade payables to related parties (refer note 40)	5,273	1,182	284
	Total	**8,026**	2,440	290
13	**Debt Securities**			
	Debt securities in India			
	Measured at amortised cost			
	Redeemable Non Convertible Debentures (secured)	5,90,594	5,95,526	-
	Total	**5,90,594**	5,95,526	-
14	**Borrowings (Other than Debt Securities)**			
	Borrowings in India			
	Measured at amortised cost			
	Term Loans (secured)			
	-From banks	16,66,049	11,44,776	-
	-FCNR Loan	-	48,836	-
	-From others	50,074	24,989	-
	Loans repayable on demand (secured)			
	-From banks	2,26,103	68,759	-
	Commercial Paper (unsecured)	4,98,728	5,86,860	-
	Total	**24,40,954**	18,74,220	-
15	**Deposits**			
	Measured at amortised cost			
	Intercorporate deposit from related party (Unsecured)	-	75,000	100
	Intercorporate deposit from Others (Secured)	1,50,000	-	-
	Total	**1,50,000**	75,000	100
16	**Subordinated Liabilities**			
	Subordinated Liabilities in India			
	Measured at amortised cost			
	Redeemable Non Convertible Debentures (unsecured)	49,313	49,236	-
	Total	**49,313**	49,236	-

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Piramal Capital & Housing Finance Ltd.

Piramal Capital & Housing Finance Limited
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Notes to the Standalone Financial Statements *(Continued)*
as at March 31, 2019

(Currency : Rs in lakhs)

13. Debt Securities

A. Redeemable Non Convertible Debentures (secured)

Particulars	Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at April 1, 2017	Maturity Due Date	First Instalment payment date
10,000 (payable on maturity) 9.35% Secured , Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1093 days from the date of allotment. ; with put option	-	1,00,000	-	19-Jul-19	NA
250 (payable annually) 8.50% Secured , Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1093 days from the date of allotment.	2,500	2,500	-	22-Nov-19	NA
3,000 (payable annually) 9.57% Secured Rated, Unlisted, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1001 days from the date of allotment.	-	30,000	-	08-Mar-19	NA
3,500 (payable annually) 9.25% Secured , Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 728 days from the date of allotment.	-	35,000	-	10-Aug-18	NA
50 (payable annually) 8.95% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 2555 days from the date of allotment.	500	500	-	08-Mar-24	NA
2,000 (payable on maturity) 8.85% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1152 days from the date of allotment	20,000	20,000	-	25-May-20	NA
1,500 (payable annually) 9.05% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 1,000,000 ; with 50% partly paid and issued	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1093 days from the date of allotment ; with a put option	10,000	75,000	-	09-Aug-19	NA
4400 (payable on maturity) 8.85% Secured,Rated, Listed, redeemable Non Convertible Debentures (NCD's) each having a face value of Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1154 days from the date of allotment	44,000	44,000	-	03-Jun-20	NA
500 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 729 days from the date of allotment	5,000	5,000	-	19-Apr-19	NA
250 (payable annually) 8.75% Secured, Rated, Listed , Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs. 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 2556 days from the date of allotment	2,500	2,500	-	03-May-24	NA
500 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 729 days from the date of allotment	5,000	5,000	-	07-Jun-19	NA
500 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 729 days from the date of allotment	5,000	5,000	-	07-Jun-19	NA
250 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 729 days from the date of allotment	2,500	2,500	-	07-Jun-19	NA
150 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 729 days from the date of allotment	1,500	1,500	-	07-Jun-19	NA
500 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 728 days from the date of allotment	5,000	5,000	-	14-Jun-19	NA
950 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	9,500	9,500	-	14-Jul-20	NA
500 (payable annually) 9.05% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 725 days from the date of allotment	-	5,000	-	09-Aug-19	NA
1750 (payable annually) 9.05% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 725 days from the date of allotment	-	17,500	-	09-Aug-19	NA
5250 (payable annually) 9.05% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCDs) each of face value Rs1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 725 days from the date of allotment	20,000	52,500	-	09-Aug-19	NA

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Notes to the Standalone Financial Statements *(Continued)*

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(Currency : Rs in lakhs)

13. Debt Securities *(Continued)*

A. Redeemable Non Convertible Debentures (secured)

Particulars	Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at April 1, 2017	Maturity Date	First Instalment payment date
500 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	5,000	5,000	-	04-Aug-20	NA
500 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	5,000	5,000	-	04-Aug-20	NA
250 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	2,500	2,500	-	04-Aug-20	NA
5000 (payable annually) 8.07% Secured, Rated , Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs. 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1096 days from the deemed date of allotment	50,000	50,000	-	25-Sep-20	NA
1250 (payable annually) 8.10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1096 days from the date of allotment	12,500	12,500	-	29-Sep-20	NA
5000 (payable monthly) 7.96% Secured, Rated , Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs. 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are redeemable at par in three installments : 8th year-167 crore; 9th year-167crore; 10th year-166 crore	50,000	50,000	-	20-Sep-27	19-Sep-25
150 (payable annually) 7.96% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1094 days from the date of allotment	1,500	1,500	-	06-Nov-20	NA
1000 (payable annually) 7.96% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1094 days from the date of allotment	10,000	10,000	-	06-Nov-20	NA
350 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 2555 days from the date of allotment	3,500	-	-	03-Oct-25	NA
250 (payable annually) 9.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1826 days from the date of allotment	2,500	-	-	02-Nov-23	NA
5000 (payable annually) 9.27% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are redeemable at par in three installments : 8th year-167 crore; 9th year-167crore; 10th year-166 crore	50,000	-	-	19-Dec-28	18-Dec-26
6500 (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years and three months from the date of allotment	65,000	-	-	15-Apr-22	NA
1000 (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years three months and forteen days from the date of allotment	10,000	-	-	29-Apr-22	NA
500 (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years and three months from the date of allotment	5,000	-	-	21-Apr-22	NA
2000 (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years three months and forteen days from the date of allotment	20,000	-	-	06-May-22	NA
5000 (payable annually) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after eight years from the date of allotment	50,000	-	-	11-Mar-27	NA
5000 (payable annually) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after Nine years from the date of allotment	50,000	-	-	10-Mar-28	NA
5000 (payable annually) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000 each	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after Ten years from the date of allotment	50,000	-	-	09-Mar-29	NA

The rate of interest for the above loans are in the range of 7.96% to 9.75% per annum

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14. Borrowings (Other than Debt Securities)

B. 1. Rupee Term Loan from Banks

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at April 1, 2017	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable quarterly installments starting after twelve months from initial drawdown date	625	1,875	-	31-Jul-19	31-Oct-15
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable quarterly installments starting after twelve months from initial drawdown date	1,000	1,250	-	20-Feb-20	20-Feb-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable quarterly installments starting after twelve months from initial drawdown date	750	750	-	04-Mar-20	04-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal half yearly installments with moratorium period of one year from drawdown date	7,500	12,500	-	17-Jun-20	17-Dec-17
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal quarterly installments commencing from 27 month of drawdown date	25,000	25,000	-	15-Mar-22	30-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly installments after the moratorium period of 24 month from the date of drawdown	25,000	25,000	-	26-Mar-20	26-Apr-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in Fifteen months from drawdown date	-	45,000	-	28-Feb-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal quarterly installments commencing from 21st month from date of drawdown	60,000	75,000	-	30-Mar-21	31-Dec-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	20,000	20,000	-	06-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	50,000	50,000	-	30-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve quarterly installments Commencing from 24th month from date of drawdown	1,25,000	1,25,000	-	09-Mar-22	09-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in half yearly installments Commencing from one year from date of drawdown	8,333	10,000	-	26-Apr-21	26-Oct-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in half yearly installments Commencing from one year from date of drawdown	4,167	5,000	-	26-Apr-21	26-Oct-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	20,000	20,000	-	18-Sep-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight equal quarterly installments commencing after the moratorium period of two years from the date of drawdown	20,000	20,000	-	17-Sep-21	18-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in six equal quarterly installments commencing from 7 quarter of date of drawdown	30,000	30,000	-	25-Sep-20	21-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal quarterly installments commencing from 25 months from date of drawdown	10,000	10,000	-	27-Jun-22	30-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from the date of drawdown	-	30,000	-	29-Sep-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve quarterly installments Commencing from 24th month of date of drawdown	25,000	25,000	-	09-Mar-22	09-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal quarterly installments commencing from 21st month from date of drawdown	12,500	12,500	-	02-Aug-21	02-May-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight equal quarterly installments commencing from 15th month from date of drawdown	3,750	5,000	-	18-Aug-20	16-Nov-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in sixteen quarterly installlments with a holiday period of 1 year from the drawdown date.	43,750	50,000	-	28-Aug-22	28-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly installments after the moratorium period of 24 months from the drawdown date	20,000	20,000	-	31-Aug-20	31-Aug-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal quarterly installments starting from 21st month from drawdown date	75,000	75,000	-	24-Sep-21	26-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in two years from drawdown date	-	25,000	-	29-Sep-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in four equal quarterly installments commencing from 27th month from the drawdown date	-	7,500	-	31-Aug-20	30-Nov-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eighteen months from the date of drawdown	-	22,000	-	28-Jun-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight half yearly installments commencing after initial moratorium period of 12 months	13,125	15,000	-	30-Sep-22	26-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve monthly installments, first 11 of 20.83 crore each and the 12th installment of 20.87 crore post holiday period of 24 months from drawdown date	25,000	25,000	-	18-Sep-20	18-Oct-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	10,000	10,000	-	18-Sep-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight half yearly installments commencing after 12th month from the drawdown date	4,375	5,000	-	30-Sep-22	26-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly installments commencing from 21st month from the date of drawdown	15,000	15,000	-	06-Oct-21	06-Jul-19

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Piramal Capital & Housing Finance Ltd.

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

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as at March 31, 2019

(Currency : Rs in lakhs)

14. Borrowings (Other than Debt Securities) *(Continued)*

B. 1. Rupee Term Loan from Banks

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at April 1, 2017	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight equal quarterly installments commencing after a moratorium of 2 years from the date of drawdown	10,000	10,000	-	17-Sep-21	18-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly installments commencing after a moratorium period of 24 months from the date of drawdown	5,000	5,000	-	30-Nov-20	31-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly installments commencing after a moratorium period of 24 months from the date of drawdown	15,000	15,000	-	30-Nov-20	31-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly installments commencing from 21st month from the date of drawdown	7,500	7,500	-	21-Dec-21	21-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly installments commencing from 21st month from the date of drawdown	15,000	15,000	-	27-Dec-21	27-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in four equal quarterly installments commencing from 13th month of drawdown date	18,750	25,000	-	28-Dec-19	28-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in sixteen equal quarterly installments commencing from 13th month of drawdown date	46,875	50,000	-	28-Dec-22	28-Nov-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly installments commencing after moratorium of 24 months from the date of drawdown	10,000	10,000	-	30-Nov-20	31-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly insatllments commencing from 21st month from the date of drawdown.	37,500	37,500	-	11-Feb-22	11-Nov-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in nineteen quarterly installments commencing after a moratorium period of 3 months from the date of drawdown	16,842	20,000		28-Feb-23	31-Aug-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in six equal half yearly installments with moratorium period of one year from drawdown date	30,000	30,000	-	31-Mar-22	30-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	-	16,500	-	25-Jun-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	-	16,500	-	25-Jun-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	-	20,000	-	15-Apr-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly installments commencing post moratorium period of 2 years from the drawdown date	5,000	5,000	-	28-Feb-21	31-Mar-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 12 months from drawdown date	5,000	-	-	12-Nov-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eighteen months from drawdown date	-	10,000	-	11-Sep-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eighteen months from drawdown date	-	10,000	-	19-Sep-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight quarterly installments commencing after a moratorium period of 12 months from the date of first disbursement	30,000	30,000	-	26-Mar-21	28-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment in equal half yearly installments	8,750	-	-	20-Apr-22	20-Oct-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in two years from drawdown date	20,000	-	-	26-Jun-20	26-Jun-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	25,000	-	-	30-Jan-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	30,000	-	-	10-Aug-21	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	10,000	-	-	21-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	10,000	-	-	25-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	10,000	-	-	27-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	7,500	-	-	24-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principle to be repaid in 18 quarterly installment after moratorium period of 6 months from the date of 1st drawdown	2,00,000	-	-	31-Oct-23	31-Jul-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principle to be repaid in 12 quarterly installment of Rs. 41.67 Crs after moratorium period of 6 months from the date of 1st drawdown	50,000	-	-	26-May-22	26-Aug-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principle to be repaid in 16 quarterly installment of Rs. 6.23 Crs after moratorium period of 3 months from the date of 1st drawdown	20,000	-	-	27-Mar-23	27-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 10 months from 21 month of each drawdown date	46,874	-	-	29-Dec-22	29-Jan-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 6 equal semi annual instalment after 12 months from drawdown date	20,000	-	-	31-Dec-22	30-Jun-20

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Piramal Capital & Housing Finance Ltd.

Notes to the Standalone Financial Statements *(Continued)*

as at March 31, 2019

(Currency : Rs in lakhs)

14. Borrowings (Other than Debt Securities) *(Continued)*

B. 1. Rupee Term Loan from Banks

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at April 1, 2017	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	40,500	-	-	07-Jul-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 35 months from drawdown date	25,000	-	-	31-Dec-21	29-Feb-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principle to be repaid in 47 equal monthly installment of Rs. 10.41 Crs and Rs. 10.73Crs on 48th installment after drawdown	48,958	-	-	02-Feb-23	02-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	15,900	-	-	21-Aug-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 24 months from drawdown date	25,000	-	-	19-Feb-21	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	10,000	-	-	09-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	10,000	-	-	10-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	10,000	-	-	11-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Reapayment of Principle to be repaid in 12 equal quarter installment of Rs. 25 Crs after moratium period of the 2 years from the date of drawdown	30,000	-	-	31-Mar-24	30-Jun-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 4 year from drawdown date	10,000	-	-	26-Mar-23	26-Sep-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	20,000	-	-	25-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	25,000	-	-	26-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 13 months from drawdown date	25,000	-	-	28-Apr-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 13 months from drawdown date	10,000	-	-	29-Apr-20	NA

The rate of interest for the above loans are in the range of 8.30% to 10.70% per annum

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Piramal Capital & Housing Finance Ltd.

Notes to the Standalone Financial Statements *(Continued)*

as at March 31, 2019

(Currency : Rs in lakhs)

14. Borrowings (Other than Debt Securities) *(Continued)*

B. Foreign Currency Non Repatriable Loans:

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at April 1, 2017	Maturity Due Date	First Instalment payment date
First pari-passu charge on the movable assets including receivables present and future	Repayable in two years from drawdown date	-	25,000	-	18-Jun-18	NA
First pari-passu charge on the standard assets including receivables present and future	Repayable in two years from drawdown date	-	25,000	-	15-Jun-18	NA

The rate of interest for the above loans are in the range of 9.60% to 9.75% per annum

B.3. Term Loan from others:

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at March 31, 2017	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation created over secured assets	Repayable in five equal quarterly installments commencing 24 Month from the date of first disbursement	10,000	25,000	-	29-Jul-19	29-Jul-18
First pari-passu charge by way of hypothecation created over secured assets	Repayable in 21 month from drawdown date	-	-	-	26-Apr-21	26-Oct-18
First pari-passu charge by way of hypothecation created over secured assets	Repayable in 378 days from drawdown date	20,000	-	-	04-Oct-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment at end of 10th month Rs. 30 crs, 11th month Rs. 50crs and 12 month Rs.120 crs	20,000	-	-	19-Feb-20	19-Dec-19

The rate of interest for the above loans are in the range of 9.50% to 10.50% per annum

B.4. Loans repayable on demand (secured):

Nature of Security	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at April 1, 2017
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	30,000	30,000	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	5,000	5,000	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	10,000	5,000	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	-	5,000	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	20,000	20,000	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	3,000	-	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	10,000	-	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	10,000	-	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	7,000	-	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	1,400	-	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	800	-	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	10,000	-	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	1,350	-	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	1,00,000	-	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	15,000	-	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts, present and future	1,500	-	-

The rate of interest for the above loans are in the range of 8.10% to 11.50% per annum

B5. Commercial Paper

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at April 1, 2017	Maturity Due Date
Commercial Paper	Repayable within 365 days from date of disbursement	4,98,728	4,98,157	5,56,615	Various

The rate of interest for the above loans are in the range of 6.65% to 9.25% per annum

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Piramal Capital & Housing Finance Ltd.

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(Currency : Rs in lakhs)

15. Intercorporate Deposit :

Intercorporate deposit from related party (Unsecured)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at April 1, 2017	Maturity Due Date	First Instalment payment date
Intercorporate Deposit	Repayable in Eighteen months from drawdown date	-	75,000	100	29-Apr-20	NA

The rate of interest for the above loans are in the range of 8.25% to 9.25% per annum

Intercorporate deposit from Others (Secured)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at April 1, 2017	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 6 months from drawdown date	50,000	-	-	10-Jun-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 6 months from drawdown date	50,000	-	-	12-Jun-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 6 months from drawdown date	50,000	-	-	29-May-19	NA

The effective costs for the above loans is 9.50% to 9.75% per annum

16. Subordinated Liabilities :
Redeemable Non Convertible Debentures (unsecured)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2019	Principal Outstanding as at March 31, 2018	Principal Outstanding as at April 1, 2017	Maturity Date	First Instalment payment date
5,000 (payable annually) 9.55% Unsecured, Subordinated, Tier II, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	The NCD's are repayable after 10 years from the date of allotment	50,000	50,000	-	08-Mar-27	NA

The rate of interest for the above loans is 9.55% per annum

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Piramal Capital & Housing Finance Limited

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(Currency : Rs in lakhs)

		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
17	**Other financial liabilities**			
	Lease equalisation	142	50	-
	Payable to employees	5,227	4,638	-
	Forward Contract Payable (refer note 45)	-	1,624	-
	Total	**5,369**	6,312	-
18	**Current tax liabilities**			
	Provision for tax (net of advance tax of Rs. 3,484/-, 31 March 2018 Rs. 66,544/-)	78	409	-
	Total	**78**	409	-
19	**Provisions**			
	Provision for Employee Benefits			
	Gratuity (refer Note 41)	911	591	-
	Compensated absence	667	381	-
	Provision on Commitments (refer note 37 (a) and 44.3(b))	8,693	1,099	-
	Total provisions	**10,271**	2,071	-
20	**Other non- financial liabilities**			
	Statutory dues payable	2,809	575	-
	Advance received	1,748	884	-
	Total	**4,557**	1,459	-

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Piramal Capital & Housing Finance Ltd.

(Currency : Rs in lakhs)

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
21 Equity Share Capital			
Authorized share capital:			
Opening balance:	5,70,200	30,000	30,000
'25,000,000,000 (31 March 2018: 300,000,000) equity shares of INR 10 each			
Additions during the year	19,29,800	40,000	-
Add: Pursuant to the scheme of Merger (Refer Note 39)	-	5,00,200	-
Total	**25,00,000**	5,70,200	30,000

Note- The Company has increased its Authorised Share Capital to Rs. 19,99,800 lakhs w.e.f. May 02, 2018. Thus, w.e.f. the Effective Date, i.e. May 23, 2018, the Authorised Share Capital of the Company shall be Rs 2,500,000 lakhs.

Issued, subscribed and paid up capital:			
Opening balance	-	1,500	1,500
Add: issued during the year	18,04,452	30,000	-
Less: Cancelled during the year on account of merger	-	(31,500)	-
Total	18,04,452	-	1,500

Particulars of shareholder holding more than 5% shares of a class of shares

Name of the shareholder	March 31, 2019	March 31, 2018	April 1, 2017
Piramal Enterprises Limited (100% holding company)	18,04,452	-	-
Piramal Finance Limited (100% holding company)	-	-	1,500

Rights, preferences and restrictions attached to shares

Equity shares
(i) The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled for one vote per share. There are no restriction on payment of dividend to equity shareholders. Upon winding up of the company, the holders of equity share will be entitled to receive balance assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
(ii) 1804452 (31 March 2018: Nil; 1 April 2017 : Nil) equity share of INR 10 each issued as fully paid for consideration other than cash. (refer note 39)

22 Other equity			
Equity share capital suspense (refer note 22.1)	-	18,04,452	-
Capital Reserve (refer note 22.2)	3	3	-
Statutory reserve fund (refer note 22.3)	28,852	-	-
Retained earnings (refer note 22.4)	1,19,779	4,476	1
Total	1,48,634	18,08,931	1

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	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
22.1 Equity share capital suspense			
Opening balance	18,04,452	-	-
Addition during the year (refer note 39)	(18,04,452)	18,04,452	-
Closing Balance	-	18,04,452	-
22.2 Capital reserve			
Opening balance	3	-	-
Addition during the year (refer note 39)	-	3	-
Closing Balance	3	3	-
22.3 Statutory reserve fund			
Reserve fund U/s 29C of the NHB Act, 1987			
Opening Balance	-	-	-
Addition during the year	28,852	-	-
Closing Balance	28,852	-	-

Reserve Fund is required to be maintained u/s 29C of the NHB Act, 1987 for Housing Finance Companies. During the current year ended March 31, 2019, the Company has transferred an amount of Rs. 28,852 (31 March 2018 Rs. Nil lakhs), being 20% of profit after tax.

22.4 Retained earnings			
Opening Balance	4,476	1	-
Net profit for the year	1,44,258	4,475	1
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(104)	-	-
Less: Transfer to statutory reserve fund	(28,852)	-	-
Closing Balance	1,19,778	4,476	1

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirely. No dividend is declared till date to the shareholders of the Company.

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Piramal Capital & Housing Finance Ltd.

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(Currency : Rs in lakhs)

		Year ended **March 31, 2019**	Year ended March 31, 2018
	Revenue from operations		
23	**Interest income**		
	Interest income measured at amortised cost:		
	- on investments	1,36,130	526
	- on loans and advances	3,98,771	3,647
	Interest income- on investments mandatorily measured at FVTPL	7,065	17
	Interest income on Fixed deposits	4,498	56
	Total Interest income	**5,46,464**	4,246
24	**Fees and commission Income**		
	Other financial services:		
	- processing / arranger fees	4,372	-
	Total Fees and commission Income	**4,372**	-
25	**Others**		
	Short term capital gain on mutual fund	2,032	374
	Total other income	**2,032**	374
	Total	**5,52,869**	4,620
26	**Other income**		
	Other non-operating income	4,244	2
	Write back of provision	-	2,167
		4,244	2,169
	Expenses		
27	**Finance cost**		
	Interest expense measured at amortised cost:		
	Interest on deposits	21,348	-
	Interest on borrowings	1,99,037	1,594
	Interest on debt securities	50,845	-
	Interest on subordinated liabilities	4,852	-
		2,76,082	1,594
28	**Fees and commission expense**		
	Other borrowing cost	7,714	35
		7,714	35

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Piramal Capital & Housing Finance Ltd.

(Currency : Rs in lakhs)

		Year ended **March 31, 2019**	Year ended March 31, 2018
29	**Net loss on fair value changes**		
	Loss on investments measured at FVTPL	855	-
		855	-
30	**Employee benefits expense**		
	Salaries and wages	18,001	1,711
	Contribution to provident and other fund	515	49
	Provision for leave encashment	317	88
	Staff welfare expenses	535	98
	Provision for gratuity	203	84
		19,571	2,030
31	**Impairment on financial instruments**		
	On Financial instruments measured at Amortised Cost		
	Loans	10,698	-
	Investments	(5,314)	-
	Commitments	7,594	-
		12,977	-
32	**Other expenses**		
	Corporate social responsibility expenses (refer note 49)	2,610	-
	Rent (refer note 35)	2,299	285
	Rates and taxes, excluding taxes on income	-	20
	Travelling and conveyance	629	83
	Legal and professional fees	6,613	393
	Royalty	2,419	-
	Electricity expense	199	36
	Repairs and maintenance - others	973	6
	Business Promotion and Advertisement Expenses	709	849
	Postage and communication	160	14
	Printing and stationery	153	30
	Other expenses	1,179	1,049
	Payments to auditors		
	- as auditor	40	10
	- for other services	132	-
	- for reimbursement of expenses	1	-
		18,116	2,775

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Piramal Capital & Housing Finance Ltd.

(Currency : Rs in lakhs)

	Year ended March 31, 2019	Year ended March 31, 2018

33 Income Taxes

a. Recognised in Profit or Loss

Current Tax In respect of the current year	**50,460**	-
Deferred Tax In respect of the current year	**26,473**	(4,206)
Total	**76,933**	(4,206)

b. The income tax expense for the year can be reconciled to the accounting profit as follows:

	Rs. in lakhs		Effective tax rate reconciliation	
	Year ended March 31, 2019	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018
Profit before tax from continuing operations	2,21,191	269		
Income tax expense calculated at 34.944% (previous year at 34.608%)	77,293	93	34.94%	34.61%
Tax effect:				
Donation	912	-	0.41%	0.00%
Amalgamation related expenses	(1,218)	-	-0.55%	0.00%
Impact of change in method of deferred tax from profit or loss approach to balance sheet approach	-	(4,259)	0.00%	-1583.27%
Section 43B disallowance of AY 2018-19	(1,008)	-	-0.46%	0.00%
Effect of Loan book Transfer	954	-	0.43%	0.00%
Others	-	(40)	0.00%	-14.87%
Income tax expense recognised in profit or loss	**76,933**	(4,206)	**34.78%**	**-1563.53%**
Effective Tax Rate	**34.78%**	**-1563.53%**		

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(Currency : Rs in lakhs)

34 Earnings per share (EPS)

Basic and diluted EPS is computed in accordance with Ind AS 33 'Earnings Per Share' specified under section 133 of the Companies Act 2013.

The computation of earnings per share is set out below:

Description	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Net profit/ loss attributable to equity shareholders	**1,44,258**	4,475	1
Weighted average number of equity shares outstanding during the year for calculation of EPS	**18,04,45,17,320**	23,20,67,171	1,50,00,000
Basic and Diluted EPS of face value of INR 10	**0.80**	1.93	0.00

The basic and diluted EPS is same as there are no potential dilutive equity shares.

35 Operating lease

The Company's significant operating lease arrangements are mainly in respect of office/branch premises. The aggregate lease rentals payable on these leasing arrangements are charged as rent under "Other Expenses" in note 32.

These lease arrangements are for a period exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms. The Company has placed a refundable deposit of Rs 1275 lakhs (P.Y. Rs. 528) in respect of these leasing arrangements.

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Lease payments recognised in the statement of profit and loss	**2,299**	285	-
Future minimum lease payments for non-cancellable operating leases			
Not later than one year	**2,276**	1,398	-
Later than one year but not later than five years	**5,403**	2,796	-
Later than five years	**907**	-	-

36 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with company including confirmations sought from suppliers on registration with specified authority under MSMED; no amounts relating to principal and interest were due or remained outstanding as at 31 March 2018. There have been no reported cases of delay in payments in excess of 45 days to micro, small and medium enterprises or of interest payments due to delay in such payments.

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Piramal Capital & Housing Finance Ltd.

(Currency : Rs in lakhs)

37(a) Contingent liabilities

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Claim against the Company not acknowledged as debt			
Dues towards Income Tax for AY 2012-2013	-	13	-
Dues towards Income Tax for AY 2014-2015	**45**	45	-
Dues towards Income Tax for AY 2015-2016	**58**	61	-
Letter of Comfort issued by the Company	**44,917**	1,01,946	-

The Company is of the view that the above demands may not devolve on the Company and hence no provision has been made.

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At year end the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of accounts.

The Company has also reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results

The Company has given letter of comfort to unrelated parties in relation to to borrowing from banks. The term of the contract contains a minimum compensation payment to unrelated parties in the event of default.

There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019, relating to components/allowances paid that need to be taken into account while computing an employer's contribution of provident fund under the EPF Act. The company is in the process of evaluating the method of computation of its PF contribution prospectively and would record any further effect in its financial statements, on receiving additional clarity on the subject.

37(b) Capital commitment

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Undisbursed loan commitments	**86,465**	37,528	-
Total	**86,465**	37,528	-

The undisbursed loan commitments represents the undrawn limits of the facilities sanctioned that are non-cancellable at sole and absolute discretion of the Company.

38 Segment reporting

The chief operational decision maker monitors its principle business segment i.e. 'financing segment' for the purpose of making decision about resource allocation and performance assessment. The Company is operating in a single reportable and geographical segment in accordance with Ind AS 108 - Operating Segments as notified u/s 133 of the Companies Act, 2013 and accordingly the same is not applicable to the Company.

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Piramal Capital & Housing Finance Ltd

39 Amalgamation of Piramal Finance Limited and Piramal Capital Limited with Piramal Housing Finance Limited erstwhile Piramal Housing Finance Private Limited

1 The Board of Directors of Piramal Capital Limited (PCL) and the board of Directors of and Piramal Finance Limited (PFL) had at their respective meetings held on October 12, 2017, had approved the Scheme of Amalgamation ("Scheme") of PFL and PCL (together referred as "Transferor Companies") with Piramal Housing Finance Limited (PHFL) (referred as "Transferee Company") effective from March 31, 2018 ("Appointed date"). The National Company Law Tribunal , Mumbai Bench ("NCLT") at its hearing held on April 06, 2018, have sanctioned the Scheme of Amalgamation of the Transferor Companies PFL and PCL with the Transferee Company PHFL. The certified copy of the NCLT,sanctioning the Scheme was filed with the Registrar of Companies, Maharashtra, Mumbai on May 23, 2018 (the "Effective Date").

In accordance with the said Scheme and as per the approval of the National Company Law Tribunal :

a) The amalgamation has been accounted for under the "Purchase Method" as prescribed by AS 14 - Accounting for Amalgamations as specified under section 133 of the Companies Act 2013 and as per the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these financial statements. All assets, liabilities, rights and obligations, income and expenditure of the Transferor Companies stand transferred to and vested in the Transferee Company.

b) The purchase consideration of Rs 1,804,452 lakhs for acquisition of Transferor Companies is being discharged by way of issue of 18,044,517,320 equity shares of Rs 10/- each at face value per share to the shareholder of PFL and PCL as per following share exchange ratio (without payment being received in cash).

i) 483 equity shares of face value of Rs. 10 each for every 100 equity shares of face value of Rs. 10 each held in PFL pre amalgamation.

ii) 1 equity shares of face value of Rs. 10 each for every 5 equity shares of face value of Rs. 2 each held in PCL pre amalgamation.

iii) Pending allotment, the face value of such shares has been shown as "Equity Share Suspense". The said shares have been allotted on the Effective Date.

2 Consequent to the Scheme becoming effective, net assets of Transferor Companies aggregating to Rs. 783,027 lakhs as at the Appointed date have been transferred to the Transferee Company at their respective fair values as determined by an independent Valuer. The balance amount of Rs 1,021,428 lakhs has been recorded as goodwill on amalgamation and Rs. 3 lakhs as capital reserve.

3 The Company has increased its Authorised Share Capital to Rs. 19,99,800 lakhs w.e.f. May 02, 2018. Thus, w.e.f. the Effective Date, i.e. May 23, 2018, the Authorised Share Capital of the Company shall be Rs 2,500,000 lakhs.

Break down of the purchase consideration into net assets and goodwill is as under:

(Rs. in Lakhs)

	Particulars	PFL	PCL	Total
I.	**Consideration paid for acquisition**	**18,04,252**	**200**	**18,04,452**
II.	**Net assets acquired on Appointed date**	**7,82,824**	**203**	**7,83,027**
III.	**Goodwill (I - II)**	**10,21,428**	**(3)**	**10,21,425**

4 The amalgamation has been accounted under the "Purchase Method" as prescribed by AS 14 - Accounting for Amalgamations as specified under section 133 of the Companies Act 2013 and as per the specific provisions of the Scheme. If the same would have been accounted as per IndAS 103 - Business Combinations, results would have been different.

5 Due to the amalgamation of Transferor Companies with the Transferee Company from Appointed date of March 31, 2018, the figures of the current year will not be comparable to the corresponding figures of the previous year.

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Piramal Capital & Housing Finance Ltd.

(Currency : Rs in lakhs)

40 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures.

List of Related Parties

Ultimate holding companies

A. Holding companies

Piramal Enterprises Limited (w.e.f. 31 March 2018; Ultimate Holding Company upto 30 March 2018)
Piramal Finance Limited (upto 30 March 2018)

B. Fellow subsidiaries

Piramal Fund Management Private Limited
PHL Fininvest Private Limited
Piramal Securities Limited

C. Other related parties where common control exists

Aasan Corporate Solutions Private Limited
Brickex Advisors Private Limited
Gopikrishna Piramal Memorial Hospital
Piramal Corporate Services Private Limited
Piramal Foundation for Educational Leadership (till 20 March 2018)
Piramal Swasthya Management & Research Institute (till 20 March 2018)
Piramal Trusteeship Services Private Limited
Piramal Udgam Data Management Solution

D. Key Management Personnel

Mr Khushru Jijina (appointed as Managing Director w.e.f. 1 March 2017)

E Non-Executive/Independent Directors

Mr Deepak Satwalekar
Mr Suhail Nathani
Mr Harish Engineer

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Piramal Capital & Housing Finance Ltd.

40 **Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures. (Continued)**

F. **Details of transactions with related parties**

Details of Transactions	Holding Company		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Rent paid										
- Piramal Enterprises Limited	1	1	-	-	-	-	-	-	1	1
- Aasan Corporate Solutions Private Limited	-	-	-	-	1,299	148	-	-	1,299	148
-Gopikrishna Piramal Memorial Hospital	-	-	-	-	22	-	-	-	22	-
TOTAL	1	1	-	-	1,320	148	-	-	1,322	149
Commission paid										
- Brickex Advisors Private Limited	-	-	-	-	1,113	167	-	-	1,113	167
TOTAL	-	-	-	-	1,113	167	-	-	1,113	167
Royalty Paid										
- Piramal Corporate Services Private Limited	-	-	-	-	2,569	-	-	-	2,569	-
TOTAL	-	-	-	-	2,569	-	-	-	2,569	-
Donation Given										
- Piramal Foundation for Educational Leadership	-	-	-	-	1,906	-	-	-	1,906	-
- Piramal Swasthya Management & Research Institute	-	-	-	-	704	-	-	-	704	-
- Piramal Udgam Data Management Solution	-	-	-	-	10	-	-	-	10	-
TOTAL	-	-	-	-	2,620	-	-	-	2,620	-
Processing Fees Paid										
- Piramal Enterprises Limited	793	-	-	-	-	-	-	-	793	-
TOTAL	793	-	-	-	-	-	-	-	793	-
Fees Paid										
- Piramal Trusteeship Services Private Limited	-	-	-	-	0	-	-	-	0.27	-
TOTAL	-	-	-	-	0	-	-	-	0.27	-
Reimbursement of expenses										
- Aasan Corporate Solutions Private Limited	-	-	-	-	-	14	-	-	-	14
- Piramal Fund Management Private Limited	-	-	-	2	-	-	-	-	-	2
- Piramal Corporate Services Private Limited	-	-	-	-	6	-	-	-	6	-
- Piramal Enterprises Limited	16	-	-	-	-	-	-	-	16	-
TOTAL	16	-	-	2	6	14	-	-	22	16
Remuneration to KMP										
- Mr Khushru Jijina	-	-	-	-	-	-	1,738	4	1,738	4
-Sitting Fees paid to Non-Executive/Independent Directors	-	-	-	-	-	-	22	-	22	-
TOTAL	-	-	-	-	-	-	1,760	4	1,760	4
Asset Transfer										
- Piramal Securites Limited	-	-	8	-	-	-	-	-	8	-
- Piramal Fund Management Private Limited	-	-	12	-	-	-	-	-	12	-
TOTAL	-	-	20	-	-	-	-	-	20	-
Interest paid										
- Piramal Enterprises Limited	17,909	-	-	-	-	-	-	-	17,909	-
- PHL Fininvest Private Limited	-	-	100	-	-	-	-	-	100	-
TOTAL	17,909	-	100	-	-	-	-	-	18,009	-
Interest Received										
- Piramal Enterprises Limited	760	-	-	-	-	-	-	-	760	-
- PHL Fininvest Private Limited	-	-	164	-	-	-	-	-	164	-
TOTAL	760	-	164	-	-	-	-	-	923	-
Lease Rent Received										
- Piramal Securities Limited	-	-	74	-	-	-	-	-	74	-
TOTAL	-	-	74	-	-	-	-	-	74	-
Management Fees Received										
- PHL Fininvest Private Limited	-	-	272	-	-	-	-	-	272	-
TOTAL	-	-	272	-	-	-	-	-	272	-

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Piramal Capital & Housing Finance Ltd.

40 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures. (Continued)

E. Details of transactions with related parties. (Continued)

Details of Transactions	Holding Company		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Loan repaid										
- Piramal Enterprises Limited	11,96,700	-	-	-	-	-	-	-	11,96,700	-
TOTAL	**11,96,700**	-	-	-	-	-	-	-	**11,96,700**	-
Loan taken										
- Piramal Enterprises Limited	11,21,700	-	-	-	-	-	-	-	11,21,700	-
TOTAL	**11,21,700**	-	-	-	-	-	-	-	**11,21,700**	-
ICD Given										
- Piramal Enterprises Limited	1,32,102	-	-	-	-	-	-	-	1,32,102	-
- PHL Fininvest Private Limited	-	-	74,000	-	-	-	-	-	74,000	-
TOTAL	**1,32,102**	-	**74,000**	-	-	-	-	-	**2,06,102**	
Repayment of ICD										
- Piramal Enterprises Limited	1,32,102	-	-	-	-	-	-	-	1,32,102	-
- PHL Fininvest Private Limited	-	-	29,800	-	-	-	-	-	29,800	-
TOTAL	**1,32,102**	-	**29,800**	-	-	-	-	-	**1,61,902**	-
Investment in NCD										
- Piramal Enterprises Limited	36,500	-	-	-	-	-	-	-	36,500	-
TOTAL	**36,500**	-	-	-	-	-	-	-	**36,500**	-
Loan book transfer from										
- Piramal Enterprises Limited	2,20,772	-	-	-	-	-	-	-	2,20,772	-
TOTAL	**2,20,772**	-	-	-	-	-	-	-	**2,20,772**	-
Loan book transfer to										
- PHL Fininvest Private Limited	-	-	9,41,420	-	-	-	-	-	9,41,420	-
TOTAL	-	-	**9,41,420**	-	-	-	-	-	**9,41,420**	-
NCD Buyback										
- Piramal Enterprises Limited	1,10,347	-	-	-	-	-	-	-	1,10,347	-
- PHL Fininvest Private Limited	-	-	15,691	-	-	-	-	-	15,691	-
TOTAL	**1,10,347**	-	**15,691**	-	-	-	-	-	**1,26,038**	-
Security deposit placed										
- Aasan Corporate Solutions Private Limited	-	-	-	-	488	80	-	-	488	80
- Piramal Enterprises Limited	-	1	-	-	-	-	-	-	-	1
TOTAL	-	1	-	-	**488**	80	-	-	**488**	81
Share Capital										
- Piramal Enterprises Limited– pursuant to scheme of merger	-	18,04,452	-	-	-	-	-	-	-	18,04,452
TOTAL	-	18,04,452	-	-	-	-	-	-	-	18,04,452
Payable										
- Piramal Enterprises Limited	3,905	75,898	-	-	-	-	-	-	3,905	75,898
- PHL Fininvest Private Limited	-	-	702	-	-	-	-	-	702	-
- Piramal Corporate Services Private Limited	-	-	-	-	504	281	-	-	504	281
- Aasan Corporate Solutions Private Limited	-	-	-	-	0	-	-	-	0	-
- Brickes Advisors Private Limited	-	-	-	-	162	-	-	-	162	-
TOTAL	**3,905**	75,898	**702**	-	665	281	-	-	**5,273**	76,179
Receivables										
- Piramal Enterprises Limited	38,853	745	-	-	-	-	-	-	38,853	745
- Aasan Corporate Solutions Private Limited	-	-	-	-	611	80	-	-	611	80
- PHL Fininvest Private Limited	-	-	44,519	-	-	-	-	-	44,519	-
- Piramal Sodexo Limited	-	-	18	-	-	-	-	-	18	-
TOTAL	**38,853**	745	**44,537**	-	611	80	-	-	**84,001**	825

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Piramal Capital & Housing Finance Ltd.

(Currency : Rs in lakhs)

41 Employee Benefits:

Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2019
The Company has scheme for ty as part of post retirement plan. The plan is not funded by assets.

A. Change in Projected Benefit Obligation

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2019	(Non-Funded) Gratuity Year Ended March 31, 2018	(Non-Funded) Gratuity Year Ended April 01, 2017
Present Value of Benefit Obligation as at beginning of the year	591	-	-
Interest Cost	46	5	-
Current Service Cost	157	79	-
Liability transferred in	-	507	-
Benefits paid	(42)	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	10	-	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	149		
Present Value of Defined Benefit Obligation as at the end of the year	910	591	-

B. Amount recognised in the Balance Sheet

Particulars	(Non-Funded) Gratuity As at March 31, 2019	(Non-Funded) Gratuity As at March 31, 2018	(Non-Funded) Gratuity As at April 01, 2017
Present Value of Benefit Obligation at the end of the year	(910)	(591)	-
Fair Value of Plan Assets at the end of the year	-	-	-
Funded Status (surplus/ (deficit))	(910)	(591)	-
Net (Liability)/Asset Recognized in the Balance Sheet	(910)	(591)	-

C. Net interest cost for current year

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2019	(Non-Funded) Gratuity Year Ended March 31, 2018	(Non-Funded) Gratuity Year Ended April 01, 2017
Present Value of Benefit Obligation at the Beginning of the year	591	-	-
(Fair Value of Plan Assets at the Beginning of the year)	-	-	-
Net Liability/(Asset) at the Beginning	591	-	-
Interest Cost	46	5	-
(Interest Income)	-	-	-
Net Interest Cost for current year	46	5	-

D. Expenses recognised in Statement of Profit and Loss

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2019	(Non-Funded) Gratuity Year Ended March 31, 2018	(Non-Funded) Gratuity Year Ended April 01, 2017
Current Service Cost	157	79	-
Interest Cost	46	5	-
Past Service cost	-	-	-
Total Expenses / (Income) recognised in the Statement of Profit and Loss	203	84	-

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41 Employee Benefits: *(Continued)*

E. Expenses Recognized in the Other Comprehensive Income (OCI) for current year

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2019	(Non-Funded) Gratuity Year Ended March 31, 2018	(Non-Funded) Gratuity Year Ended April 01, 2017
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	10	-	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	149	-	-
Actuarial (Gains)/Losses on Obligation due to experience	-	-	-
Return on Plan Assets, Excluding Interest Income	-	-	-
Change in Asset Ceiling	-	-	-
Net (Income)/Expense For the year recognized in OCI	159	-	-

F. Total amount recognized in Other Comprehensive Income consists of:

Particulars	Gratuity Year Ended March 31, 2019	Gratuity Year Ended March 31, 2018	Gratuity Year Ended April 01, 2017
Remeasurement (gains)/losses	-	-	-

G. Principal actuarial assumptions used:

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2019	(Non-Funded) Gratuity Year Ended March 31, 2018	(Non-Funded) Gratuity Year Ended April 01, 2017
Rate of discounting	7.64%	7.80%	-
Rate of salary increase	9.00%	9.00%	-
Rate of employee turnover	10.00%	10.00%	-
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	

H. Balance Sheet Reconciliation

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Opening Net Liability	591	-	-
Expenses Recognized in Statement of Profit or Loss	204	84	-
Expenses Recognized in OCI	159	-	-
Net liability transfer in	-	507	-
Benefit Paid	(42)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	911	591	-

I. Other Details

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
No of Active Members	867	360	-
Per Month Salary For Active Members	470	290	-
Average Expected Future Service (Years)	8	8	-
Projected Benefit Obligation (PBO)	910	591	-
Prescribed Contribution For Next Year (12 Months)	-	-	-

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41 Employee Benefits: *(Continued)*

J. Net Interest Cost for Next Year

Particulars	Estimated for the year ended March 31, 2020	Estimated for the year ended March 31, 2019	Estimated for the year ended March 31, 2018
Present Value of Benefit Obligation at the End of the year	910	591	-
(Fair Value of Plan Assets at the End of the year)	-	-	-
Net Liability/(Asset) at the End of the year	910	591	-
Interest Cost	70	46	-
(Interest Income)	-	-	-
Net Interest Cost for Next Year	70	46	-

K. Expenses Recognized in the Statement of Profit or Loss for Next Year

Particulars	Estimated for the year ended March 31, 2020	Estimated for the year ended March 31, 2019	Estimated for the year ended March 31, 2018
Current Service Cost	224	134	-
Net Interest Cost	70	46	-
(Expected Contributions by the Employees)	-	-	-
Expenses Recognized	294	180	-

L. Maturity Analysis of the Benefit Payments: From the Employer

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
1st Following Year	82	54	
2nd Following Year	67	42	-
3rd Following Year	71	42	-
4th Following Year	79	44	-
5th Following Year	248	46	-
Sum of Years 6 To 10	327	296	-
Sum of Years 11 and above	882	413	-

M. Sensitivity Analysis

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Projected Benefit Obligation on Current Assumptions	910	591	-
Delta Effect of +1% Change in Rate of Discounting	(57)	(35)	-
Delta Effect of -1% Change in Rate of Discounting	64	40	-
Delta Effect of +1% Change in Rate of Salary Increase	63	39	-
Delta Effect of -1% Change in Rate of Salary Increase	(57)	(35)	-
Delta Effect of +1% Change in Rate of Employee Turnover	(12)	(6)	-
Delta Effect of -1% Change in Rate of Employee Turnover	12	6	-

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

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41 Employee Benefits: *(Continued)*

Notes:
Gratuity is payable as per company' scheme as detailed in the report.
Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation and attrition rate are considered as advised by the company; they appear to be in line with the industry practice considering promotion and demand and supply of the employees.
Cash flow projection is done considering future salary, attrition and death in respective year for members as mentioned above.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk

The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

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42 Fair Value Disclosures

a)

Categories of Financial Instruments:	March 31, 2019		March 31, 2018		March 31, 2017	
	FVTPL	Amortised Cost*	FVTPL	Amortised Cost*	FVTPL	Amortised Cost*
Financial Assets						
Investments	15,258	9,37,668	28,367	12,52,037	-	-
Loans	41,818	30,41,914	22,938	19,56,834	-	-
Cash and Bank Balances #	-	43,636	-	1,55,338	-	1,600
Other Financial Assets #	-	86,214	-	2,782	-	7
	57,076	41,09,432	51,305	33,66,991	-	1,607
Financial liabilities						
Borrowings #	-	32,30,861	-	25,93,982	-	-
Trade Payables #	-	8,026	-	2,440	-	100
Other Financial Liabilities #	-	7,118	-	7,196	-	290
	-	32,46,004	-	26,03,618	-	390

b) **Fair Value Hierarchy and Method of Valuation**

Financial Instruments	Notes	March 31, 2019				
		Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets						
Measured at FVTPL						
Investments						
Redeemable Non-Convertible Debentures	i.	15,258	-	-	15,258	15,258
Investments in Mutual Funds	ii.	-	-	-	-	-
Loans	i. & iii.	41,818	-	-	41,818	41,818
Measured at Amortised Cost*						
Investments						
Redeemable Non-Convertible Debentures	iii.	9,37,668	-	-	9,57,992	9,57,992
Loans	iii.	30,41,914	-	-	30,01,029	30,01,029
Financial Liabilities						
Measured at Amortised Cost						
Borrowings	iii.	32,30,861	-	-	32,30,685	32,30,685

Financial Instruments	Notes	March 31, 2018				
		Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets						
Measured at FVTPL						
Investments						
Redeemable Non-Convertible Debentures	i.	25,666	-	-	25,666	25,666
Investments in Mutual Funds	ii	2,701	2,701	-	-	2,701
Loans	i & iii	22,938	-	-	22,938	22,938
Measured at Amortised Cost						
Investments						
Redeemable Non-Convertible Debentures		12,52,037	-	-	12,54,064	12,54,064
Loans		19,56,834	-	-	19,75,523	19,75,523
Financial Liabilities						
Measured at Amortised Cost						
Borrowings		25,93,982	-	-	25,95,039	25,95,039

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42 Fair Value Disclosures *(Continued)*

Financial Instruments	Notes	As at 01 April, 2017 Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets						
Measured at FVTPL						
Investments						
Redeemable Non-Convertible Debentures	i.	-	-	-	-	-
Investments in Mutual Funds	ii	-	-	-	-	-
Loans	i & iii	-	-	-	-	-
Measured at Amortised Cost						
Investments						
Redeemable Non-Convertible Debentures		-	-	-	-	-
Loans		-	-	-	-	-
Financial Liabilities						
Measured at Amortised Cost						
Borrowings		-	-	-	-	-

Notes:

i. Discounted cash flow method has been used to determine the fair value. The yield used for discounting has been determined based on trades, market polls, levels for similar issuer with same maturity, spread over matrices, etc. For instruments where the returns are linked to the share price of the investee company the equity price has been derived using Monte Carlo simulation and local volatility model using the inputs like spot rate, volatility surface, term structures and risk free rates from globally accepted third party vendor for these data.

ii. Market Net Asset Value (NAV) as at the reporting period have been used to determine the Fair Value of the mutual fund investments.

iii. Discounted cash flow method has been used to determine the fair value. The discounting factor used has been arrived at after adjusting the rate of interest for the financial assets and financial liabilities by the difference in the G-SEC rates from date of initial recognition to the reporting dates.

* The carrying value and fair value of investments and loans at amortised cost is gross of ECL provision amounting to Rs 66,607 (31 March 2018 – Rs 61,224)

\# The Company has not disclosed the fair value of cash and bank balances, other financial assets, trade payables and other financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the period ended March 31, 2019 and March 31, 2018.

Particulars	Debentures	Loans	Total
As at April 1, 2017	-	-	-
Acquisitions	-	306	306
Acquisitions - on account of merger	25,666	22,632	48,298
Gains / (losses) recognised in profit or loss	-	-	-
As at March 31, 2018	25,666	22,938	48,604
Transfer Out	13,102	15,124	
Acquisitions	3,240	34,313	37,553
(Losses) recognised in profit or loss	(546)	(309)	(855)
As at March 31, 2019	**15,258**	**41,818**	**57,076**

d) Sensitivity for FVTPL Instruments

Impact on the Company's profit before tax if discount rates had been 100 basis points higher / lower is given below:

Method	Nature of Instrument	Significant	Increase / Decrease in the unobservable input	Sensitivity Impact Yield Increase	Yield Decrease
Discounted Cash Flow Model as at March 31, 2019	NCD	Discount rate	0.5%	-	-
	Term Loan	Discount rate	0.5%	(1,111)	1,138
	Term Loan	Equity	10.0%	(1,021)	812
Discounted Cash Flow Model as at March 31, 2018	Term Loan	Discount rate	1.0%	(757)	792
	NCD	Discount rate	1.0%	(363)	380
	NCD	Equity	10.0%	(848)	860
Discounted Cash Flow Model as at April 1, 2017	Term Loan	Discount rate	1.0%	-	-
	NCD	Discount rate	1.0%	-	-
	NCD	Equity	10.0%	-	-

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43 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 13 offset by cash and bank balances) and total equity of the Company.

The Company being a Non-Deposit taking Housing Finance Company has to maintain a Capital Adequacy Ratio of 12%. The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through equity or convertible / nonconvertible debt securities or other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company. The Company has complied with all regulatory requirements related capital and capital adequacy ratios as prescribed by NHB.

The capital components of the Company are as given below:	**March 31, 2019**	March 31, 2018	April 1, 2017
Total Equity	19,53,085	18,08,931	1,501
Borrowings	32,30,861	25,93,982	100
Total Debt	**32,30,861**	25,93,982	100
Cash and Cash equivalents	(41,231)	(1,55,338)	(100)
Bank balances other than above	(2,405)	-	(1,500)
Net Debt	**31,87,225**	24,38,644	(1,500)

44 Risk management

Risk Management is an integral part of the Company's business strategy. The Risk Management oversight structure includes Committees of the Board and Management Committees. Company's risk philosophy is to develop and maintain a healthy portfolio which is within its risk appetite and the regulatory framework. While the Company is exposed to various types of risks, the most important among them are liquidity risk, interest rate risk, credit risk, regulatory risk and fraud and operational risk. The measurement, monitoring and management of risks remain a key focus area for the Company.

The Audit Committee of the Board provides direction to and monitors the quality of the internal audit function and also monitors compliance with NHB and other regulators.

The Company's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with market best practices.

The Risk Management Committee of the Board ("RMC") reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyse risk exposure and provides oversight of risk across the organization. The RMC nurtures a healthy and independent risk management function to inculcate a strong risk management culture in the Company and broadly perceives the risk arising from (i) credit risk, (ii) liquidity risk, (iii) interest rate risk and (iv) fraud risk and operational risk (v) regulatory risk

44.1 Liquidity Risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Company has formulated an Asset Liability Management Policy in line with NHB guidelines for Housing Finance Companies. The ALCO is responsible for the management of the companies funding and liquidity requirements. The company manages liquidity risk by maintaining unutilised banking facilities, credit lines and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

The Company has the following undrawn credit lines available as at the end of the reporting period.

	March 31, 2019	March 31, 2018	April 1, 2017
- Expiring within one year (including bank overdraft)	3,86,000	4,91,400	-
- Expiring beyond one year	-	-	-
Undrawn credit lines	**3,86,000**	4,91,400	-

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of March 31, 2019, March 31, 2018 and April 1, 2017 respectively has been considered. The contractual maturity is based on the earliest date on which the Company may be required to pay.

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44 Risk management *(Continued)*

44.1 Liquidity Risk *(Continued)*

Maturities of Financial Liabilities	**March 31, 2019**			
	Up to 1 year	**1 to 3 years**	**3 to 5 years**	**5 years and above**
Borrowings	17,52,345	14,69,188	4,38,661	4,20,585
Trade Payables	8,026	-	-	-
Other Financial Liabilities	6,976	142	-	-
	17,67,347	**14,69,330**	**4,38,661**	**4,20,585**

Maturities of Financial Liabilities	March 31, 2018			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Borrowings	10,44,242	16,61,464	2,10,074	1,36,508
Trade Payables	2,440	-	-	-
Other Financial Liabilities	7,146	50	-	-
	10,53,828	16,61,514	2,10,074	1,36,508

Maturities of Financial Liabilities	April 1, 2017			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Borrowings	100	-	-	-
Trade Payables	290	-	-	-
Other Financial Liabilities	-	-	-	-
	390	-	-	-

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Maturities of Financial Assets	**March 31, 2019**			
	Up to 1 year	**1 to 3 years**	**3 to 5 years**	**5 years and above**
Investments	3,64,848	5,52,794	2,36,218	85,923
Loans	8,26,624	12,91,513	12,60,860	10,54,657
Other Financial Assets	86,214	-	-	-
	12,77,686	**18,44,307**	**14,97,078**	**11,40,580**

Maturities of Financial Assets	March 31, 2018			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Investments	3,90,723	7,62,767	3,88,366	3,10,096
Loans	3,93,314	11,27,589	9,15,064	6,23,136
Other Financial Assets	2,782	-	-	-
	7,86,819	18,90,356	13,03,430	9,33,232

Maturities of Financial Assets	March 31, 2017			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Investments	-	-	-	-
Loans (including commitments)	-	-	-	-
Other Financial Assets	7	-	-	-
	7	-	-	-

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44.2 Interest Rate Risk

Retail lending:
The company is exposed to minimal interest rate risk as it has assets and liabilities are based on floating interest rates. The company has an approved Asset and Liability Management Policy which empowers the ALCO assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk.

Wholesale lending:
The Company is exposed to interest rate risk as it has assets and liabilities based on both fixed and floating interest rates. The Company has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.

The sensitivity analysis below have been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates. The basis risk between various benchmarks used to reset the floating rate assets and liabilities has been considered to be insignificant.

The exposure of the Company's borrowings to the interest rate risk at the end of the year for variable rate borrowing is Rs.2,603,249 lakhs (31 March 2018- Rs.1,243,133 lakhs) and fixed rate borrowings are Rs. 621,416 lakhs (31 March 2018- Rs. 1,316,871 lakhs)

Impact on the Company's profit before tax if interest rates had been 100 basis points higher / lower is given below:

	For the Year Ended			
Sensitivity Analysis on Floating Rate Instruments	**March 31, 2019**		March 31, 2018	
	Higher	**Lower**	Higher	Lower
Sensitivity Analysis on Floating Rate Borrowings	(26,032)	26,032	(12,431)	12,431
Sensitivity Analysis on Floating Rate Assets	26,478	(26,478)	10,339	(10,339)

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44 Risk management *(Continued)*

44.3 Credit Risk

The Company is exposed to Credit Risk through its lending activity. Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Retail lending:
For retail lending the credit policy has been reviewed and approved by Risk Team. The Credit Risk management structure includes credit policies and procedures. The Credit Policy defines customer segments, income assessment criteria, underwriting standards, target market definition, appraisal and approval processes, product limits, Delegation of Authority metrics (DoA) and cover risk assessment for product offerings etc. to ensure consistency of credit buying patterns.

Wholesale lending:
The Company's Risk management team has developed proprietary internal rating models to evaluate risk return trade-off for the loans and investments made by the Company. The output of traditional credit rating model is an estimate of probability of default. These models are different from the traditional credit rating models as they integrate both probability of default and loss given default into a single model.

The lending exposure includes lending to the below sectors:

Sectors	Exposure as at		
	March 31, 2019	March 31, 2018	April 1, 2017
Real Estate	**66.98%**	75.47%	-
Renewables	**9.03%**	10.47%	-
Retail	**12.87%**	3.16%	-
Others	**11.12%**	10.90%	-

Credit Risk Management

For retail lending business, credit risk management is achieved by considering various factors like:
• Assessment of borrower's capability to pay – detailed assessment of borrower's capability to pay is conducted. The approach to the assessment is uniform across the entire Company and is spelt out in the Credit Policy. For construction finance deals, the underlying project, the financial capability, past track record of repayments of the promoters is assessed by an independent risk team.

• Security cover – this is an assessment of the value of security under stress scenario which is further adjusted for factors like liquidity, enforceability, transparency in valuation, etc of the collateral.
• Geographic region – the Company monitors loan performances in a particular region to assess if there is any stress due to natural calamities, etc impacting the performance of loans in a particular geographic region

For wholesale lending business, credit risk management is achieved by considering various factors like :
• Cash flow at risk – This is an assessment of the standalone project or business from which interest servicing and principal repayment is expected to be done.

• Security cover – This is an assessment of the value of the security under stress scenario which is further adjusted for factors like liquidity, enforceability, transparency in valuation etc. of the collateral.
• Promoter strength – This is an assessment of the promoter from financial, management and performance perspective.
• Exit – This is an assessment of the liquidity of the loan or investment.
The output from each of the analysis is converted to a risk weight equivalent. Each of the four components of the risk analysis are assigned a specific weight which differ based on type of investment. The risk weight is then converted into capital requirement. The required capital and the return is combined to create a metric which is used for deal assessment.

Based on the above assessment the risk team categorises the deals in to the below Risk Grades

Risk Grading	Description
I	Extremely good loan
II	Good loan
III	Moderate loan
IV	Weak loan
V	Extremely weak loan

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44 Risk management *(Continued)*

44.3 Credit Risk *(Continued)*

Further, a periodic review of the performance of the portfolio is also carried out by the Risk Group. The Risk Group adjusts the stress case considered during the initial approval based on actual performance of the deal, developments in the sector, regulatory changes etc. The deal level output is combined to form a portfolio snapshot. The trends from portfolio are used to provide strategic inputs to the management.

The credit risk on liquid funds and other financial instruments is limited because the counterparties are banks with high credit-ratings assigned credit-rating agencies or mutual funds.

Provision for Expected Credit Loss

The Company has assessed the credit risk associated with its financial assets for provision of Expected Credit Loss (ECL) at the reporting dates. For different product categories (Real Estate, Senior debt, Lease Rental Discounting, Loan Against Shares, Mezzanine etc), the Company has developed scorecard that makes use of various reasonable supportive forward looking parameters which are both qualitative as well as quantitative in nature. These scorecards helps in determining the change in credit risk and the probability of default. These parameters have been detailed out in Note No.vi of Significant Accounting Policies. Based on the result yielded by the above assessment the Financial assets are classified into (1) Standard (Performing) Asset, (2) Significant Credit Deteriorated (Under-Performing) Asset (3) Default (Non-Performing) Asset (Credit Impaired).
For the purpose of expected credit loss analysis the Company defines default as any asset with more than 90 days overdues. This is also as per the rebuttable presumption provided by the standard.

The Company provides for expected credit loss based on the following:

Category - Description	Stage	Basis for Recognition of Expected Credit Loss
Assets for which credit risk has not significantly increased from initial recognition	Stage 1	12 month ECL
Assets for which credit risk has increased significantly but not credit impaired	Stage 2	Life time ECL
Assets for which credit risk has increased significantly and credit impaired	Stage 3	Loss Given Default (LGD)

For the year ended March 31, 2019 and March 31, 2018 the Company has developed a PD Matrix after considering some parameters as stated below :

The key parameters for various scorecards are highlighted as follows -Real Estate products (Construction Finance, Structured Debt, LRD) - (1) Developer Grade (2) Past Overdue History (3) Tenant profile (4) Status from monthly Asset Monitoring report (5) Stage of the project (6) Geography etc . Some of the Parameters for Non Real Estate products (Senior lending, mezzanine, project finance etc) - (1) Sponsor strength (2) Overdues (3) Average debt service coverage ratio (4) Regulatory Risk (5) Stability of EBITDA (6) Quality of underlying assets etc. Based on these parameters the Company has computed the PD. The Company has also built in model scorecards to determine the internal LGD. However, due to lack of default history to statistically substantiate the internal LGD, the Company has made use of a combination of both internal as well as external LGD. The Company also maintains Expected Credit Loss for undisbursed limits after applying the credit conversion factor (CCF). CCF for these limits is computed based on historical disbursement trends observed across various products.

Expected Credit Loss as at the Reporting period:

As at March 31, 2019

Particulars	Asset Group	Exposure at Default	Expected Credit Loss	Net Amount
Assets for which credit risk has not significantly increased from initial recognition	Investments	8,61,547	12,664	8,48,883
	Loans	30,50,688	39,496	30,11,192
Assets for which credit risk has increased significantly but not credit impaired	Investments	29,995	3,213	26,782
	Loans	19,839	2,486	17,352
Assets for which credit risk has increased significantly and credit impaired	Investments			-
	Loans	14,081	8,747	5,334
Total		**39,76,150**	**66,607**	**39,09,543**

As at March 31, 2018

Particulars	Asset Group	Exposure at Default	Expected Credit Loss	Net Amount
Assets for which credit risk has not significantly increased from initial recognition	Investments	12,17,065	20,563	11,96,502
	Loans	20,16,572	32,055	19,84,517
Assets for which credit risk has increased significantly but not credit impaired	Investments	-	-	-
	Loans	5,926	158	5,768
Assets for which credit risk has increased significantly and credit impaired	Investments	4,196	629	3,567
	Loans	7,819	7,819	-
Total		32,51,578	61,224	31,90,354

As at April 1, 2017

Particulars	Asset Group	Exposure at Default	Expected Credit Loss	Net Amount
Assets for which credit risk has not significantly increased from initial recognition	Investments	-	-	-
	Loans	-	-	-
Assets for which credit risk has increased significantly but not credit impaired	Investments	-	-	-
	Loans	-	-	-
Assets for which credit risk has increased significantly and credit impaired	Investments	-	-	-
	Loans	-	-	-
Total		-	-	-

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Piramal Capital & Housing Finance Ltd.

(Currency : Rs in lakhs)

44 Risk management *(Continued)*

44.3 Credit Risk *(Continued)*

Reconciliation of Loss Allowance

a)

Investments and Loans	12 months ECL	Lifetime ECL not credit impaired	ECL credit impaired
	For the year ended March 31, 2019		
Balance at the beginning of the year	52,617	158	8,449
Transferred to 12-month ECL	158	(158)	-
Transferred to Lifetime ECL not credit impaired	(840)	840	-
Transferred to Lifetime ECL credit impaired	(65)	-	65
Transferred to Lifetime ECL credit impaired - specific provision	-	-	-
Transferred from PEL	3,023	-	
Transferred to PHL Fin	(15,022)	-	
Bad debts recovered	-	-	-
Bad debts written off	-	-	-
Charge to Statement of Profit and Loss (refer note 31):			
On Account of Rate (Reduction)/Increase	(213)	4,860	234
On Account of Disbursements	29,755	-	-
On Account of Repayments	(17,254)	-	-
Balance at the end of the year	**52,160**	**5,699**	**8,747**

Investments and Loans	12 months ECL	Lifetime ECL not credit impaired	ECL credit impaired
	For the year ended March 31, 2018		
Balance at the beginning of the year	-	-	-
Transferred to 12-month ECL	-	-	-
Transferred to Lifetime ECL not credit impaired	-	-	-
Transferred to Lifetime ECL credit impaired	-	-	-
Charge to Statement of Profit and Loss (refer note 31):	-	-	-
On Account of Rate Increase / (Reduction)	(10,209)	39	6,458
On Account of amalgamation	62,379	119	1,991
On Account of disbursements	1,222	-	-
On Account of repayments	(775)	-	-
Balance at the end of the year	52,617	158	8,449

b) **Expected Credit Loss on undrawn loan commitments and letter of comfort:**

Particulars	March 31, 2019	March 31, 2018	April 1, 2017
ECL on undrawn loan commitments and letter of comfort (refer note 19)	8,693	1,099	-

c) **Description of Collateral held as security and other credit enhancements**

The Group has set benchmarks on appropriate level of security cover for various types of deals. The Group periodically monitors the quality as well as the value of the security to meet the prescribed limits. The collateral held by the Group varies on case to case basis and includes:

i) First / Subservient charge on the Land and / or Building of the project or other projects
ii) First / Subservient charge on the fixed and current assets of the borrower
iii) Hypothecation over receivables from funded project or other projects of the borrower
iv) Pledge on Shares of the borrower or their related parties
v) Guarantees of Promoters / Promoter Undertakings
vi) Post dated / Undated cheques

As at the reporting date, the ratio of value of the collateral held as security for the credit impaired financial assets to the exposure at default for these assets is higher than 1.

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Piramal Capital & Housing Finance Ltd

(Currency : Rs in lakhs)

44 Risk management *(Continued)*

44.3 Credit Risk *(Continued)*

d) The credit impaired assets as at the reporting dates were secured by charge on land and building and project receivables amounting to:

Particulars	March 31, 2019	March 31, 2018	April 1, 2017
Value of Security (at fair value considered for LGD)	5,334		

e) Collateral taken over by the Company against recovery on credit impaired asset:

The Company has acquired a residential property which was mortgaged as a collateral. The carrying value of this is Rs.1,591 and has been accounted for as Non current Asset held for sale in accordance with Ind AS 105.

44.4 Regulatory Risk:

The Company requires certain statutory and regulatory approvals for conducting business and failure to obtain retain or renew these approvals in a timely manner, may adversely affect operations. Any change in laws or regulations made by the government or a regulatory body that governs the business of the Company may increase the costs of operating the business, reduce the attractiveness of investment and / or change the competitive landscape.

44.5 Fraud risk and operational risk:

The Company has an elaborate system of internal audit and concurrent audit commensurate with the size, scale and complexity of its operations and covers funding operations, financial reporting, fraud control and compliance with laws and regulations.

Risks associated with frauds are mitigated through 100% document verification by concurrent auditors and review of all the cases which are entered in the system, including corrective and remedial actions as regards people and processes.

Internal Auditors monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with laws and regulations, efficacy of its operating systems, adherence to the accounting procedures and policies at all offices of the Company and report directly to Audit and Risk Management Committee of the company.

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(Currency : Rs in lakhs)

45 Accounting for cash flow hedge

The Company had taken foreign currency floating rate borrowings which are linked to LIBOR. For managing the foreign currency risk and interest rate risk arising from changes in LIBOR on such borrowings, the company had entered into cross-currency interest rate swap (CCIRS) for the entire loan liability. The Company had designated the CCIRS (hedging instrument) and the borrowing (hedged item) into a hedging relationship and applies hedge accounting.

Under the terms of the CCIRS, the Company pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on LIBOR in foreign currency. As the critical terms of the hedged item and the hedging instrument (notional, interest periods, underlying and fixed rates) are matched and the interest cash flows are off-setting, an economic relationship exists between the two. This ensures that the hedging instrument and hedged item have values that generally move in the opposite direction.

Hedge Effectiveness Testing is assessed at designation date of the hedging relationship, and on an ongoing basis. The ongoing assessment is performed at a minimum at each reporting date or upon a significant change in circumstances affecting the hedge effectiveness requirements, whichever comes first.

The date on which CCIRS and the borrowings were designated into hedging relationship is later than the date on which the respective contracts were entered into. This timing difference has caused hedge ineffectiveness to a certain extent, the effect of which has been recognised in profit or loss under the head Net Fair Value Changes.

There are no hedging instrument as on March 31, 2019

Following table provides quantitative information regarding the hedging instrument as on March 31, 2018:

Type of hedge and risks	Nominal value (Liabilities)	Carrying amount of hedging instruments (included under "other current and non-current financial liabilities") (Liabilities)*	Maturity date	Hedge ratio	Average contracted fixed interest rate	Changes in fair value of hedging instrument used as the basis for recognising hedge effectiveness	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
Cash Flow Hedge							
Foreign currency and Interest rate risk	50,000	1,624	Jun'18	1:1	12.57%	-	-

There are no hedging instrument as on April 1, 2017

Following table provides the effects of hedge accounting on financial performance for the year ended March 31, 2018:

Type of hedge	Changes in the value of hedging instruments recognised in Other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedge reserve to profit or loss	Line-item affected in statement of profit or loss because of reclassification
Cash flow hedge				
Interest Rate risk and Foreign Exchange Risk	-	-	-	Finance Cost
			-	Foreign Exchange (gain)/loss

Following table provides the effects of hedge accounting on financial performance for the year ended March 31, 2017:

Type of hedge	Changes in the value of hedging instruments recognised in Other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedge reserve to profit or loss	Line-item affected in statement of profit or loss because of reclassification
Cash flow hedge				
Interest Rate risk and Foreign Exchange Risk				
Interest Rate risk and Foreign Exchange Risk	-	-	-	Finance Cost
			-	Foreign Exchange (gain)/loss

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Piramal Capital & Housing Finance Ltd.

(Currency : Rs in lakhs)

46 First time IND AS adoption reconciliation

a. Net worth reconciliation

	Notes	March 31, 2018	April 01, 2017
Net worth as per previous GAAP		7,78,682	1,225
Add:			
Deferred Tax Impact on forward contract		(35)	-
Deferred Tax Impact on Expected Credit Loss provision		(1,203)	-
Tax effect of change in methodology for computation of deferred tax- Balance sheets approach under Ind AS as against Profit & Loss approach under previous GAAP	1	4,992	-
Deferred Tax on Goodwill amortised under previous GAAP now reversed under Ind AS		(196)	
Less:			
Forward Contract	2	101	-
Impact of provision as per Expected Credit Loss model	3	3,442	-
Net worth as per Ind AS		**7,85,783**	1,225

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(Currency : Rs in lakhs)

46 First time IND AS adoption reconciliation *(Continued)*

b. Profit and Loss reconciliation

	Note	As per IGAAP	IND AS Adjustment	As per IND AS
Revenue from operations		4,190	-	4,190
Other Income	2	433	2,166	2,599
Total Revenue		**4,623**	**2,166**	**6,789**
Expenses				
Employee benefits expense		2,031	-	2,030
Finance costs		1,630		1,629
Depreciation and amortization expense	4	646	(560)	86
Other expenses	2 & 3	4,148	(1,373)	2,775
Total Expenses		**8,455**	**(1,933)**	**6,520**
Profit before Tax		**(3,832)**	**4,099**	**269**
Less: Tax Expenses				
Current Tax		-	-	-
Deferred Tax	1	(645)	(3,561)	(4,206)
		(645)	**(3,561)**	**(4,206)**
Profit for the year		**(3,187)**	**7,660**	**4,475**
Earnings Per Share (Basic and Diluted) (Rs.)		**1.37**		**1.93**

Notes:

1 Under Indian GAAP, deferred tax was accounted for using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.
In addition, the various transitional adjustments lead to temporary differences for the the Company Deferred tax adjustments are recognised on such temporary differences either in retained earnings or a separate component of equity depending on where the adjustment in recognised.

2 Decrease in forward contract liability under Ind AS due to fair value of forward contract liability under Ind AS

3 Under Ind AS, the provision on financial assets needs to be calculated using the expected credit loss model as provided under Ind AS 109, based on which there is decrease in provision being recognized as on March 31, 2018 of Rs.3,442 (Rs. Nil as on April 1, 2017) and deferred tax thereon of Rs. 1,203 and (Rs. Nil as on April 1, 2017). This has resulted into net increase in the total equity as on March 31, 2018 by Rs. 2,239 (Rs. Nil as on April 1, 2015).

4 Under Indian GAAP, Goodwill is amortised over a period of 5 year while under Ind AS, no amortisation is done. Instead the goodwill is to be evaluated for impairment if any.

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(Currency : Rs in lakhs)

47 Standards issued but not yet effective

Ind AS 116, Leases

Initial assessment has been carried out by the Company but the possible quantitative impact on initial application of Ind AS 116 is not

Ind AS 116, Leases

-The Company is required to adopt Ind AS 116, Leases from April 1, 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company has completed an initial assessment of the potential impact on its financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

i. Leases in which the Company is a lessee

The Company will recognise new assets and liabilities for its operating leases of offices (see Note 26). The nature of expenses related to those leases will now change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

In addition, the Company will no longer recognise provisions for operating leases that it assesses to be onerous as described in Note 26. Instead, the Company will include the payments due under the lease in its lease liability and apply Ind AS 36, Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment.

No significant impact is expected for the Company's finance leases.

ii. Leases in which the Company is a lessor

The Company will reassess the classification of sub-leases in which the Company is a lessor. Based on the information currently available, the Company expects that it will reclassify one sub-lease as a finance lease.

No significant impact is expected for other leases in which the Company is a lessor.

iii. Transition

The Company plans to apply Ind AS 116 initially on April 1, 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at April 1, 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17."

48 Foreign Currency Expenditure

Particulars	March 31, 2019	March 31, 2018
Annual license fees	382	-
Borrowing cost	36	-
Business promotion	0	-
Intangible assets under development	597	-
Professional fees	37	-

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(Currency : Rs in lakhs)

49 Corporate Social Responsibility Expenditure

Particulars	March 31, 2019	March 31, 2018
Contribution to Piramal Swasthya Management and Research Institute	704	-
Contribution to Piramal Foundation for Education Leadership	1,906	-
Total	2,610	-
Amount required to be spent as per Section 135 of the Act	-	-
Amount spent during the year		
(i) Construction/acquisition of an asset	-	-
(i) On purposes other than (i) above	2,610	-

50 Impairment of Goodwill

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or groups of CGUs, which are benefited from the synergies of the acquisition. Goodwill is reviewed for any impairment at the operating segment level, which is represented through groups of CGUs.

As of March 31, 2019 , the estimated cash flows for a period of 5 years in the for the Company were developed using internal forecasts, and a pre-tax discount rate of 12.50% to 16.00% respectively. The cash flows beyond 5 years have been extrapolated assuming 5% to 7% growth rates, depending on the cash generating unit and the country of operations. The management believes that any possible changes in the key assumptions would not cause the carrying amount to exceed the recoverable amount of cash generating unit.
Based on the above, no impairment was identified as of March 31, 2019 as the recoverable value of the cash generating unit exceeded the carrying values.

51 Disclosure in respect of IL&FS entities.

Position as on March 31, 2019

Name of facility	Amount Outstanding	Of (2), total amount of exposures which are NPAs as per IRAC norms and not classified as NPA.	Provisions required to be made as per IRAC norms.	Provisions actually held
(1)	(2)	(3)	(4)	(5)
IL&FS Solar Power Limited	7,500	-	30	64

52 The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2019
Since the Company was not in existence during the period 8 November 2016 to 30 December 2016, disclosure as required on holdings as well as dealings in Specified Bank Notes in notification GSR 308(E) dated 30 March 2017 issued by the Ministry of Corporate Affairs, is not applicable to the Company.

53 Previous year figures have been regrouped and reclassified wherever necessary to conform to current year's presentation.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156

Mumbai,
Date: April 26, 2019

For and on behalf of the Board of Directors of
Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953

Ajay Piramal
Director
DIN: 00028116

Sachin Deodhar
Chief Financial Officer

Ankit Singh
Company Secretary

B S R & Co. LLP
Chartered Accountants

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Independent Auditors' Report

To the Board of Directors of Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Report on the Audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Piramal Capital & Housing Finance Limited *(formerly known as Piramal Housing Finance Limited)* ("the Company") for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

(i) are presented in accordance with the requirements of the Regulation 52 of Listing Regulations in this regard; and

(ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income, and other financial information for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Emphasis of matter

(i) We draw your attention to Note 13 of the standalone annual financial results regarding the accounting treatment relating to the scheme of Amalgamation ('Scheme') sanctioned by the NCLT on 6 April 2018, has been accounted under Purchase method of accounting as per Accounting Standard 14 - Accounting for Amalgamation in compliance with the Scheme which is considered to be an override to the relevant provisions of lnd AS 103.

(ii) As described in Note 4 to the standalone annual financial results, pursuant to the Reserve Bank of India ('RBI') directions on 'COVID-19 Regulatory Package – Asset Classification and Provisioning' issued on 17 April 2020, the Company has recognised expected credit loss (including management overlays) on its investments and loans to customers on account of impact of COVID-19 pandemic based on its assessment of the information available and the guidance issued by the Reserve Bank of India on granting of three months moratorium and the resultant asset classification relaxations to accounts classified as standard as on 29 February 2020. Further, the underlying forecasts and assumptions applied by the Company in the determination of ECL provision are subject to uncertainties which are often outside of the Company's control. The extent to which the COVID-19 pandemic will impact the Company's current estimate of expected credit losses is dependent on future developments, which are highly uncertain at this point.

Our opinion is not modified in respect of the above matters.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements. The Company's Management and Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Independent Auditors' Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone financial statements on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditors' Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Other Matters

The standalone annual financial results include the results for the half year ended 31 March 2020 and the corresponding previous period half year ended 31 March 2019 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures for the half year ended 30 September 2019 and 30 September 2018 respectively, which were subject to limited review by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VENKATARAMANAN VISHWANATH
Digitally signed by VENKATARAMANAN VISHWANATH
Date: 2020.05.11 12:38:57 +05'30'

Venkataramanan Vishwanath
Partner
Membership No: 113156
ICAI UDIN: 20113156AAAACC4339

Mumbai
11 May 2020

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Standalone Balance Sheet

as at March 31, 2020

(Currency : Rs in lakhs)

		Note	As at March 31, 2020	As at March 31, 2019
	ASSETS			
1	**Financial assets:**			
(a)	Cash and cash equivalents	3	3,86,460	41,231
(b)	Bank balances other than (a) above	4	39,510	2,405
(c)	Loans	5	26,83,252	30,83,732
(d)	Investments	6	8,06,336	9,52,926
(e)	Other financial assets	7	41,204	80,537
2	**Non- financial assets:**			
(a)	Current tax assets (net)	8	52,561	6,325
(b)	Deferred tax assets (net)	9	-	3,359
(c)	Right-of-use assets	11	5,071	-
(d)	Property, Plant and Equipment	11	3,372	3,196
(e)	Intangible assets under development	11	2,803	2,330
(f)	Goodwill	11	10,25,681	10,25,681
(g)	Other intangible assets	11	79	69
(h)	Other non-financial assets	10	32,441	10,457
	Total Assets		**50,78,770**	52,12,248
	LIABILITIES AND EQUITY			
	Liabilities			
1	**Financial liabilities:**			
	Payables			
(a)	Trade payables			
	(i) Total outstanding dues of micro and small enterprises	12	39	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises	12	14,729	8,026
(b)	Debt securities	13	5,59,476	5,90,594
(c)	Borrowings (other than debt securities)	14	21,66,926	24,40,954
(d)	Deposits	15	1,59,654	1,50,000
(e)	Subordinated debt liabilities	16	49,399	49,313
(f)	Other financial liabilities	17	11,239	5,369
2	**Non- financial liabilities:**			
(a)	Current tax liabilities (net)	18	78	78
(b)	Provisions	19	18,788	10,271
(c)	Deferred tax liabilities (net)	9	52,336	-
(d)	Other non- financial liabilities	20	951	4,557
	Equity			
(a)	Equity share capital	21	19,28,372	18,04,452
(b)	Other equity	22	1,16,783	1,48,634
	Total Liabilities and Equity		**50,78,770**	52,12,248

Significant accounting policies 2

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156

Mumbai,
Date: May 11, 2020

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953

Ajay Piramal
Director
DIN: 00028116

Sachin Deodhar
Chief Financial Officer

Bipin Singh
Company Secretary

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Standalone Statement of Profit and Loss
for the year ended March 31, 2020

(Currency : Rs in lakhs)

	Note	**For the year ended March 31, 2020**	For the year ended March 31, 2019
Revenue from operations			
Interest income	*23*	5,56,954	5,46,464
Rental income		167	74
Fees and commission income	*24*	2,127	4,372
Others	*25*	1,153	2,032
Total Revenue from operations		**5,60,401**	5,52,942
Other income	*26*	1,860	4,244
Total Income		**5,62,261**	5,57,186
Expenses			
Finance costs	*27*	3,15,006	2,76,082
Fees and commission expenses	*28*	17,842	7,714
Net loss on fair value changes	*29*	5,103	855
Impairment on financial instruments	*31*	1,17,569	12,978
Employee benefits expenses	*30*	20,892	19,571
Depreciation, amortisation and impairment	-	3,271	681
Other expenses	*32*	22,391	18,116
Total Expenses		**5,02,074**	3,35,996
Profit before exceptional items and tax		60,187	2,21,191
Exceptional items		-	-
Profit before tax		**60,187**	2,21,191
Less: Tax Expenses			
Current tax		-	50,460
Prior year tax		954	-
Tax effect- on account of new tax regime being opted		37,286	-
Deferred tax		18,899	26,473
		57,139	76,933
Profit for the year		**3,048**	1,44,258
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plan		(5)	(159)
Income tax relating to items that will not be reclassified to profit or loss		1	55
Items that will be reclassified to profit or loss			
Remeasurement gain/(loss) on hedge accounting		(1,937)	-
Income tax relating to items that will be reclassified to profit or loss		488	-
Net other comprehensive income		**(1,453)**	(103)
Total comprehensive income for the year		**1,595**	1,44,154
Earnings per equity share (Basic and Diluted) (Rs.)	*34*	*0.02*	*0.80*
Significant accounting policies	*2*		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156

Mumbai,
Date: May 11, 2020

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Company Secretary

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Standalone Statement of changes in equity
for the year ended March 31, 2020

(Currency : Rs in lakhs)

A. Equity Share Capital:

Particulars	Amount
Balance as at March 31, 2018	-
Add: Issued during the year	18,04,452
Balance as at March 31, 2019	**18,04,452**
Add: Issued during the year	**1,23,920**
Balance as at March 31, 2020	**19,28,372**

B. Other Equity:

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	Equity Share Capital Suspense	Statutory Reserve	Capital Reserve	Securities Premium	Retained Earnings	Cash flow hedging reserve	
Balance as at March 31, 2018	18,04,452	-	3	-	4,476	-	18,08,931
Add/(Less): Transfer during the year	(18,04,452)	28,852	-	-	-	-	(17,75,600)
Add: Profit during the year	-	-	-	-	1,44,258	-	1,44,258
Less: Other Comprehensive Income (net of tax)	-	-	-	-	(104)	-	(104)
Less: Transfer to statutory reserve fund	-	-	-	-	(28,852)	-	(28,852)
Balance as at March 31, 2019	**-**	**28,852**	**3**	**-**	**1,19,778**	**-**	**1,48,633**
Add/(Less): Transfer during the year	-	610	-	16,080	-	(1,449)	15,240
Add: Reversal of lease equalisation balance	-		-	-	144	-	144
Add: Profit during the year	-	-	-	-	3,048	-	3,048
Add: Other comprehensive income (net of tax)	-	-	-	-	(4)	-	(4)
Less: Dividend paid (including DDT)	-	-	-	-	(49,668)	-	(49,668)
Less: Transfer to statutory reserve fund	-	-	-	-	(610)	-	(610)
Balance as at March 31, 2020	**-**	**29,462**	**3**	**16,080**	**72,687**	**(1,449)**	**1,16,783**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156

Mumbai,
Date: May 11, 2020

For and on behalf of the Board of Directors of
Piramal Capital & Housing Finance Limited

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Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Standalone Cash Flow Statement
for the year ended March 31, 2020

(Currency : Rs in lakhs)

		For the year ended March 31, 2020	For the year ended March 31, 2019
A.	**Cash flow from operating activities**		
	Profit before tax	**60,187**	2,21,191
	Short term capital gain on mutual fund	**(1,153)**	(2,032)
	Interest income from fixed deposits	**(7,136)**	(4,498)
	(Gain)/Loss on fair valuation	**5,102**	855
	Lease rent payment	**(2,377)**	-
	Allowance for expected credit loss on loans and loan commitments	**1,17,569**	12,977
	Finance cost on lease payment	**629**	-
	Provision for lease equalisation reserve	**-**	92
	Provision for gratuity and compensated absence	**387**	447
	Loss on financial assets	**551**	-
	Write off of intangible assets under development	**400**	-
	Depreciation and amortisation	**3,271**	681
	Operating cash flow before working capital changes	**1,77,430**	2,29,713
	Decrease / (Increase) in Loans	**3,20,336**	(11,57,078)
	Decrease/ (Increase) in Asset held for sale	**-**	1,591
	Decrease in Investments	**1,11,639**	3,08,899
	Decrease / (Increase) in other financials assets	**39,831**	(78,209)
	(Increase) in other Non financials assets	**(21,984)**	(8,344)
	Decrease in Trade Payables	**6,742**	5,586
	Decrease / (Increase) in other financials liabilities	**574**	(1,035)
	(Increase) /Decrease in other non financials liabilities	**(3,606)**	3,098
	Cash used in operations	**6,30,962**	(6,95,779)
	Less: Income taxes paid	**(47,190)**	(55,118)
	Net cash from/ (used in) operating activities (a)	**5,83,772**	(7,50,897)
B	**Cash flow from investing activities**		
	Fixed assets purchased	**(2,216.55)**	(8,268)
	Investments in mutual funds	**(43,92,000)**	(69,56,301)
	Redemptions from mutual funds	**43,93,153**	69,61,034
	Interest income from fixed deposits	**6,637**	5,851
	Investment in fixed deposits	**(2,69,994)**	(2,405)
	Redemption from in fixed deposits	**2,32,889**	-
	Net cash flow used in investing activities (b)	**(31,532)**	(89)
C	**Cash flow from financing activities**		
	Borrowings taken during the year	**32,82,770**	67,29,784
	Borrowings repaid during the year	**(35,80,112)**	(60,92,905)
	Dividend Paid	**(49,669)**	-
	Issue of equity shares	**1,40,000**	-
	Net cash flow (used in)/from financing activities (c)	**(2,07,011)**	6,36,879
	Net increase in cash and cash equivalents (a+b+c)	**3,45,229**	(1,14,107)
	Cash and cash equivalents as at beginning of the year	**41,231**	1,55,338
	Cash and cash equivalents as at end of the year (refer note 3)	**3,86,460**	41,231

The notes referred to above form an integral part of the financial statements.
As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953

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Director
DIN: 00028116

Sachin Deodhar
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai,
Date: May 11, 2020

(Currency : Rs in lakhs)

1A. GENERAL INFORMATION

Piramal Capital & Housing Finance Limited (formerly known as Piramal Housing Finance Limited) ('the Company') was incorporated under the Companies Act, 2013 on 10 February 2017 with its registered office in Mumbai to carry on the business of housing finance in India.
The Company was registered as a non-deposit taking housing finance company with the National Housing Bank ("NHB") on 28 August 2017.

The Company was converted into a public limited company w.e.f. 17 October 2017 and consequently the name of the Company was changed from Piramal Housing Finance Private Limited to Piramal Housing Finance Limited w.e.f. the date of the certificate of Registrar of Companies ('ROC'), Mumbai.

The Company has acquired Piramal Finance Limited and Piramal Capital Limited with effect from 31 March 2018 being the appointed date. The primary activities of the acquired Companies involve lending / investing.

The name of Company was changed from Piramal Housing Finance Limited to Piramal Capital & Housing Finance Limited w.e.f. 12 Jun 2018.

The Company is a public limited company and its debts are listed on the Bombay Stock Exchange (BSE), India, and/or the National Stock Exchange (NSE), India.

1B. Basis of Preparation

i) Statement of compliance and basis of preparation and presentation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('the Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter ("Ind AS") on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained below, the relevant provisions of the Companies Act, 2013 (the "Act") and the guidelines issued by the National Housing Bank ("NHB") to the extent applicable.
Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

ii) Basis of Accounting

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

iii) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Following areas entail a high degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.
1. Impairment of financial assets – Note 44
2. Fair Valuation of financial assets and liabilities - Note 42
3. Measurement of defined benefit obligations; key actuarial assumptions – Note 41 and
4.Impairment of Goodwill – Note 50

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(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES

i) Property, plant and equipment

All Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.
The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The estimated useful lives of Property, Plant and Equipment are as stated below:

Office Equipment	5 years
Furniture and fixtures	10 years
Computers Servers and Network	6 years
Computer - End user device	3 years
Leasehold Improvements	Amortised on SLM over lease tenure

ii) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.
Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.
Intangible assets not ready for use on the date of Balance Sheet is disclosed as 'Intangible assets under development'.
Intangible Assets are amortized on a straight line basis over their finite useful lives over the following period:

Computer Software	6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Individual fixed assets costing less than Rupees five thousand are depreciated fully in the year of purchase or acquisition.
Goodwill on acquisition is included in intangible assets. Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.
Goodwill is carried at cost less accumulated impairment losses.

iii) Impairment of non financial assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

iv) Financial instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Classification

Financial assets that meet the following conditions are subsequently measured at amortised cost:
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through Other Comprehensive Income (FVTOCI):
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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2. SIGNIFICANT ACCOUNTING POLICIES

i) Property, plant and equipment

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The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

iv) Financial instruments *(Continued)*

Financial assets *(Continued)*

By default, all other financial assets are subsequently measured at fair value through profit and loss (FVTPL).

Debt instruments
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Effective interest rate method
Income is recognised on an effective interest rate basis for financial assets other than those financial assets classified as at FVTPL. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.
The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.
If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.
The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

Financial assets at fair value through profit or loss (FVTPL)
Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Changes in the fair value of financial assets at FVTPL are recognised in the statement of profit and loss.

Impairment of financial assets
Wholesale lending:
The Company applies the expected credit loss ("ECL") model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has devised an internal model to evaluate the probability of default and loss given default based on the parameters set out in Ind AS 109. The Company has a dedicated Asset Monitoring team which evaluates asset performance on a continued basis to flag of early warning signals. Probability of default have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions to comply with IndAS 109. The forward looking macro-economic conditions based adjustment is driven through a multi linear regression model which forecasts systemic gross non-performing assets under baseline future economic scenarios. Accordingly, the financial instruments are classified into Stage 1 – Standard Assets with zero to thirty days past due (DPD), Stage 2 – Significant Credit Deterioration or overdue between 31 to 90 days and Stage 3 – Default Assets with overdue for more than 90 days. The Company also takes into account the below qualitative parameters in determining the increase in credit risk for the financial assets:

1) Significant negative deviation in the business plan of the borrower
2) Internal rating downgrade for the borrower or the project
3) Current and expected financial performance of the borrower
4) Need for refinance of loan due to change in cash flow of the project
5) Significant decrease in the value of collateral
6) Change in market conditions and industry trends

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2. SIGNIFICANT ACCOUNTING POLICIES

i) Property, plant and equipment

All Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.
The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

iv) Financial instruments *(Continued)*

Financial assets *(Continued)*

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Default assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

Retail lending:
The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

The Company uses ECL allowance for financial assets measured at amortised cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar characteristics. The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has recently started its operations and it's too early to observe actual defaults and corresponding recovery in its portfolio. Accordingly, the Company has used surrogate data from a reputed credit bureau agency for potential credit losses. Further, the estimates from the above sources have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions to comply with IndAS 109. The forward looking macro-economic conditions based adjustment is driven through a multi linear regression model which forecasts systemic gross non-performing assets under baseline future economic scenarios.

The financial instruments are classified into Stage 1 – Standard Assets with zero to sixty days past due (DPD), Stage 2 – Significant Credit Deterioration or overdue for more than sixty days and Stage 3 – Default Assets with overdue for more than 90 days.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk (as represented by days past due status of the individual accounts) since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Default assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

<u>Derecognition of financial assets</u>
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.
On derecognition of financial assets in entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, is recognised in the statement of profit and loss.

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2. SIGNIFICANT ACCOUNTING POLICIES

i) Property, plant and equipment

All Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.
The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

iv) Financial instruments *(Continued)*

Financial liabilities and equity instruments

Foreign exchange gains and losses
The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

Classification as debt or equity
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Foreign exchange gains and losses
For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit and loss.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

Embedded derivatives
Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

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(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES

i) Property, plant and equipment

All Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.
The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

iv) Financial instruments *(Continued)*

Embedded foreign currency derivatives
Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related.

Hedge accounting

The Company designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

v) Assets held for sale

Assets comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.
Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.
Once classified as held-for-sale, assets and liabilities are no longer amortised or depreciated.

vi) Employee Benefits

Employee benefits include provident fund, compensated absences and long term service awards. In case of Provident fund, contributions are made to the Regional Provident Fund Office.

Defined Contribution Plans

The Company's contribution to provident fund to the Regional Provident Fund office are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

Defined Benefit Plans

The Company contributes to Defined Benefit Plans comprising of Gratuity and Compensated absences.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "**Gratuity Plan**") in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

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2. SIGNIFICANT ACCOUNTING POLICIES

i) Property, plant and equipment

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The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

vii) Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.
Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

viii) Revenue recognition

Interest income from a financial asset (including Lease rental discounting assets) is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Loan processing fees income is accounted for on effective interest basis. Arranger fees income is accounted for on accrual basis.

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of dividend income can be measured reliably). The gain / loss on account of redemption of units of mutual funds is recognised in the period in which redemption occurs.

ix) Foreign Currency Transactions

In preparing the financial statement, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

x) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as exceptional items.

xi) Leases

Operating Leases

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.
The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.
The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

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2. SIGNIFICANT ACCOUNTING POLICIES

i) Property, plant and equipment

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The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

xii) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

xiii) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

xiv) Borrowing Costs

Borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those fixed assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised.
Borrowing costs include interest expense calculated using the EIR method. EIR includes interest, amortization of ancillary cost, incurred in connection with the borrowing of funds. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xv) Earnings per share

Basic earnings per share
The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

Diluted earnings per share
Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

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Notes to the Standalone Financial Statements *(Continued)*

as at March 31, 2020

(Currency : Rs in lakhs)

	As at March 31, 2020	As at March 31, 2019
3 Cash and cash equivalents		
Cash on hand	1	-
Balances with banks in current accounts	1,24,582	41,031
Cheques, drafts on hand	1,56,877	-
Fixed deposits (with maturity less than 3 months)	1,05,000	200
Total	**3,86,460**	41,231
4 Bank balances other than (a) above		
Earmarked balances with banks*	39,510	2,405
Total	**39,510**	2,405

*(Deposits with banks to the extent of Rs.22,105 lakhs held as security against the borrowings and guarantees)

5 Loans		
Loans within India		
Term loan to borrowers - at amortised cost		
- Secured by tangible assets, considered good	24,49,499	30,70,471
Less: Allowance for impairment loss (expected credit loss allowance)	(88,660)	(39,498)
Term loan to borrowers - at FVTPL		
- Secured by tangible assets, considered good	59,425	29,295
Term loan to borrowers - at amortised cost to related party		
- Unsecured, considered good	1,39,500	-
Term loan to borrowers - at amortised cost		
- Unsecured, considered good	52,834	-
Less: Allowance for impairment loss (expected credit loss allowance)	(2,524)	-
Term loan to borrowers - at amortised cost		
- Significant increase in Credit Risk	54,172	20,741
Less: Allowance for impairment loss (expected credit loss allowance)	(15,453)	(2,486)
Term loan to borrowers - at amortised cost		
- Credit impaired	53,036	13,956
Less: Allowance for impairment loss (expected credit loss allowance)	(18,578)	(8,747)
Total	**26,83,251**	30,83,732

Note:
During the current and prior reporting periods, there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

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Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Notes to the Standalone Financial Statements *(Continued)*

as at March 31, 2020

(Currency : Rs in lakhs)

6 Investments

	As at March 31, 2020	As at March 31, 2019
Investments within India		
Measured at Amortised Cost		
Quoted Investments (at fully paid)		
Redeemable Non Convertible Debentures	53,481	72,642
Total	**53,481**	72,642
Measured at Amortised Cost		
Unquoted Investments (at fully paid)		
Redeemable Non Convertible Debentures	6,06,101	8,80,903
Less: Allowance for impairment loss (expected credit loss allowance)	(50,828)	(15,877)
Total	**5,55,273**	8,65,026
Instruments at Fair Value through Profit & Loss		
Project Receivables	1,65,830	-
Redeemable Non Convertible Debentures	31,753	15,258
Total	**1,97,583**	15,258
Total Investments	**8,06,337**	9,52,926
Aggregated book value of quoted investments	**53,481**	87,900
Aggregated market value of quoted investments	**53,481**	87,900
Aggregated book value of unquoted investments	**8,03,684**	8,80,903

(Currency : Rs in lakhs)

		As at March 31, 2020	As at March 31, 2019
7	**Other financial assets**		
	Interest receivable	542	43
	Security deposits	38,865	79,809
	Other receivable	-	667
	Forward Contract Receivable (refer note 45)	1,784	-
	To related parties		
	Unsecured, considered good		
	Piramal Securities Limited	-	18
	PHL Fininvest Private Limited	13	
	Total other financial asset	**41,204**	80,537
8	**Current tax assets (Net)**		
	Advance Tax (net of Provision of Rs.145,945/-, 31 March 2019 Rs.94,531/-)	52,561	6,325
	Total current tax assets (net)	**52,561**	6,325

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(Currency : Rs in lakhs)

9 Deferred tax

	As at March 31, 2020	As at March 31, 2019
Deferred tax assets (net)	-	3,359
Deferred tax liabilities (net)	(52,336)	-
	(52,336)	3,359

Particulars	Opening balance as at March 31, 2019	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing balance as at March 31, 2020
Movement in deferred tax assets:				
Depreciation on property, plant and equipment	86	56	-	142
Depreciation on intangible assets	(1,24,204)	(7,442)	-	(1,31,646)
Preliminary Expenses	58	(30)	-	28
Provision for compensated absence	233	(31)	-	202
Provision for Gratuity	318	(25)	(1)	292
Provision on loans and investments as per ECL	25,476	22,466	-	47,942
Business Loss	4,998	(4,998)	-	-
Unabsorbed depreciation	44,672	(14,026)	-	30,646
Lease straightlining	50	(50)	-	-
(Gain)/loss on fair valuation	(43)	1,328	-	1,285
Net fair value changes on foreign currency loan	0	488	-	488
Deferrement of interest income due to EIR	5,566	(2,172)	-	3,394
Deferrement of interest expense due to EIR	(4,120)	(1,888)	-	(6,008)
Unamortised Processing fees paid to Piramal Enterprises Limited	(1,104)	641	-	(463)
Stamp duty on Amalgamation allowable u/s 35DD	914	(475)	-	439
MAT Credit Entilement	50,460	(50,460)	-	0
Expenses that are allowed on payment basis	-	831		831
Lease Liabilites	-	1,368	-	1,368
Right of Use assets	-	(1,276)	-	(1,276)
	3,359	(55,695)	(1)	(52,336)

Particulars	Opening balance as at March 31, 2018	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing balance as at March 31, 2019
Movement in deferred tax assets:				
Depreciation on property, plant and equipment	16	70	-	86
Depreciation on intangible assets	(44,500)	(79,704)	-	(1,24,204)
Preliminary Expenses	92	(34)	-	58
Provision for compensated absence	124	109	-	233
Provision for Gratuity	207	56	55	318
Provision on loans and investments as per ECL	20,939	4,537	-	25,476
Business Loss	44,550	(39,552)	-	4,998
Unabsorbed depreciation	443	44,229	-	44,672
Lease straightlining	13	37	-	50
Gain on fair valuation	(342)	299	-	(43)
Net fair value changes on foreign currency loan	(414)	414	-	0
Deferrement of interest income due to EIR	9,956	(4,391)	-	5,566
Deferrement of interest expense due to EIR	(1,308)	(2,813)	-	(4,120)
Unamortised Processing fees paid to Piramal Enterprises Limited	-	(1,104)	-	(1,104)
Stamp duty on Amalgamation allowable u/s 35DD	-	914	-	914
MAT Credit Entilement	-	50,460	-	50,460
	29,776	**(26,473)**	**55**	**3,359**

10 Other non-financial assets

	As at March 31, 2020	As at March 31, 2019
Capital advance	-	828
Cenvat credit receivable	7,448	3,572
Prepaid expenses	1,969	370
Advance for expenses	3,297	10
Advance processing fees paid	19,727	5,677
Total other non-financial assets	**32,441**	10,457

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Notes to the Standalone Financial Statements *(Continued)*
as at March 31, 2020

(Currency : Rs in lakhs)

11 Property, plant and equipment, Intangible Assets and Intangibles under development

Particulars	Cost				Accumulated Depreciation / Amortisation				Net Carrying Amount
	Opening As at April 1, 2019	Additions during the year	Deduction/ write offs	As at March 31, 2020 (A)	Opening As at April 1, 2019	Charge for the year	Deduction/ write offs	As at March 31, 2020 (B)	As at March 31, 2020 (A-B)
Tangible Assets									
Land & Building	30	-	-	30	-	-	-	-	30
Office Equipment	512	168	-	680	98	127	-	225	455
Computer	571	158	16	711	171	237	9	399	312
Computer Server	298	73	-	371	52	60	-	112	259
Furniture	297	6	-	303	39	30	-	69	234
Motor Car	239	-	-	239	19	24	-	43	197
Leasehold Improvements	2,007	921	-	2,929	381	663	-	1,043	1,886
Right to Use Assets	-	8,562	1,726	6,836	-	2,115	349	1,765	5,071
Total (I)	3,956	9,887	1,742	12,099	760	3,254	358	3,656	8,444
Intangible Asset									
Goodwill on amalgamation	10,25,681		-	10,25,681	-	-	-	-	10,25,681
Computer software	75	26	-	101	6	16	-	22	79
Total (II)	10,25,755	26	-	10,25,781	6	16	-	22	10,25,760
Intangibles under development (III)	2,330	873	400	2,803	-	-	-	-	2,803
Grand Total (I+II+III)	10,32,041	10,786	2,142	10,40,684	766	3,270	358	3,678	10,37,006

Particulars	Cost				Accumulated Depreciation / Amortisation				Net Carrying Amount
	Opening As at April 1, 2018	Additions during the year	Deduction/ write offs	As at March 31, 2019 (A)	Opening As at April 1, 2018	Charge for the year	Deduction/ write offs	As at March 31, 2019 (B)	As at March 31, 2019 (A-B)
Tangible Assets									
Land and Building	30	-	-	30	-	-	-	-	30
Office Equipment	180	332	-	512	12	86	-	98	414
Computer	266	316	10	571	28	145	2	171	400
Computer Server	142	156	-	298	10	42	-	52	246
Furniture	286	11	-	297	10	29	-	39	258
Motor Car	-	239	-	239	-	19	-	19	221
Leasehold Improvements	560	1,447	-	2,007	26	355	-	381	1,627
Other income									
Total (I)	1,464	2,503	10	3,956	86	675	2	760	3,196
Intangible Asset									
Goodwill on amalgamation	10,21,429	4,252	-	10,25,681	-	-	-	-	10,25,681
Computer software	29	45	-	75	-	6	-	6	69
Total (II)	10,21,458	4,296	-	10,25,755	-	6	-	6	10,25,749
Intangibles under development (III)	1,690	640	-	2,330	-	-	-	-	2,330
Grand Total (I+II+III)	10,24,612	7,439	10	10,32,041	86	681	2	766	10,31,276

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		As at March 31, 2020	As at March 31, 2019
12	**Trade payables**		
(i)	Total outstanding dues of micro enterprises and small enterprises	39	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	10,900	2,753
(iii)	Trade payables to related parties (refer note 40)	3,829	5,273
	Total	**14,768**	8,026
13	**Debt Securities**		
	Debt securities in India		
	Measured at amortised cost		
	Redeemable Non Convertible Debentures (secured)	5,59,476	5,90,594
	Total	**5,59,476**	5,90,594
14	**Borrowings (Other than Debt Securities)**		
	Borrowings in India		
	Measured at amortised cost		
	Term Loans (secured)		
	-From banks	15,41,212	16,66,049
	-FCNR Loan	56,794	-
	-From others	2,04,525	50,074
	Working capital demand loan/short term borrowings (secured)		
	-From banks	2,44,395	2,26,103
	-From others	1,20,000	-
	Commercial Paper (unsecured)	-	4,98,728
	Total	**21,66,926**	24,40,954
15	**Deposits**		
	Deposits in India		
	Measured at amortised cost		
	Intercorporate deposit from related party (Unsecured)	1,59,654	-
	Intercorporate deposit from Others (Secured)	-	1,50,000
	Total	**1,59,654**	1,50,000
16	**Subordinated Liabilities**		
	Subordinated Liabilities in India		
	Measured at amortised cost		
	Redeemable Non Convertible Debentures (unsecured)	49,399	49,313
	Total	**49,399**	49,313

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13. Borrowings

A. Redeemable Non Convertible Debentures (secured)

Particulars	Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019	Maturity Due Date	First Instalment payment date
250 (payable annually) 8.50% Secured , Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1093 days from the date of allotment.	-	2,500	22-Nov-19	NA
50 (payable annually) 8.95% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 2555 days from the date of allotment.	500	500	08-Mar-24	NA
2,000 (payable on maturity) 8.85% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1152 days from the date of allotment	20,000	20,000	25-May-20	NA
1,500 (payable annually) 9.05% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 1,000,000 ; with 50% partly paid and issued	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1093 days from the date of allotment ; with a put option	-	10,000	09-Aug-19	NA
4400 (payable on maturity) 8.85% Secured, Rated, Listed, redeemable Non Convertible Debentures (NCD's) each having a face value of Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1154 days from the date of allotment	44,000	44,000	03-Jun-20	NA
500 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 729 days from the date of allotment	-	5,000	19-Apr-19	NA
250 (payable annually) 8.75% Secured, Rated, Listed , Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs. 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 2556 days from the date of allotment	2,500	2,500	03-May-24	NA
500 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 729 days from the date of allotment	-	5,000	07-Jun-19	NA
500 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 729 days from the date of allotment	-	5,000	07-Jun-19	NA
250 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 729 days from the date of allotment	-	2,500	07-Jun-19	NA
150 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 729 days from the date of allotment	-	1,500	07-Jun-19	NA
500 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 728 days from the date of allotment	-	5,000	14-Jun-19	NA
950 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	9,500	9,500	14-Jul-20	NA
5250 (payable annually) 9.05% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCDs) each of face value Rs1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 725 days from the date of allotment	-	20,000	09-Aug-19	NA
500 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	5,000	5,000	04-Aug-20	NA
500 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	5,000	5,000	04-Aug-20	NA

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250 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	2,500	2,500	04-Aug-20	NA
5000 (payable annually) 8.07% Secured, Rated , Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs. 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1096 days from the deemed date of allotment	50,000	50,000	25-Sep-20	NA
1250 (payable annually) 8.10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1096 days from the date of allotment	12,500	12,500	29-Sep-20	NA
5000 (payable monthly) 7.96% Secured, Rated , Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs. 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are redeemable at par in three instalments : 8th year-167 crore; 9th year-167crore; 10th year-166 crore	50,000	50,000	20-Sep-27	19-Sep-25
150 (payable annually) 7.96% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1094 days from the date of allotment	1,500	1,500	06-Nov-20	NA
1000 (payable annually) 7.96% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1094 days from the date of allotment	10,000	10,000	06-Nov-20	NA
350 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 2555 days from the date of allotment	3,500	3,500	03-Oct-25	NA
250 (payable annually) 9.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1826 days from the date of allotment	2,500	2,500	02-Nov-23	NA
5000 (payable annually) 9.27% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are redeemable at par in three instalments : 8th year-167 crore; 9th year-167crore; 10th year-166 crore	50,000	50,000	19-Dec-28	18-Dec-26
6500 (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years and three months from the date of allotment	65,000	65,000	15-Apr-22	NA
1000 (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years three months and fourteen days from the date of allotment	5,000	10,000	29-Apr-22	NA
500 (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years and three months from the date of allotment	-	5,000	21-Apr-22	NA

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2000 (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years three months and fourteen days from the date of allotment	-	20,000	06-May-22	NA
5000 (payable annually) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after eight years from the date of allotment	50,000	50,000	11-Mar-27	NA
5000 (payable annually) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after Nine years from the date of allotment	50,000	50,000	10-Mar-28	NA
5000 (payable annually) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after Ten years from the date of allotment	50,000	50,000	09-Mar-29	NA
900 (payable semi annually) 10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 53 months from the date of allotment	9,000	-	08-Nov-23	NA
900 (payable semi annually) 10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 65 months from the date of allotment	9,000	-	08-Nov-24	NA
1500 (payable annually) 9.5% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 3 years from the date of allotment	15,000	-	16-Sep-22	NA
1500 (payable annually) 9.5% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 3 years from the date of allotment	15,000	-	16-Sep-22	NA

The rate of interest for the above loans are in the range of 7.96% to 10% per annum

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14. Borrowings (Other than Debt Securities)

B. 1. Rupee Term Loan from Banks

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable quarterly instalments starting after twelve months from initial drawdown date	-	625	31-Jul-19	31-Oct-15
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable quarterly instalments starting after twelve months from initial drawdown date	-	1,000	20-Feb-20	20-Feb-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable quarterly instalments starting after twelve months from initial drawdown date	-	750	04-Mar-20	04-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal half yearly instalments with moratorium period of one year from drawdown date	2,500	7,500	17-Jun-20	17-Dec-17
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal quarterly instalments commencing from 27 month of drawdown date	18,750	25,000	15-Mar-22	30-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly instalments after the moratorium period of 24 month from the date of drawdown	-	25,000	26-Mar-20	26-Apr-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal quarterly instalments commencing from 21st month from date of drawdown	32,199	60,000	30-Mar-21	31-Dec-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	-	20,000	06-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	50,000	50,000	30-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve quarterly instalments Commencing from 24th month from date of drawdown	75,000	1,25,000	09-Mar-22	09-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in half yearly instalments Commencing from one year from date of drawdown	5,000	8,333	26-Apr-21	26-Oct-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in half yearly instalments Commencing from one year from date of drawdown	2,500	4,167	26-Apr-21	26-Oct-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	20,000	20,000	18-Sep-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight equal quarterly instalments commencing after the moratorium period of two years from the date of drawdown	12,500	20,000	17-Sep-21	18-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in six equal quarterly instalments commencing from 7 quarter of date of drawdown	10,000	30,000	25-Sep-20	21-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal quarterly instalments commencing from 25 months from date of drawdown	8,333	10,000	27-Jun-22	30-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve quarterly instalments Commencing from 24th month of date of drawdown	25,000	25,000	09-Mar-22	09-Jun-19

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First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal quarterly instalments commencing from 21st month from date of drawdown	6,616	12,500	02-Aug-21	02-May-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight equal quarterly instalments commencing from 15th month from date of drawdown	1,250	3,750	18-Aug-20	16-Nov-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in sixteen quarterly instalments with a holiday period of 1 year from the drawdown date.	31,250	43,750	28-Aug-22	28-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly instalments after the moratorium period of 24 months from the drawdown date	8,331	20,000	31-Aug-20	31-Aug-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal quarterly instalments starting from 21st month from drawdown date	39,699	75,000	24-Sep-21	26-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight half yearly instalments commencing after initial moratorium period of 12 months	11,250	13,125	30-Sep-22	26-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve monthly instalments, first 11 of 20.83 crore each and the 12th instalment of 20.87 crore post holiday period of 24 months from drawdown date	12,500	25,000	18-Sep-20	18-Oct-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	10,000	10,000	18-Sep-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight half yearly instalments commencing after 12th month from the drawdown date	3,750	4,375	30-Sep-22	26-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly instalments commencing from 21st month from the date of drawdown	10,940	15,000	06-Oct-21	06-Jul-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight equal quarterly instalments commencing after a moratorium of 2 years from the date of drawdown	10,000	10,000	17-Sep-21	18-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly instalments commencing after a moratorium period of 24 months from the date of drawdown	-	5,000	30-Nov-20	31-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly instalments commencing after a moratorium period of 24 months from the date of drawdown	12,500	15,000	30-Nov-20	31-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly instalments commencing from 21st month from the date of drawdown	4,720	7,500	21-Dec-21	21-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly instalments commencing from 21st month from the date of drawdown	9,440	15,000	27-Dec-21	27-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in four equal quarterly instalments commencing from 13th month of drawdown date	-	18,750	28-Dec-19	28-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in sixteen equal quarterly instalments commencing from 13th month of drawdown date	37,500	46,875	28-Dec-22	28-Nov-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly instalments commencing after moratorium of 24 months from the date of drawdown	8,233	10,000	30-Nov-20	31-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly instalments commencing from 21st month from the date of drawdown.	27,349	37,500	11-Feb-22	11-Nov-19

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First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in nineteen quarterly instalments commencing after a moratorium period of 3 months from the date of drawdown	12,632	16,842	28-Feb-23	31-Aug-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in six equal half yearly instalments with moratorium period of one year from drawdown date	25,000	30,000	31-Mar-22	30-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly instalments commencing post moratorium period of 2 years from the drawdown date	5,000	5,000	28-Feb-21	31-Mar-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight quarterly instalments commencing after a moratorium period of 12 months from the date of first disbursement	18,750	30,000	26-Mar-21	28-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment in equal half yearly instalments	6,250	8,750	20-Apr-22	20-Oct-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in two years from drawdown date	20,000	20,000	26-Jun-20	26-Jun-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	-	25,000	30-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	30,000	30,000	10-Aug-21	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	-	10,000	21-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	-	10,000	25-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	-	10,000	27-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	-	7,500	24-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principle to be repaid in 18 quarterly instalment after moratorium period of 6 months from the date of 1st drawdown	1,66,667	2,00,000	31-Oct-23	31-Jul-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principle to be repaid in 12 quarterly instalment of Rs. 41.67 Crs after moratorium period of 6 months from the date of 1st drawdown	37,499	50,000	26-May-22	26-Aug-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principle to be repaid in 16 quarterly instalment of Rs. 6.23 Crs after moratorium period of 3 months from the date of 1st drawdown	16,250	20,000	27-Mar-23	27-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 10 months from 21 month of each drawdown date	34,687	46,874	29-Dec-22	29-Jan-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 6 equal semi annual instalment after 12 months from drawdown date	20,000	20,000	31-Dec-22	30-Jun-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	-	40,500	07-Jul-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 35 months from drawdown date	16,600	25,000	31-Dec-21	29-Feb-20

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First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principle to be repaid in 47 equal monthly instalment of Rs. 10.41 Crs and Rs. 10.73Crs on 48th instalment after drawdown	35,729	48,958	02-Feb-23	02-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	-	15,900	04-Mar-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 24 months from drawdown date	-	25,000	19-Feb-21	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	-	10,000	09-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	-	10,000	10-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	-	10,000	11-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of Principle to be repaid in 12 equal quarter instalment of Rs. 25 Crs after moratorium period of the 2 years from the date of drawdown	30,000	30,000	31-Mar-24	30-Jun-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 4 year from drawdown date	9,411	10,000	26-Mar-23	26-Sep-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	-	20,000	25-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 15 months from drawdown date	-	25,000	26-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 13 months from drawdown date	-	25,000	28-Apr-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 13 months from drawdown date	-	10,000	29-Apr-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 84 months from drawdown date	67,500	-	17-May-26	17-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 24 months from drawdown date	23,000	-	28-Jun-21	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 472 days from drawdown date	25,000	-	05-Oct-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 472 days from drawdown date	20,000	-	05-Oct-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	23,000	-	08-Jan-21	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 60 months from drawdown date	50,000	-	24-Sep-24	24-Jun-20

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First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 60 months in 9 equal half yearly installments commencing after initial moratorium of 6 months	30,000	-	19-Sep-24	19-Sep-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	11,500	-	28-May-21	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 60 months from drawdown date	50,000	-	30-Sep-24	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 60 months from drawdown date	40,000	-	26-Dec-24	26-Mar-21
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 194 months from drawdown date	18,415	-	31-Aug-35	11-Oct-19
Specific loan cash flows & underlying that are part of the Assignment pool	Repayable in 362 months from drawdown date	33,475	-	20-Jul-49	20-Nov-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 85 months from drawdown date	50,000	-	31-Jan-27	31-Jan-27
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	17,500	-	06-Jul-21	06-Jul-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 24 months from drawdown date	2,400	-	20-Jan-22	20-Jan-22
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	15,900	-	03-Sep-21	03-Sep-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 24 months from drawdown date	25,000	-	04-Mar-22	04-Mar-22
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 60 months from drawdown date	5,000	-	13-Mar-25	13-Jun-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	30,000	-	16-Sep-21	16-Sep-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 85 months from drawdown date	20,000	-	31-Mar-27	17-Jun-22

The rate of interest for the above loans are in the range of 8.35% to 10.65% per annum

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14. Borrowings (Other than Debt Securities)

B.2. Foreign Currency Non Repatriable Loans:

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019	Maturity Due Date	First Instalment payment date
First pari-passu charge on the standard assets including receivables present and future	Repayable in 65 months from drawdown date	26,132	-	08-Nov-24	NA
First pari-passu charge on the standard assets including receivables present and future	Repayable in 53 months from drawdown date	26,132	-	08-Nov-23	NA

The rate of interest for the above loans is 9.30% per annum

B.3. Term Loan from others:

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation created over secured assets	Repayable in five equal quarterly instalments commencing 24 Month from the date of first disbursement	-	10,000	29-Jul-19	29-Jul-18
First pari-passu charge by way of hypothecation created over secured assets	Repayable in 378 days from drawdown date	-	20,000	04-Oct-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book	Repayment at end of 10th month Rs. 30 ers, 11th month Rs. 50ers and 12 month Rs. 120 crs	-	20,000	19-Feb-20	19-Dec-19
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 30 months from drawdown date	1,41,402	-	15-Feb-22	15-Oct-19
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 240 months from drawdown date	57,710	-	20-Jun-39	20-Nov-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book	Repayable in 365 days from drawdown date	5,000	-	30-Jul-20	NA

The rate of interest for the above loans are in the range of 8.9% to 10.50% per annum

B.4. Working Capital Demand Loan/short term borrowings (secured) from bank:

Nature of Security	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	30,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	5,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	10,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	20,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	3,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	10,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	10,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	7,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	1,400
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	800
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	10,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	1,350
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	15,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	1,00,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	1,500
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	20,000	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	10,000	-

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First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	10,000	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	1,480	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	7,500	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	2,417	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	7,500	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	5,000	5,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	20,000	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	1,20,000	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	1,60,000	-

The rate of interest for the above loans are in the range of 8.80% to 10.00% per annum

B.5. Working Capital Demand Loan/short term borrowings (secured)- from others:

Nature of Security	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts	1,20,000	-

The rate of interest for the above loans is 10.50% per annum

B.6. Commercial Paper

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019	Maturity Due Date
Commercial Paper	Repayable within 365 days from date of disbursement	-	4,98,728	Various

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15. Intercorporate Deposit :
Intercorporate deposit from related party (Unsecured)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019	Maturity Due Date	First Instalment payment date
Intercorporate Deposit	Repayable in Eighteen months from drawdown date	1,60,000	-	30-Sep-21	NA

The rate of interest for the above loans is 9.84% per annum

Intercorporate deposit from Others (Secured)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 6 months from drawdown date	-	50,000	10-Jun-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 6 months from drawdown date	-	50,000	12-Jun-19	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 6 months from drawdown date	-	50,000	29-May-19	NA

16. Subordinated Liabilities :
Redeemable Non Convertible Debentures (unsecured)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2020	Principal Outstanding as at March 31, 2019	Maturity Due Date	First Instalment payment date
5,000 (payable annually) 9.55% Unsecured, Subordinated, Tier II, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	The NCD's are repayable after 10 years from the date of allotment	50,000	50,000	08-Mar-27	NA

The rate of interest for the above loans is 9.55% per annum

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		As at March 31, 2020	As at March 31, 2019
17	**Other financial liabilities**		
	Lease liability	5,438	142
	Payable to employees	5,801	5,227
	Total	**11,239**	5,369
18	**Current tax liabilities**		
	Net provision for tax (net of advance tax of Rs. 3,484/-, 31 March 2019 Rs.3,484/-)	78	78
	Total	**78**	78
19	**Provisions**		
	Provision for Employee Benefits		
	Gratuity (refer Note 41)	1,158	911
	Compensated absence	802	667
	Allowance for impairment on commitments (refer note 37 (b) and 44.3(b))	16,828	8,693
	Total provisions	**18,788**	10,271
20	**Other non- financial liabilities**		
	Statutory dues payable	948	2,809
	Advance received	3	1,748
	Total	**951**	4,557

(Currency : Rs in lakhs)

	As at March 31, 2020	As at March 31, 2019

21 Equity Share Capital

Authorized share capital:		
Opening balance:	25,00,000	5,70,200
'25,000,000,000 (31 March 2019: 25,000,000,000) equity shares of INR 10 each		
Additions during the year	-	19,29,800
Total	**25,00,000**	**25,00,000**

Note- The Company has increased its Authorised Share Capital to Rs. 19,99,800 lakhs w.e.f. May 02, 2018. Thus, w.e.f. the Effective Date, i.e. May 23, 2018, the Authorised Share Capital of the Company shall be Rs 2,500,000 lakhs.

Issued, subscribed and paid up capital:		
Opening balance	18,04,452	-
Add: issued during the year	1,23,920	18,04,452
Total	19,28,372	18,04,452

(i) There is capital infusion by the holding company of Rs. 50,000 lakhs and Rs.90,000 lakhs on 29 July 2019 and 31 March 2020 respectively. The Company has issued 454,545,454 number of equity share of Rs.10 each at a premium of Rs.1 per share, issue price being Rs.11 per share on 29 July 2019. Further, the Company has issued 784,655,623 number of equity share of Rs.10 each at a premium of Rs.1.47 per share, issue price being Rs.11.47 per share on 31 March 2020 for consideration other than cash.
(ii) 18,04,452 equity share of INR 10 each issued as fully paid for consideration other than cash on account of amalgamation. (refer note 39)

Particulars of shareholder holding more than 5% shares

Name of the shareholder	March 31, 2020	March 31, 2019
Piramal Enterprises Limited (100% holding company)	19,28,372	18,04,452

Rights, preferences and restrictions attached to shares

Equity shares
The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled for one vote per share. There are no restriction on payment of dividend to equity shareholders. Upon winding up of the company, the holders of equity share will be entitled to receive balance assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

22 Other equity

Equity share capital suspense (refer note 22.1)	-	-
Capital Reserve (refer note 22.2)	3	3
Securities Premium (refer note 22.3)	16,080	-
Cash flow hedging reserve (refer note 22.4)	(1,449)	-
Statutory reserve fund (refer note 22.5)	29,461	28,852
Retained earnings (refer note 22.6)	72,688	1,19,779
Total	**1,16,783**	**1,48,634**

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		As at March 31, 2020	As at March 31, 2019
		As at March 31, 2020	As at March 31, 2019
22.1	**Equity share capital suspense**		
	Opening balance	-	18,04,452
	Addition/(Deduction) during the year (refer note 39)	-	(18,04,452)
	Closing Balance	-	-
22.2	**Capital reserve**		
	Opening balance (refer note 39)	3	3
	Addition during the year	-	-
	Closing Balance	**3**	**3**
22.3	**Securities Premium**		
	Opening balance	-	-
	Addition during the year	16,080	-
	Closing Balance	**16,080**	-

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

22.4	**Cash flow hedging reserve**		
	Opening Balance	-	-
	Addition during the year (refer note 45)	(1,449)	0
	Closing Balance	**(1,449)**	-

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated with variable interest rate borrowings as described within note 14. For hedging foreign currency risk, the Company uses foreign currency forward contracts, which are designated as cash flow hedges. For hedging interest rate risk, the Company uses interest rate swaps which is also designated as cash flow hedges. To the extent these hedges are effective, the changes in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss (e.g. interest payments).

22.5	**Statutory reserve fund**		
	Reserve fund U/s 29C of the NHB Act, 1987		
	Opening Balance	28,852	
	Addition during the year	610	28,852
	Closing Balance	**29,461**	**28,852**

Reserve Fund is required to be maintained u/s 29C of the NHB Act, 1987 for Housing Finance Companies. During the year ended 31 March 2020, the Company has transferred an amount of Rs. 609 lakhs (31 March 2019 Rs. 28,852 lakhs), being 20% of profit after tax.

22.6	**Retained earnings**		
	Opening Balance	1,19,778	4,476
	Add: Reversal of lease equalisation balance	144	
	Net profit for the year	3,048	1,44,258
	Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(4)	(104)
	Less: Dividend paid (including DDT)	(49,668)	
	Less: Transfer to statutory reserve fund	(610)	(28,852)
	Closing Balance	**72,688**	**1,19,778**

Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve and dividends paid to investors. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirely.

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		For the year ended March 31, 2020	For the year ended March 31, 2019
	Revenue from operations		
23	**Interest income**		
	Interest income on financial assets measured at amortised cost:		
	- on investments	1,15,079	1,36,130
	- on loans and advances	4,15,225	3,98,771
	Interest income- on investments mandatorily measured at FVTPL	19,514	7,065
	Interest income on Fixed deposits	7,136	4,498
	Total Interest income	**5,56,954**	5,46,464
24	**Fees and commission Income**		
	- processing / arranger fees	2,127	4,372
	Total Fees and commission Income	**2,127**	4,372
25	**Others**		
	Short term capital gain on mutual fund	1,153	2,032
	Total others	**1,153**	2,032
	Total	**5,60,234**	5,52,868
26	**Other income**		
	Other non-operating income	1,860	4,244
	Total other income	**1,860**	4,244
	Expenses		
27	**Finance cost**		
	Interest expense on financial liabilities measured at amortised cost:		
	Interest on deposits	20,726	21,348
	Interest on borrowings	2,34,927	1,99,037
	Interest on debt securities	54,565	50,845
	Interest on subordinated liabilities	4,788	4,852
		3,15,006	2,76,082
28	**Fees and commission expense**		
	Other borrowing cost	17,842	7,714
		17,842	7,714

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(Currency : Rs in lakhs)

		For the year ended March 31, 2020	For the year ended March 31, 2019
29	**Net loss on fair value changes**		
	Loss on loans and investments measured at FVTPL	5,103	855
		5,103	855
30	**Employee benefits expense**		
	Salaries and wages	19,197	18,001
	Contribution to provident and other funds	716	515
	Provision for leave encashment	197	317
	Staff welfare expenses	485	535
	Provision for gratuity	297	203
		20,892	19,571
31	**Impairment on financial instruments**		
	On Financial instruments measured at Amortised Cost		
	Loans	74,483	10,698
	Investments	34,951	(5,314)
	Commitments	8,135	7,594
		1,17,569	12,978
32	**Other expenses**		
	Corporate social responsibility expenses (refer note 49)	4,600	2,610
	Contribution to electoral trust	1,000	-
	Rent (refer note 35)	441	2,299
	Travelling and conveyance	793	629
	Legal and professional fees	8,100	6,613
	Royalty	2,286	2,419
	Electricity expense	276	199
	Repairs and maintenance	1,179	973
	Business promotion and advertisement expenses	1,261	709
	Postage and communication	229	160
	Printing and stationery	99	153
	Loss on derecognition of financial assets	198	-
	Other expenses	1,818	1,179
	Payments to auditors		
	- as auditor	57	40
	- for other services	47	132
	- for reimbursement of expenses	7	1
		22,391	18,116

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(Currency : Rs in lakhs)

	Year ended March 31, 2020	Year ended March 31, 2019
33 Income Taxes		
a. Recognised in the statement of profit and loss		
Current Tax		
In respect of the current year	-	50,460
In respect of the previous years	**954**	-
Deferred Tax		
In respect of the current year	**18,899**	26,473
Tax effect- on account of new tax regime being opted	**37,286**	-
Total	**57,139**	76,933

b. The income tax expense for the year can be reconciled to the accounting profit as follows:

			Effective tax rate reconciliation	
	Year ended March 31, 2020	Year ended March 31, 2019	**Year ended March 31, 2020**	Year ended March 31, 2019
Profit before tax from continuing operations	60,187	2,21,191		
Income tax expense calculated at 25.168% (previous year at 34.944%)	15,149	77,293	25.17%	34.94%
Tax effect:				
Effect of expenses that are not deductible in determining taxable profit -				
Donation	1,410	912.00	2.34%	0.41%
-Amalgamation related expenses	-	(1,218.00)	0.00%	-0.55%
Section 43B disallowance of AY 2018-19	-	(1,008)	0.00%	-0.46%
Effect of Loan book Transfer	-	954	0.00%	0.43%
Effect of difference in amortised cost and carrying amount of loan portfolio	2,340	-	3.89%	0.00%
Tax provision for prior years	954	-	1.59%	0.00%
Effect of change in deferred tax rate on opening balance (at 25.168% from 34.944%)	(13,174)	-	-21.89%	0.00%
MAT credit written off	50,461	-	83.84%	0.00%
Income tax expense recognised in the statement of profit and loss	**57,139**	76,933	**94.94%**	34.78%
Effective Tax Rate	**94.94%**	34.78%		

Note:
The tax rate used for the reconciliations above is the corporate tax rate of 25.168% (as per new tax regime) for the year 2019-20 and 34.944% for the year 2018-19 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

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34 Earnings per share (EPS)

Basic and diluted EPS is computed in accordance with Ind AS 33 'Earnings Per Share' specified under section 133 of the Companies Act 2013.

The computation of earnings per share is set out below:

Description	As at March 31, 2020	As at March 31, 2019
Net profit/ loss attributable to equity shareholders	**3,048**	1,44,258
Weighted average number of equity shares outstanding during the year for calculation of EPS	**18,35,34,17,273**	18,04,45,17,320
Basic and Diluted EPS of face value of INR 10	**0.02**	0.80

The basic and diluted EPS is same as there are no potential dilutive equity shares.

35 Lease disclosure as lessee

Ind AS 116 introduced a single, on balance sheet accounting model for lessees. As a result, the Company, as a lessee, has recognised the right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligations to make lease payments.

At transition, for leases classified as operating leases under Ind AS 17, lease liabilities were measured at the present value of the outstanding lease payments, discounted at the **Company's** incremental borrowing rate as at April 01, 2019. The respective right-of-use asset was recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid/advance lease payments or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

The **Company's** significant operating lease arrangements are mainly in respect of office/branch premises. These lease arrangements are for a period exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms. Details for the operating lease as lessee are as under:

Right-of-use assets

Right-of-use assets related to lease properties

Particulars	Land & Buildings
Balance as at 1 April 2019	8,562
Depreciation charge for the year	2,115
Addition to right-of-use assets	-
Derecognition of right-of-use assets	1,376
Balance as at 31 March 2020	**5,071**

Amount recognised in statement of profit and loss - Lease under Ind AS - 116

Interest on lease liabilities	629
Income from sub-leasing right-of-use assets presented in 'Other Revenue'	-
Expenses Related to short-term lease	22
Expenses related to leases of low-value assets, excluding short-term lease of low-value assets	-

Amount recognised in the statement of cash flow

Total Cashflow for lease	2,377

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(Currency : Rs in lakhs)

36 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with company including confirmations sought from suppliers on registration with specified authority under MSMED, the amount of principal and interest outstanding during the year is given below.

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	39	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	240	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	4	-
Further interest remaining due and payable for earlier years	-	-

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37(a) Contingent liabilities

Particulars	March 31, 2020	March 31, 2019
Claim against the Company not acknowledged as debt		
Dues towards Income Tax for AY 2014-2015	**34**	45
Dues towards Income Tax for AY 2015-2016	**-**	58
Dues towards Income Tax for AY 2017-2018	**5,534**	-
Dues towards Income Tax for AY 2018-2019	**511**	-
Dues towards Income Tax for AY 2019-2020	**510**	-
Dues towards Income Tax for AY 2020-2021	**1,268**	-
Letter of Comfort issued by the Company	**75**	44,917

The Company is of the view that the above demands may not devolve on the Company and hence no provision has been made.

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At year end the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of accounts.

The Company has also reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results

The Company has given letter of comfort to unrelated parties in relation to to borrowing from banks. The term of the contract contains a minimum compensation payment to unrelated parties in the event of default.

There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019, relating to components/allowances paid that need to be taken into account while computing an employer's contribution of provident fund under the EPF Act. The company is in the process of evaluating the method of computation of its PF contribution prospectively and would record any further effect in its financial statements, on receiving additional clarity on the subject.

37(b) Capital commitment

Particulars	March 31, 2020	March 31, 2019
Undisbursed loan commitments	**1,35,410**	86,465
Total	**1,35,410**	86,465

The undisbursed loan commitments represents the undrawn limits of the facilities sanctioned that are non-cancellable at sole and absolute discretion of the Company.

38(a) Segment reporting

The chief operational decision maker monitors its principle business segment i.e. 'financing segment' for the purpose of making decision about resource allocation and performance assessment. The Company is operating in a single reportable and geographical segment in accordance with Ind AS 108 - Operating Segments as notified u/s 133 of the Companies Act, 2013 and accordingly the same is not applicable to the Company.

38(b) Significant transactions during the year

(i) During the year, the Company has acquired a portion of lending portfolio comprising of loan portfolio of Rs. 189,708 lakhs (31 March 2019- Rs.220,772 lakhs) from its parent company, Piramal Enterprises Limited and acquired a portion of loan portfolio of Rs 193,788 lakhs (31 March 2019- Rs.Nil lakhs) from its fellow subsidiary PHL Fininvest Private Limited.
Further, the Company has transfered a portion of loan portfolio of Rs 516,430 lakhs (31 March 2019- Rs.941,420 lakhs) to PHL Fininvest Private Limited and of Rs 79,370 lakhs (31 March 2019- Rs.Nil lakhs) to its fellow subsidiary Piramal Fund Management Private Limited.
(ii) During the year, the Company has taken inter-corporate deposit from its holding company Piramal Enterprises Limited of Rs. 90,000 lakhs which has been repaid by way of allotment of 784,655,623 equity shares of Rs 10 each.

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39 Amalgamation of Piramal Finance Limited and Piramal Capital Limited with Piramal Housing Finance Limited erstwhile Piramal Housing Finance Private Limited

1 The Board of Directors of Piramal Capital Limited (PCL) and the board of Directors of and Piramal Finance Limited (PFL) had at their respective meetings held on October 12, 2017, had approved the Scheme of Amalgamation ("Scheme") of PFL and PCL (together referred as "Transferor Companies") with Piramal Housing Finance Limited (PHFL) (referred as "Transferee Company") effective from March 31, 2018 ("Appointed date"). The National Company Law Tribunal , Mumbai Bench ("NCLT") at its hearing held on April 06, 2018, have sanctioned the Scheme of Amalgamation of the Transferor Companies PFL and PCL with the Transferee Company PHFL. The certified copy of the NCLT,sanctioning the Scheme was filed with the Registrar of Companies, Maharashtra, Mumbai on May 23, 2018 (the "Effective Date").

In accordance with the said Scheme and as per the approval of the National Company Law Tribunal :

a) The amalgamation has been accounted for under the **"Purchase Method"** as prescribed by AS 14 - Accounting for Amalgamations as specified under section 133 of the Companies Act 2013 and as per the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these financial statements. All assets, liabilities, rights and obligations, income and expenditure of the Transferor Companies stand transferred to and vested in the Transferee Company.

b) The purchase consideration of Rs 1,804,452 lakhs for acquisition of Transferor Companies is being discharged by way of issue of 18,044,517,320 equity shares of Rs 10/- each at face value per share to the shareholder of PFL and PCL as per following share exchange ratio (without payment being received in cash).

i) 483 equity shares of face value of Rs. 10 each for every 100 equity shares of face value of Rs. 10 each held in PFL pre amalgamation.

ii) 1 equity shares of face value of Rs. 10 each for every 5 equity shares of face value of Rs. 2 each held in PCL pre amalgamation.

iii) **Pending allotment, the face value of such shares has been shown as "Equity Share Suspense". The said shares have been allotted on the Effective** Date.

2 Consequent to the Scheme becoming effective, net assets of Transferor Companies aggregating to Rs. 783,027 lakhs as at the Appointed date have been transferred to the Transferee Company at their respective fair values as determined by an independent Valuer. The balance amount of Rs 1,021,428 lakhs has been recorded as goodwill on amalgamation and Rs. 3 lakhs as capital reserve.

3 The Company has increased its Authorised Share Capital to Rs. 19,99,800 lakhs w.e.f. May 02, 2018. Thus, w.e.f. the Effective Date, i.e. May 23, 2018, the Authorised Share Capital of the Company shall be Rs 2,500,000 lakhs.

Break down of the purchase consideration into net assets and goodwill is as under:

(Rs. in Lakhs)

	Particulars	PFL	PCL	Total
I.	**Consideration paid for acquisition**	**18,04,252**	**200**	**18,04,452**
II.	**Net assets acquired on Appointed date**	**7,82,824**	**203**	**7,83,027**
III.	**Goodwill (I - II)**	**10,21,428**	**(3)**	**10,21,425**

4 The amalgamation has been accounted under the **"Purchase Method"** as prescribed by AS 14 - Accounting for Amalgamations as specified under section 133 of the Companies Act 2013 and as per the specific provisions of the Scheme. If the same would have been accounted as per IndAS 103 - Business Combinations, results would have been different.

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(Currency : Rs in lakhs)

40 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures.

List of Related Parties

A. Holding companies

Piramal Enterprises Limited

B. Fellow subsidiaries

Piramal Fund Management Private Limited
PHL Fininvest Private Limited
Piramal Securities Limited
Pitamal Investment Advisory Services Private Limited

C. Other related parties where common control exists

Aasan Corporate Solutions Private Limited
Brickex Advisors Private Limited
Gopikrishna Piramal Memorial Hospital
Piramal Corporate Services Private Limited
Piramal Foundation for Educational Leadership
Piramal Swasthya Management & Research Institute
Piramal Trusteeship Services Private Limited
Piramal Udgam Data Management Solution

D. Key Management Personnel

Mr. Khushru Jijina

E Non-Executive/Independent Directors

Mr. Deepak Satwalekar
Mr. Suhail Nathani
Mr. Harish Engineer (upto 31 Dec 2019)
Mr. Gautam Doshi

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40 **Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures. (Continued)**

F. **Details of transactions with related parties**

Details of Transactions	Holding Company		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Rent paid										
- Piramal Enterprises Limited	1	1	-	-		-	-	-	1	1
- Aasan Corporate Solutions Private Limited	-	-	-	-	1,569	1,299	-	-	1,569	1,299
-Gopikrishna Piramal Memorial Hospital	-	-	-	-	15	22	-	-	15	22
TOTAL	**1**	**1**	**-**	**-**	**1,584**	**1,320**	**-**	**-**	**1,585**	**1,322**
Commission paid										
- Brickex Advisors Private Limited	-	-	-	-	-	1,113		-	-	1,113
TOTAL	**-**	**-**	**-**	**-**	**-**	**1,113**	**-**	**-**	**-**	**1,113**
Roayalty Paid										
- Piramal Corporate Services Limited	-	-	-	-	2,285	2,569	-	-	2,285	2,569
TOTAL	**-**	**-**	**-**	**-**	**2,285**	**2,569**	**-**	**-**	**2,285**	**2,569**
Donation Given										
- Piramal Foundation for Educational Leadership	-	-	-	-	3,259	1,906	-	-	3,259	1,906
- Piramal Swasthya Management & Research Institute	-	-	-	-	1,341	704	-	-	1,341	704
- Piramal Udgam Data Management Solution	-	-	-	-	-	10	-	-	-	10
TOTAL	**-**	**-**	**-**	**-**	**4,600**	**2,620**	**-**	**-**	**4,600**	**2,620**
Processing Fees Paid										
- Piramal Enterprises Limited	1,319	793							1,319	793
TOTAL	**1,319**	**793**	**-**	**-**	**-**	**-**	**-**	**-**	**1,319**	**793**
Arranger Fees for downselling of Assets										
- Piramal Investment Advisory Services Private Limited	-	-	109	-	-	-	-	-	109	-
TOTAL	**-**	**-**	**109**	**-**	**-**	**-**	**-**	**-**	**109**	**-**
Fees Paid										
- Piramal Trusteeship Services Pvt. Ltd.	-	-	-	-	9	0	-	-	9	0
TOTAL	**-**	**-**	**-**	**-**	**9**	**0**	**-**	**-**	**9**	**0**
Reimbursement of relocation Expenses by Aasan										
- Aasan Corporate Solutions Private Limited	-	-	-	-	175	-	-	-	175	-
TOTAL	**-**	**-**	**-**	**-**	**175**	**-**	**-**	**-**	**175**	**-**
Reimbursement of expenses										
- Aasan Corporate Solutions Private Limited	-	-	-	-	102	-	-	-	102	-
- Piramal Corporate Services Limited	-	-	-	-	-	6	-	-	-	6
- Piramal Trusteeship Services Pvt. Ltd.	-	-	-	-	0	-	-	-	0	-
- Brickex Advisors Private Limited	-	-	-	-	947	-	-	-	947	-
- Piramal Enterprises Limited	35	16	-	-	-	-	-	-	35	16
TOTAL	**35**	**16**	**-**	**-**	**1,049**	**6**	**-**	**-**	**1,084**	**22**

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40 **Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures. (Continued)**

F. **Details of transactions with related parties**

Details of Transactions	Holding Company		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Remuneration to KMP										
- Mr. Khushru Jijina	-	-	-	-	-	-	994	1,738	994	1,738
-Sitting Fees paid to Non-Executive/Independent Directors	-	-	-	-	-	-	17	22	17	22
TOTAL	-	-	-	-	-	-	1,011	1,760	1,011	1,760
Loan to relative of KMP										
- Mrs. Binaifer Khushru Jijina	-	-	-	-		-	800	-	800	-
TOTAL	-	-	-	-	-	-	800	-	800	-
Asset Transfer										
- Piramal Securites Limited	-	-	-	8	-	-	-	-	-	8
- Piramal Fund Management Private Limited	-	-	-	12	-	-	-	-	-	12
- PHL Fininvest Pvt. Ltd.	-	-	9	-	-	-	-	-	9	-
TOTAL	-	-	9	20	-	-	-	-	9	20
Interest paid										
- Piramal Enterprises Limited	4,125	17,909	-	-	-	-	-	-	4,125	17,909
- PHL Fininvest Pvt. Ltd.	-	-	-	100	-	-	-	-	-	100
TOTAL	4,125	17,909	-	100	-	-	-	-	4,125	18,009
Interest Received										
- Piramal Enterprises Limited	7,240	760	-	-	-	-	-	-	7,240	760
- PHL Fininvest Pvt. Ltd.	-	-	6,391	164	-	-	-	-	6,391	164
- Mrs. Binaifer Khushru Jijina	-	-	-	-	-	-	22	-	22	-
TOTAL	7,240	760	6,391	164	-	-	22	-	13,653	923
Management Fees Received										
- PHL Fininvest Pvt. Ltd.	-	-	-	272		-		-	-	272
TOTAL	-	-	-	272	-	-	-	-	-	272
Interim Dividend paid										
- Piramal Enterprises Limited	49,669	-	-	-		-		-	49,669	-
TOTAL	49,669	-	-	-	-	-	-	-	49,669	-
Lease Rent Income										
- PHL Fininvest Pvt. Ltd.	-	-	83	-	-	-	-	-	83	-
- Piramal Securities Ltd	-	-	89	74	-	-	-	-	89	74
TOTAL	-	-	172	74	-	-	-	-	172	74

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40 **Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures. (Continued)**

F. **Details of transactions with related parties. (Continued)**

Details of Transactions	Holding Company		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Equity Infusion										
- Piramal Enterprises Limited	1,23,920	-	-	-	-	-	-	-	1,23,920	-
TOTAL	**1,23,920**	-	-	-	-	-	-	-	**1,23,920**	-
Share Premium on issuance of Share										
- Piramal Enterprises Limited	16,080	-	-	-	-	-	-	-	16,080	-
TOTAL	**16,080**	-	-	-	-	-	-	-	**16,080**	-
ICD repaid										
- Piramal Enterprises Limited	**12,44,500**	11,96,700	-	-	-	-	-	-	12,44,500	11,96,700
TOTAL	**12,44,500**	**11,96,700**	-	-	-	-	-	-	**12,44,500**	**11,96,700**
ICD taken										
- Piramal Enterprises Limited	14,04,500	11,21,700	-	-	-	-	-	-	14,04,500	11,21,700
TOTAL	**14,04,500**	**11,21,700**	-	-	-	-	-	-	**14,04,500**	**11,21,700**
ICD Given										
- Piramal Enterprises Limited	**10,16,750**	1,32,102	-	-	-	-	-	-	10,16,750	1,32,102
- PHL Fininvest Pvt. Ltd.	-	-	6,08,360	74,000	-	-	-	-	6,08,360	74,000
TOTAL	**10,16,750**	**1,32,102**	**6,08,360**	**74,000**	-	-	-	-	**16,25,110**	**2,06,102**
Repayment of ICD Given										
- Piramal Enterprises Limited	10,16,750	1,32,102	-	-	-	-	-	-	10,16,750	1,32,102
- PHL Fininvest Pvt. Ltd.	-	-	5,13,060	29,800	-	-	-	-	5,13,060	29,800
TOTAL	**10,16,750**	**1,32,102**	**5,13,060**	**29,800**	-	-	-	-	**15,29,810**	**1,61,902**
Investment in NCD										
- Piramal Enterprises Limited	-	36,500	-	-	-	-	-	-	-	36,500
TOTAL	-	**36,500**	-	-	-	-	-	-	-	**36,500**
Loan portfolio transferred from										
- Piramal Enterprises Limited	1,89,708	2,20,772	-	-		-		-	1,89,708	2,20,772
- PHL Fininvest Pvt. Ltd.	-	-	1,93,788						1,93,788	-
TOTAL	**1,89,708**	**2,20,772**	**1,93,788**	-	-	-	-	-	**3,83,496**	**2,20,772**

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40 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures. (Continued)

F. Details of transactions with related parties. (Continued)

Details of Transactions	Holding Company		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Loan portfolio transferred to										
- PHL Fininvest Pvt. Ltd.	-	-	5,16,414	9,41,420	-	-	-	-	5,16,414	9,41,420
-Piramal Fund Management Pvt. Ltd.	-	-	79,370	-	-	-	-	-	79,370	-
TOTAL	-	-	**5,95,784**	**9,41,420**	-	-	-	-	**5,95,784**	**9,41,420**
Redemption of Investment in NCD - PEL										
- Piramal Enterprises Limited	36,414	-	-	-	-	-	-	-	36,414	-
TOTAL	**36,414**	-	-	-	-	-	-	-	**36,414**	-
NCD Byback										
- Piramal Enterprises Limited	-	1,10,346.80	-	-	-	-	-	-	-	1,10,347
- PHL Fininvest Pvt. Ltd.	-	-	-	15,691	-	-	-	-	-	15,691
TOTAL	-	**1,10,347**	-	**15,691**	-	-	-	-	-	**1,26,038**
CP Buyback from PEL										
- Piramal Enterprises Limited	75,000	-	-	-	-	-	-	-	75,000	-
TOTAL	**75,000**	-	-	-	-	-	-	-	**75,000**	-
Security Deposit Refunded										
- Aasan Corporate Solutions Private Limited	-	-	-	-	211	-	-	-	211	-
TOTAL	-	-	-	-	**211**	-	-	-	**211**	-
Security deposit placed										
- Aasan Corporate Solutions Private Limited	-	-	-	-	185	488	-	-	185	488
TOTAL	-	-	-	-	**185**	**488**	-	-	**185**	**488**
Payable										
- Piramal Enterprises Limited	1,78,706	3,905	-	-	-	-	-	-	1,78,706	3,905
- Aasan Corporate Solutions Private Limited	-	-	-	-	12	-	-	-	12	-
- PHL Fininvest Pvt. Ltd.	-	-	380	702	-	-	-	-	380	702
- Piramal Corporate Services Limited	-	-	-	-	-	504	-	-	-	504
- Brickex Advisors Private Limited	-	-	-	-	-	162	-	-	-	162
- Piramal Investment Advisory Services Private Limited	-	-	108	-	-	-	-	-	108	-
TOTAL	**1,78,706**	**3,905**	**488**	**702**	**12**	**666**	-	-	**1,79,206**	**5,272**
Receivables										
- Piramal Enterprises Limited	-	38,853	-	-	-	-	-	-	-	38,853
- Aasan Corporate Solutions Private Limited	-	-	-	-	592	611	-	-	592	611
- PHL Fininvest Pvt. Ltd.	-	-	1,39,500	44,519	-	-	-	-	1,39,500	44,519
- Brickex Advisors Private Limited	-	-	-	-	153	-	-	-	153	-
- Piramal Securities Limited	-	-	-	18	-	-	-	-	-	18
TOTAL	-	**38,853**	**1,39,500**	**44,537**	**745**	**611**	-	-	**1,40,245**	**84,001**

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41 Employee Benefits:

Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2020
The Company has scheme for gratuity as part of post retirement plan. The plan is not funded by assets.

A. Change in Projected Benefit Obligation

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2020	(Non-Funded) Gratuity Year Ended March 31, 2019
Present Value of Benefit Obligation as at beginning of the year	910	591
Interest Cost	70	46
Current Service Cost	224	157
Liability transferred in	-	-
Benefits paid	(51)	(42)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	82	10
Actuarial (Gains)/Losses on Obligations - Due to Experience	(77)	149
Present Value of Defined Benefit Obligation as at the end of the year	1,158	910

B. Amount recognised in the Balance Sheet

Particulars	(Non-Funded) Gratuity As at March 31, 2020	(Non-Funded) Gratuity As at March 31, 2019
Present Value of Benefit Obligation at the end of the year	(1,158)	(910)
Fair Value of Plan Assets at the end of the year	-	-
Funded Status (surplus/ (deficit))	(1,158)	(910)
Net (Liability)/Asset Recognized in the Balance Sheet	(1,158)	(910)

C. Net interest cost for current year

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2020	(Non-Funded) Gratuity Year Ended March 31, 2019
Present Value of Benefit Obligation at the Beginning of the year	910	591
(Fair Value of Plan Assets at the Beginning of the year)	-	-
Net Liability/(Asset) at the Beginning	910	591
Interest Cost	70	46
(Interest Income)	-	-
Net Interest Cost for current year	70	46

D. Expenses recognised in Statement of Profit and Loss

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2020	(Non-Funded) Gratuity Year Ended March 31, 2019
Current Service Cost	224	157
Interest Cost	70	46
Total Expenses / (Income) recognised in the Statement of Profit and Loss	293	203

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41 Employee Benefits: *(Continued)*

E. Expenses Recognized in the Other Comprehensive Income (OCI) for current year

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2020	(Non-Funded) Gratuity Year Ended March 31, 2019
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	82	10
Actuarial (Gains)/Losses on Obligations - Due to Experience	(77)	149
Actuarial (Gains)/Losses on Obligation due to experience	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the year recognized in OCI	5	159

F. Total amount recognized in Other Comprehensive Income consists of:

Particulars	Gratuity Year Ended March 31, 2020	Gratuity Year Ended March 31, 2019
Remeasurement (gains)/losses	-	-

G. Principal actuarial assumptions used:

Particulars	(Non-Funded) Gratuity Year Ended March 31, 2020	(Non-Funded) Gratuity Year Ended March 31, 2019
Rate of discounting	6.56%	7.64%
Rate of salary increase	9.00%	9.00%
Rate of employee turnover	10.00%	10.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

H. Balance Sheet Reconciliation

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Net Liability	910	591
Expenses Recognized in Statement of Profit or Loss	293	204
Expenses Recognized in OCI	5	159
Net liability transfer in	-	-
Benefit Paid	(51)	(42)
Net Liability/(Asset) Recognized in the Balance Sheet	1,158	911

I. Other Details

Particulars	As at March 31, 2020	As at March 31, 2019
No of Active Members	703	867
Per Month Salary For Active Members	431	470
Average Expected Future Service (Years)	9	8
Projected Benefit Obligation (PBO)	1,158	910
Prescribed Contribution For Next Year (12 Months)	-	-

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41 Employee Benefits: *(Continued)*

J. Net Interest Cost for Next Year

Particulars	Estimated for the year ended March 31, 2020	Estimated for the year ended March 31, 2020
Present Value of Benefit Obligation at the End of the year	1,158	910
(Fair Value of Plan Assets at the End of the year)	-	-
Net Liability/(Asset) at the End of the year	1,158	910
Interest Cost	76	70
(Interest Income)	-	-
Net Interest Cost for Next Year	76	70

K. Expenses Recognized in the Statement of Profit or Loss for Next Year

Particulars	Estimated for the year ended March 31, 2020	Estimated for the year ended March 31, 2020
Current Service Cost	237	224
Net Interest Cost	76	70
(Expected Contributions by the Employees)	-	-
Expenses Recognized	314	294

L. Maturity Analysis of the Benefit Payments: From the Employer

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2020	As at March 31, 2019
1st Following Year	74	82
2nd Following Year	78	67
3rd Following Year	88	71
4th Following Year	289	79
5th Following Year	121	248
Sum of Years 6 To 10	395	327
Sum of Years 11 and above	1,019	882

M. Sensitivity Analysis

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2020	As at March 31, 2019
Projected Benefit Obligation on Current Assumptions	1,158	910
Delta Effect of +1% Change in Rate of Discounting	(77)	(57)
Delta Effect of -1% Change in Rate of Discounting	88	64
Delta Effect of +1% Change in Rate of Salary Increase	85	63
Delta Effect of -1% Change in Rate of Salary Increase	(76)	(57)
Delta Effect of +1% Change in Rate of Employee Turnover	(21)	(12)
Delta Effect of -1% Change in Rate of Employee Turnover	23	12

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

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41 Employee Benefits: *(Continued)*

Notes:

Gratuity is payable as per company' scheme as detailed in the report.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation and attrition rate are in line with the industry practice considering promotion and demand and supply of the employees.

Cash flow projection is done considering future salary, attrition and death in respective year for members as mentioned above.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk

The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

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42 Fair Value Disclosures

a)

Categories of Financial Instruments:	March 31, 2020 FVTPL	March 31, 2020 Amortised Cost*	March 31, 2019 FVTPL	March 31, 2019 Amortised Cost*
Financial Assets				
Investments	1,97,583	6,08,753	15,258	9,37,668
Loans	59,425	26,23,827	41,818	30,41,914
Cash and Bank Balances #	-	4,25,971	-	43,636
Other Financial Assets #	-	64,228	-	86,214
	2,57,008	**37,22,779**	57,076	41,09,432
Financial liabilities				
Borrowings #	-	29,35,456	-	32,30,861
Trade Payables #	-	14,768	-	8,026
Other Financial Liabilities #	-	11,241	-	7,118
	-	**29,61,465**	-	32,46,004

b) **Fair Value Hierarchy and Method of Valuation**

Financial Instruments	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
		March 31, 2020				
Financial Assets						
Measured at FVTPL						
Investments						
Redeemable Non-Convertible Debentures	i.	**31,753**	-	-	**31,753**	**31,753**
Project Receivables	i.	**1,65,830**			**1,65,830**	**1,65,830**
Loans	i. & ii.	**59,425**	-	-	**59,425**	**59,425**
Measured at Amortised Cost*						
Investments						
Redeemable Non-Convertible Debentures	ii.	**6,08,753**	-	-	**7,18,985**	**7,18,985**
Loans	ii.	**26,23,827**	-	-	**27,61,320**	**27,61,320**
Financial Liabilities						
Measured at Amortised Cost						
Borrowings	ii.	**29,35,456**	-	-	**29,56,553**	**29,56,553**

Financial Instruments	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
		March 31, 2019				
Financial Assets						
Measured at FVTPL						
Investments						
Redeemable Non-Convertible Debentures	i.	15,258	-	-	15,258	15,258
Loans	i. & ii.	41,818	-	-	41,818	41,818
Measured at Amortised Cost*						
Investments						
Redeemable Non-Convertible Debentures	ii.	9,37,668	-	-	9,57,992	9,57,992
Loans	ii.	30,41,914	-	-	30,01,029	30,01,029
Financial Liabilities						
Measured at Amortised Cost						
Borrowings	ii.	32,30,861	-	-	32,30,685	32,30,685

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42 Fair Value Disclosures *(Continued)*

Notes:

i. Discounted cash flow method has been used to determine the fair value. The yield used for discounting has been determined based on trades, market polls, levels for similar issuer with same maturity, spread over matrices, etc. For instruments where the returns are linked to the share price of the investee company the equity price has been derived using Monte Carlo simulation and local volatility model using the inputs like spot rate, volatility surface, term structures and risk free rates from globally accepted third party vendor for these data.

ii. Discounted cash flow method has been used to determine the fair value. The discounting factor used has been arrived at after adjusting the rate of interest for the financial assets and financial liabilities by the difference in the G-SEC rates from date of initial recognition to the reporting dates.

* The carrying value & fair value of investments & loans at amortised cost is gross of ECL provision amounting to Rs 176,041 (31 March 2019 – Rs 66,607)

\# The Company has not disclosed the fair value of cash and bank balances, other financial assets, trade payables and other financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2020 and March 31, 2019.

Particulars	Investments	Debentures	Loans	Total
As at March 31, 2018	-	25,666	22,938	48,604
Transfer Out	-	13,102	15,124	28,226
Acquisitions	-	3,240	34,313	37,553
(Losses) recognised in profit or loss	-	(546)	(309)	(855)
As at March 31, 2019	-	**15,258**	**41,818**	**57,076**
Transfer Out	-	14,415	-	14,415
Acquisitions	1,68,423	6,249	15,947	1,90,619
(Losses) recognised in profit or loss	(2,593)	(4,169)	1,660	(5,103)
As at March 31, 2020	**1,65,830**	**31,753**	**59,425**	**2,57,008**

d) Sensitivity for FVTPL Instruments

Impact on the Company's profit before tax if discount rates had been 100 basis points higher / lower is given below:

Method	Nature of Instrument	Significant	Increase / Decrease in the unobservable input	Sensitivity Impact	
				Yield Increase	Yield Decrease
Discounted Cash Flow Model as at March 31, 2020	NCD	Discount rate	0.7%	(125)	127
	Investment	Sale Price	5.0%	(8,100)	8,100
	Term Loan	Discount rate	0.7%	(320)	329
	Term Loan	Equity	10.0%	(468)	1,689
Discounted Cash Flow Model as at March 31, 2019	NCD	Discount rate	0.5%	-	-
	Term Loan	Discount rate	0.5%	(1,111)	1,138
	Term Loan	Equity	10.0%	(1,021)	812

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43 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 13 offset by cash and bank balances) and total equity of the Company.

The Company being a Non-Deposit taking Housing Finance Company has to maintain a Capital Adequacy Ratio of 12%. The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through equity or convertible / non convertible debt securities or other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company. The Company has complied with all regulatory requirements related capital and capital adequacy ratios as prescribed by NHB.

The capital components of the Company are as given below:	**March 31, 2020**	March 31, 2019
Total Equity	20,45,155	19,53,085
Borrowings	29,35,456	32,30,861
Total Debt	**29,35,456**	32,30,861
Cash and Cash equivalents	(3,86,460)	(41,231)
Bank balances other than above	(39,510)	(2,405)
Net Debt	**25,09,485**	31,87,225

44 Risk management

Risk Management is an integral part of the **Company's** business strategy. The Risk Management oversight structure includes Committees of the Board and Management Committees. **Company's** risk philosophy is to develop and maintain a healthy portfolio which is within its risk appetite and the regulatory framework. While the Company is exposed to various types of risks, the most important among them are liquidity risk, interest rate risk, credit risk, regulatory risk and fraud and operational risk. The measurement, monitoring and management of risks remain a key focus area for the Company.

The Audit Committee of the Board provides direction to and monitors the quality of the internal audit function and also monitors compliance with NHB and other regulators.

The **Company's** risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with market best practices.

The Audit and Risk Management Committee of the Board (**"ARMC"**) reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyse risk exposure and provides oversight of risk across the organization. The ARMC nurtures a healthy and independent risk management function to inculcate a strong risk management culture in the Company and broadly perceives the risk arising from (i) credit risk, (ii) liquidity risk, (iii) interest rate risk and (iv) fraud risk and operational risk (v) regulatory risk

44.1 Liquidity Risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Company has formulated an Asset Liability Management Policy in line with NHB guidelines for Housing Finance Companies. The ALCO is responsible for the management of the companies funding and liquidity requirements. The company manages liquidity risk by maintaining unutilised banking facilities, credit lines and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

The Company has the following undrawn credit lines available as at the end of the reporting period.

	March 31, 2020	March 31, 2019
- Expiring within one year (including bank overdraft)	4,02,603	3,86,000
- Expiring beyond one year	-	-
Undrawn credit lines	**4,02,603**	3,86,000

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of March 31, 2020 and March 31, 2019 respectively has been considered. The contractual maturity is based on the earliest date on which the Company may be required to pay.

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44 Risk management *(Continued)*

44.1 Liquidity Risk *(Continued)*

Maturities of Financial Liabilities	March 31, 2020			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Borrowings	14,76,454	10,69,783	8,46,833	2,76,476
Trade Payables	14,768	-	-	-
Other Financial Liabilities*	5,804	5,438	-	-
	14,97,026	**10,75,221**	**8,46,833**	**2,76,476**

Maturities of Financial Liabilities	March 31, 2019			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Borrowings	17,52,345	14,69,188	4,38,661	4,20,585
Trade Payables	8,026	-	-	-
Other Financial Liabilities	6,976	142	-	-
	17,67,347	14,69,330	4,38,661	4,20,585

*This includes lease liabilities

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Maturities of Financial Assets	March 31, 2020			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Investments	1,91,757	3,64,721	7,04,178	-
Loans	5,73,516	15,95,345	12,60,593	7,99,502
Other Financial Assets	60,931	-	-	-
	8,26,204	**19,60,065**	**19,64,771**	**7,99,502**

Maturities of Financial Assets	March 31, 2019			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Investments	3,64,848	5,52,794	2,36,218	85,923
Loans	8,26,624	12,91,513	12,60,860	10,54,657
Other Financial Assets	86,214	-	-	-
	12,77,686	18,44,307	14,97,078	11,40,580

For the year ended March 31, 2020, due to outbreak of Covid-19 pandemic, RBI vide circular DOR.No.BP.BC.47/21.04.048/2019-20 dated 27 March 2020 has directed HFC Companies to provide moratorium of 3 months to its customer / borrower on all payments falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers classified as standard.

Accordingly, the Company has followed the direction issued by RBI and has proposed a moratorium of three months on the payment of all principal instalments and/ or interest, as applicable, falling due between 1 March 2020 and 31 May 2020. The Company has also availed moratoriums on their borrowings in line with these directions. Therefore, the maturities of the financial assets and financial liabilities, to the extent applicable have been impacted as a consequence of this RBI direction.

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44 Risk management *(Continued)*

44.2 Interest Rate Risk

Retail lending:
The Company is exposed to minimal interest rate risk as it has assets and liabilities are based on floating interest rates. The Company has an approved Asset and Liability Management Policy which empowers the ALCO assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk.

Wholesale lending:
The Company is exposed to interest rate risk as it has assets and liabilities based on both fixed and floating interest rates. The Company has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.

The sensitivity analysis below have been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates. The basis risk between various benchmarks used to reset the floating rate assets and liabilities has been considered to be insignificant.

The exposure of the Company's borrowings to the interest rate risk at the end of the year for variable rate borrowing is Rs.2,326,580 lakhs (31 March 2019- Rs.2,603,249 lakhs) and fixed rate borrowings are Rs. 608,874 lakhs (31 March 2019- Rs. 621,416 lakhs)

Impact on the Company's profit before tax if interest rates had been 100 basis points higher / lower is given below:

Sensitivity Analysis on Floating Rate Instruments	For the Year Ended			
	March 31, 2020		March 31, 2019	
	Higher	Lower	Higher	Lower
Sensitivity Analysis on Floating Rate Borrowings	(23,295)	23,295	(26,032)	26,032
Sensitivity Analysis on Floating Rate Assets	21,739	(21,739)	26,478	(26,478)

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44 Risk management *(Continued)*

44.3 Credit Risk

The Company is exposed to Credit Risk through its lending activity. Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Retail lending:
For retail lending the credit policy has been reviewed and approved by Risk Team. The Credit Risk management structure includes credit policies and procedures. The Credit Policy defines customer segments, income assessment criteria, underwriting standards, target market definition, appraisal and approval processes, product limits, Delegation of Authority metrics (DoA) and cover risk assessment for product offerings etc. to ensure consistency of credit buying patterns.

Wholesale lending:
The Company's Risk management team has developed proprietary internal rating models to evaluate risk return trade-off for the loans and investments made by the Company. The output of traditional credit rating model is an estimate of probability of default. These models are different from the traditional credit rating models as they integrate both probability of default and loss given default into a single model.

The lending exposure includes lending to the below sectors:

Sectors	Exposure as at	
	March 31, 2020	March 31, 2019
Real Estate	**73.98%**	66.98%
Renewables	**6.50%**	9.03%
Retail	**15.90%**	12.87%
Others	**3.63%**	11.12%

Credit Risk Management

For retail lending business, credit risk management is achieved by considering various factors like:
• Assessment of borrower's capability to pay – detailed assessment of borrower's capability to pay is conducted. The approach to the assessment is uniform across the entire Company and is spelt out in the Credit Policy. For construction finance deals, the underlying project, the financial capability, past track record of repayments of the promoters is assessed by an independent risk team.

• Security cover – this is an assessment of the value of security under stress scenario which is further adjusted for factors like liquidity, enforceability, transparency in valuation, etc of the collateral.
• Geographic region – the Company monitors loan performances in a particular region to assess if there is any stress due to natural calamities, etc impacting the performance of loans in a particular geographic region

For wholesale lending business, credit risk management is achieved by considering various factors like :
• Cash flow at risk – This is an assessment of the standalone project or business from which interest servicing and principal repayment is expected to be done.

• Security cover – This is an assessment of the value of the security under stress scenario which is further adjusted for factors like liquidity, enforceability, transparency in valuation etc. of the collateral.
• Promoter strength – This is an assessment of the promoter from financial, management and performance perspective.
• Exit – This is an assessment of the liquidity of the loan or investment.
The output from each of the analysis is converted to a risk weight equivalent. Each of the four components of the risk analysis are assigned a specific weight which differ based on type of investment. The risk weight is then converted into capital requirement. The required capital and the return is combined to create a metric which is used for deal assessment.

Based on the above assessment the risk team categorises the deals in to the below Risk Grades

Risk Grading	Description
I	Extremely good loan
II	Good loan
III	Moderate loan
IV	Weak loan
V	Extremely weak loan

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44 Risk management *(Continued)*

44.3 Credit Risk *(Continued)*

Further, a periodic review of the performance of the portfolio is also carried out by the Risk Group. The Risk Group adjusts the stress case considered during the initial approval based on actual performance of the deal, developments in the sector, regulatory changes etc. The deal level output is combined to form a portfolio snapshot. The trends from portfolio are used to provide strategic inputs to the management.

The credit risk on liquid funds and other financial instruments is limited because the counterparties are banks with high credit-ratings assigned credit-rating agencies or mutual funds.

Provision for Expected Credit Loss

The Company has assessed the credit risk associated with its financial assets for provision of Expected Credit Loss (ECL) at the reporting dates. For different product categories (Real Estate, Senior debt, Lease Rental Discounting, Loan Against Shares, Mezzanine etc), the Company has developed scorecard that makes use of various reasonable supportive forward looking parameters which are both qualitative as well as quantitative in nature. These scorecards helps in determining the change in credit risk and the probability of default. These parameters have been detailed out in Note No.vi of Significant Accounting Policies. Based on the result yielded by the above assessment the Financial assets are classified into (1) Standard (Performing) Asset, (2) Significant Credit Deteriorated (Under-Performing) Asset (3) Default (Non-Performing) Asset (Credit Impaired).
For the purpose of expected credit loss analysis the Company defines default as any asset with more than 90 days overdues. This is also as per the rebuttable presumption provided by the standard.

The Company provides for expected credit loss based on the following:

Category - Description	Stage	Basis for Recognition of Expected Credit Loss
Assets for which credit risk has not significantly increased from initial recognition	Stage 1	12 month ECL
Assets for which credit risk has increased significantly but not credit impaired	Stage 2	Life time ECL
Assets for which credit risk has increased significantly and credit impaired	Stage 3	Loss Given Default (LGD)

For the year ended March 31, 2020 and March 31, 2019 the Company has developed a PD Matrix after considering some parameters as stated below :

The key parameters for various scorecards are highlighted as follows -Real Estate products (Construction Finance, Structured Debt, LRD) - (1) Developer Grade (2) Past Overdue History (3) Tenant profile (4) Status from monthly Asset Monitoring report (5) Stage of the project (6) Geography etc . Some of the Parameters for Non Real Estate products (Senior lending, mezzanine, project finance etc) - (1) Sponsor strength (2) Overdues (3) Average debt service coverage ratio (4) Regulatory Risk (5) Stability of EBITDA (6) Quality of underlying assets etc. Based on these parameters the Company has computed the PD. The Company has also built in model scorecards to determine the internal LGD. However, due to lack of default history to statistically substantiate the internal LGD, the Company has made use of a combination of both internal as well as external LGD. The Company also maintains Expected Credit Loss for undisbursed limits after applying the credit conversion factor (CCF). CCF for these limits is computed based on historical disbursement trends observed across various products.

Impact of Covid -19 pandemic on the credit risk

The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020 and in accordance therewith, the Company has proposed a moratorium of three months on the payment of all principal instalments and/ or interest, as applicable, falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers classified as standard, even if overdue as on 29 February, 2020, excluding the collections made already in the month of March 2020. For all such accounts where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the Company's policy)
The Company has portfolios that may face some head winds due to the emerging economic conditions. The exposures to sectors like hotels, auto-ancillaries may face much larger challenges. However, the exposure to these sectors are fairly limited.

Other sectors like residential and commercial real estate, renewables, logistics etc. where the Company has exposure may have direct or indirect impact. Company ran a scenario analysis using proprietary algorithm based risk models on the portfolio. The scenario took into account the current COVID-19 related impact and was built by risk with inputs from the Chief Economist of the Company.

Further, the Company has, based on current available information estimated and applied management overlays based on the policy approved by the board for the purpose of determination of the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts upto the date of approval of these financial results. Accordingly, the provision for expected credit loss on financial assets as at 31 March 2020 aggregates Rs. 192,870 lakhs (as at 31 March 2019, Rs. 75,301 lakhs) which includes potential impact on account of the pandemic of Rs. 124,912 lakhs. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate.
The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

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44 Risk management *(Continued)*

44.3 Credit Risk *(Continued)*

Expected Credit Loss as at the Reporting period:

As at March 31, 2020

Particulars	Asset Group	Exposure at Default	Expected Credit Loss	Net Amount
Assets for which credit risk has not significantly increased from initial recognition	Investments	5,40,670	20,884	5,19,786
	Loans	27,99,619	91,183	27,08,437
Assets for which credit risk has increased significantly but not credit impaired	Investments	64,530	22,375	42,155
	Loans	45,429	15,452	29,977
Assets for which credit risk has increased significantly and credit impaired	Investments	20,665	7,569	13,096
	Loans	53,032	18,578	34,454
Total		**35,23,945**	**1,76,041**	**33,47,904**

As at March 31, 2019

Particulars	Asset Group	Exposure at Default	Expected Credit Loss	Net Amount
Assets for which credit risk has not significantly increased from initial recognition	Investments	8,61,547	12,664	8,48,883
	Loans	30,50,688	39,496	30,11,192
Assets for which credit risk has increased significantly but not credit impaired	Investments	29,995	3,213	26,782
	Loans	19,839	2,486	17,352
Assets for which credit risk has increased significantly and credit impaired	Investments			-
	Loans	14,081	8,747	5,334
Total		39,76,150	66,607	39,09,543

Reconciliation of Loss Allowance

For the year ended March 31, 2020

a)

Investments and Loans	12 months ECL	Lifetime ECL not credit impaired	ECL credit impaired
Balance at the beginning of the year	52,160	5,699	8,747
Transferred to 12-month ECL	1,918	(1,918)	-
Transferred to Lifetime ECL not credit impaired	(2,162)	2,162	-
Transferred to Lifetime ECL credit impaired	(159)		159
Transferred from PEL	2,407		
Transferred from PHL Fin	1,562		
Transferred to PHL Fin	(6,729)		
Transferred to PFMPL	(1,037)		
Bad debts written off		-	-
Charge to Statement of Profit and Loss (refer note 31):			
On Account of Rate (Reduction)/Increase	80,102	32,083	17,241
On Account of Disbursements	15,331	-	-
On Account of Repayments	(31,326)	(199)	-
Balance at the end of the year	**1,12,067**	**37,827**	**26,147**

For the year ended March 31, 2019

a)

Investments and Loans	12 months ECL	Lifetime ECL not credit impaired	ECL credit impaired
Balance at the beginning of the year	52,617	158	8,449
Transferred to 12-month ECL	158	(158)	-
Transferred to Lifetime ECL not credit impaired	(840)	840	-
Transferred to Lifetime ECL credit impaired	(65)	-	65
Transferred from PEL	3,023	-	
Transferred to PHL Fin	(15,022)	-	
Charge to Statement of Profit and Loss (refer note 31):			
On Account of Rate (Reduction)/Increase	(213)	4,860	234
On Account of Disbursements	29,755	-	-
On Account of Repayments	(17,254)	-	-
Balance at the end of the year	52,160	5,699	8,747

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44 Risk management *(Continued)*

44.3 Credit Risk *(Continued)*

b) Expected Credit Loss on undrawn loan commitments and letter of comfort:

Particulars	March 31, 2020	March 31, 2019
ECL on undrawn loan commitments and letter of comfort (refer note 19)	16,828	8,693

c) Description of Collateral held as security and other credit enhancements

The Group has set benchmarks on appropriate level of security cover for various types of deals. The Group periodically monitors the quality as well as the value of the security to meet the prescribed limits. The collateral held by the Group varies on case to case basis and includes:

i) First / Subservient charge on the Land and / or Building of the project or other projects
ii) First / Subservient charge on the fixed and current assets of the borrower
iii) Hypothecation over receivables from funded project or other projects of the borrower
iv) Pledge on Shares of the borrower or their related parties
v) Guarantees of Promoters / Promoter Undertakings
vi) Post dated / Undated cheques

As at the reporting date, the ratio of value of the collateral held as security for the credit impaired financial assets to the exposure at default for these assets is higher than 1.

d) The credit impaired assets as at the reporting dates were secured by charge on land and building and project receivables amounting to:

Particulars	March 31, 2020	March 31, 2019
Value of Security (at fair value considered for LGD)	47,550	5,334

44.4 Regulatory Risk:

The Company requires certain statutory and regulatory approvals for conducting business and failure to obtain retain or renew these approvals in a timely manner, may adversely affect operations. Any change in laws or regulations made by the government or a regulatory body that governs the business of the Company may increase the costs of operating the business, reduce the attractiveness of investment and / or change the competitive landscape.

44.5 Fraud risk and operational risk:

Fraud risk management committee ('FRMC') comprising of top management representatives is constituted, which shall oversee the matters related to fraud risk, review and approve action against frauds.

FRMC conducts fraud risk assessment, identified fraud prone areas and develop mitigation measures. Status of mitigation measures are reviewed periodically.

The Company's risk management framework considers strategic, operations, financial reporting and external laws and regulations related risks

The Company has an elaborate system of internal audit and concurrent audit commensurate with the size, scale and complexity of its operations and covers funding operations, financial reporting, fraud control and compliance with laws and regulations.

Risks associated with frauds are mitigated through 100% document verification by concurrent auditors and review of all the cases which are entered in the system, including corrective and remedial actions as regards people and processes.

Internal Auditors monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with laws and regulations, efficacy of its operating systems, adherence to the accounting procedures and policies at all offices of the Company and report directly to Audit and Risk Management Committee of the company.

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45 Accounting for cash flow hedge

The Company had taken foreign currency floating rate borrowings which are linked to LIBOR. For managing the foreign currency risk and interest rate risk arising from changes in LIBOR on such borrowings, the company had entered into cross-currency interest rate swap (CCIRS) for the entire loan liability. The Company had designated the CCIRS (hedging instrument) and the borrowing (hedged item) into a hedging relationship and applies hedge accounting.

Under the terms of the CCIRS, the Company pays interest at the fixed rate to the swap counterparty and receives the floating interest payments based on LIBOR. Further, the principal amount of the foreign currency borrowing is hedged by a forward rate. As the critical terms of the hedged item and the hedging instrument (notional, interest periods, underlying and fixed rates) are matched and the interest cash flows are off-setting, an economic relationship exists between the two. This ensures that the hedging instrument and hedged item have values that generally move in the opposite direction.

Hedge Effectiveness Testing is assessed at designation date of the hedging relationship, and on an ongoing basis. The ongoing assessment is performed at a minimum at each reporting date or upon a significant change in circumstances affecting the hedge effectiveness requirements, whichever comes first.

There were no hedging instrument as on March 31, 2019

Following table provides quantitative information regarding the hedging instrument as on March 31, 2020:

Type of hedge and risks	Nominal value	Carrying amount of hedging instruments (included under "Other financial assets")	Maturity date	Hedge ratio	Average contracted fixed interest rate	Changes in fair value of hedging instrument used as the basis for recognising hedge effectiveness	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	(Liabilities)	(Assets)*					
Cash Flow Hedge							
Foreign currency and Interest rate risk	52,264	1,784	14-Jun-24	1 : 1	9.30%	(1,937)	3,721

Following table provides the effects of hedge accounting on financial performance for the year ended March 31, 2020:

Type of hedge	Changes in the value of hedging instruments recognised in Other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedge reserve to profit or loss	Line-item affected in statement of profit or loss because of reclassification
Cash flow hedge				
Interest Rate risk and Foreign Exchange Risk	(1,937)	-	(775)	Finance Cost
			4,497	Foreign Exchange (gain)/loss

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

Particulars	Movement in Cash flow hedge reserve for the years ended
	31-Mar-20
Opening balance	-
Effective portion of changes in fair value:	
a) Interest rate and foreign currency risk risk	1,784
Net amount reclassified to profit or loss:	
a) Interest rate risk	(775)
b) Foreign currency risk	4,497
Tax on movements on reserves during the year	488
Closing balance	(1,449)

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46 Transfer of Financial Assets

Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Securitisations/ Assignments	Year ended March 31, 2020	Year ended March 31, 2019
Carrying amount of transferred assets measured at amortised cost	4,57,525	-
Carrying amount of associated liabilities measured at amortised cost	3,57,279	-
Fair value of assets	3,72,707	-
Fair value of associated liabilities	2,50,804	-
Net position at Fair value	1,21,903	-

The Company has entered into a securitization transaction with Catalyst Trusteeship Limited (Master Trust 2019 Series - I) (unrelated and unconsolidated entity). The Company does not hold any equity or other interest and does not control this entity. The Company is exposed to first loss amounting to Rs 86,676 lakhs (being 30%) of the amount securitised in addition to credit enhancement provided in the form of deposits is Rs 40,400 lakhs and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables.
Accordingly, Loan portfolio assets of Rs 288,919 lakhs are not derecognised and proceeds received of Rs 202,243 lakhs is recorded as financial liability under Borrowings (Other than Debt Securities).

The Company has entered into a securitization transaction with IDBI Trusteeship Services Limited (Powerplus Trust Series i) (unrelated and unconsolidated entity). The Company does not hold any equity or other interest and does not control this entity. The Company is exposed to first loss amounting of credit enhancement provided in the form of deposits is Rs 5,206 lakhs and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables.
Accordingly, Loan portfolio assets of Rs 27,401 lakhs are not derecognised and proceeds received of Rs 27,401 lakhs is recorded as financial liability under Borrowings (Other than Debt Securities).

The Company has entered into a securitization transaction with Catalyst Trusteeship Limited (Marigold Trust 2019) (unrelated and unconsolidated entity). The Company does not hold any equity or other interest and does not control this entity. The Company is exposed to first loss amounting to Rs 13,570 lakhs (being 15%) of the amount securitised in addition to credit enhancement provided in the form of deposits is Rs 9,940 lakhs and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables.
Accordingly, Loan portfolio assets of Rs 93,510 lakhs are not derecognised and proceeds received of Rs 79,940 lakhs is recorded as financial liability under Borrowings (Other than Debt Securities).

The Company has entered into a assignment transaction with State Bank of India (unrelated and unconsolidated entity). The Company does not hold any equity or other interest and does not control this entity. The Company is exposed to first loss amounting of credit enhancement provided in the form of deposits is Rs 6,800 lakhs and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables.
Accordingly, Loan portfolio assets of Rs 47,695 lakhs are not derecognised and proceeds received of Rs 47,695 lakhs is recorded as financial liability under Borrowings (Other than Debt Securities).

47 Foreign Currency Expenditure

Particulars	March 31, 2020	March 31, 2019
Annual License fees	249	382
Borrowing Cost	15,013	36
Business Promotion	5	0
Intangible assets under development	153	597
Professional Fees	311	37
Legal Fees	125	-
Reimb. Of Expenses/Traveling Expenses	4	-
Membership & Subscription	43	-

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(Currency : Rs in lakhs)

48 Additional disclosure in terms of RBI circular DOR.No.BP.BC.63/21.04.048/2019-20 dated April, 17, 2020

Particulars	March 31, 2020
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	4,215
Respective amount where asset classification benefits is extended	4,215
Provisions made during the Q4 FY2020	211
Provisions adjusted during the respective accounting periods against slippages and the residual provisions	-

49 Impairment of Goodwill

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or groups of CGUs, which are benefited from the synergies of the acquisition. Goodwill is reviewed for any impairment at the operating segment level, which is represented through groups of CGUs.

As of March 31, 2020 , the estimated cash flows for a period of 5 years in the for the Company were developed using internal forecasts, and a pre-tax discount rate of 17.50% (31 Mar 2019- 12.50% to 16.00%) respectively. The cash flows beyond 5 years have been extrapolated assuming 5% (31 Mar 2019- 5% to 7%) growth rates, depending on the cash generating unit and the country of operations. The management believes that any possible changes in the key assumptions would not cause the carrying amount to exceed the recoverable amount of cash generating unit.
Based on the above, no impairment was identified as of March 31, 2020 as the recoverable value of the cash generating unit exceeded the carrying values by Rs.66,059 lakhs.

50 Disclosure in respect of IL&FS entities.

Position as on March 31, 2020

Name of facility	Amount Outstanding	Of (2), total amount of exposures which are NPAs as per IRAC norms and not classified as NPA.	Provisions required to be made as per IRAC norms.	Provisions actually held
(1)	(2)	(3)	(4)	(5)
IL&FS Solar Power Limited	7,500	-	30	132

(Currency : Rs in lakhs)

51 Corporate Social Responsibility Expenditure

Particulars	March 31, 2020	March 31, 2019
Contribution to Piramal Swasthya Management and Research Institute	1,341	704
Contribution to Piramal Foundation for Education Leadership	3,259	1,906
Total	**4,600**	**2,610**
Amount required to be spent as per Section 135 of the Act	-	-
Amount spent during the year		
(i) Construction/acquisition of an asset	-	-
(i) On purposes other than (i) above	**4,600**	**2,610**

52 Previous year figures have been regrouped and reclassified wherever necessary to conform to current year's presentation.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953

Ajay Piramal
Director
DIN: 00028116

Sachin Deodhar
Chief Financial Officer

Bipin Singh
Company Secretary

Mumbai,
Date: May 11, 2020

B S R & Co. LLP
Chartered Accountants

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Independent Auditors' Report

To the Members of
Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Piramal Capital & Housing Finance Limited *(formerly known as Piramal Housing Finance Limited)* ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit, and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw your attention to Note 39 of the Financial Statements regarding the accounting treatment relating to the scheme of Amalgamation ('Scheme') sanctioned by the NCLT on 6 April 2018, has been accounted under Purchase method of accounting as per Accounting Standard 14 – Accounting for Amalgamation in compliance with the Scheme which is considered to be an override to the relevant provisions of Indian Accounting Standards ('Ind AS') 103.

Our opinion is not modified in respect of the above matters.

Independent Auditors' Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of the audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How the matter was addressed in our audit
Impairment on financial instruments **Credit to the profit and loss account: INR 8,024 lakhs for year ended 31 March 2021** **Provision in the balance sheet: INR 184,846 lakhs at 31 March 2021** *Refer to the Financial Statements: "Significant Accounting Policies - Financial instruments", "Note 5 to the Financial Statements: Loans", "Note 6 to the Financial Statements: Investments", "Note 19 to the Financial Statements: Provisions" and "Note 31(b) to the Financial Statements: Impairment on financial instruments"*	
Subjective estimate	**Our key audit procedures included:**
Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using an expected credit loss (ECL) estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified significant management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: • Data inputs - The application of ECL model requires several data inputs. This increases the risk relating to the completeness and accuracy of the data that has been used to create assumptions in the model. • Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity associated with Company's modelling approach.	• Performing an end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes. Testing the relevant manual controls, general IT and application controls over key systems used in the ECL process. • Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models. • Testing the Company's controls over authorization and calculation of management overlays. • Evaluating whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings.

Independent Auditors' Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Key Audit Matters *(Continued)*

Key audit matter	How the matter was addressed in our audit
Impairment on financial instruments *(Continued)*	
• Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment arising from COVID-19	• Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of periods considered, economic forecasts, weights, and model assumptions applied.
• Qualitative adjustments – Adjustments to the model-driven ECL results are recorded by management to address known impairment model limitations or emerging trends as well as risks not captured by models. These adjustments are inherently uncertain and significant management judgement is involved in estimating these amounts especially in relation to economic uncertainty as a result of COVID-19.	• Assessing the 'Governance Framework' over validation, implementation and model monitoring in line with the RBI guidance. • Testing certain model calculations through re-performance • Assessing whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the financial statements are appropriate and sufficient.
As a part of risk assessment, we determined that the effect of these matters has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.	Involvement of specialists - we involved financial risk modelling specialists for the following: • Evaluating the appropriateness of the Company's Ind AS 109 impairment methodologies and reasonableness of assumptions used (including management overlays).
Disclosures The disclosures regarding the Company's application of Ind AS 109 are key to explaining the significant judgements and material inputs to the Ind AS 109 ECL results. Further, disclosures to be provided as per RBI circulars with regards to non-performing assets and provisions are also an area of focus.	• For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology. • The reasonableness of the Company's considerations of the impact of the current economic environment due to COVID-19 on the ECL determination.

Independent Auditors' Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Key Audit Matters *(Continued)*

Key audit matter Valuation of goodwill	How the matter was addressed in our audit
Refer to the Financial Statements: Significant Accounting Policies – Impairment of non-financial assets" and Note 49 "Impairment of goodwill"	
The Company has recognized goodwill arising from the merger of Piramal Housing Finance Limited with Piramal Finance Limited and Piramal Capital Limited on 31 March 2018 in line with the scheme of arrangement approved by the NCLT. Under Ind AS, the Company is required to perform an impairment assessment of the goodwill at each reporting date. In performing such impairment assessment, management compared the carrying value of the separately identifiable cash generating unit ("CGU") with its respective value in use based on discounted cash flow forecasts to determine if any impairment loss should be recognised. The preparation of discounted cash flow forecasts for the purpose of assessing potential impairment of goodwill involves estimating future cash flows, growth rates and discount rates which can be inherently uncertain. Further, the prevailing COVID-19 situation, has caused economic stress in various sectors and therefore the operations of the Company may be adversely impacted, resulting in a need for detailed valuation assessment in relation to goodwill. We identified the assessment of potential impairment of goodwill as a key audit matter because the year-end goodwill impairment assessments performed by management contain certain judgmental assumptions which could be subject to management bias.	**Our key audit procedures included:** • Assessing the management's identification of CGU, the allocation of assets and the methodology adopted by management in its impairment assessment of goodwill with reference to the requirements of the prevailing accounting standards; • Evaluating the assumptions adopted in the preparation of the cash flow forecasts for the purpose of the impairment assessments of goodwill, including projected future growth rates for income and expenses with reference to our understanding of the business, historical trends and available industry information and available market data; • Obtaining and reviewing the external valuation report, considered by the Company for its impairment assessment. • Engaging internal valuation specialists to assist in the evaluation of assumptions and methodologies used by the Company and its experts. • Evaluating management's assessment on consideration of COVID-19 disruptions in determination of impact on cash flows / valuation / impairment. This included assessing the effect of reasonable possible reductions in growth rates and forecasted cash flows. • Assessing the impact of changes in the key assumptions, including projected profitability and the discount rates, adopted in the discounted cash flow forecasts on the conclusions reached in the impairment assessments and assessing whether there were any indicators of management bias in the selection of these assumptions; • Evaluating the adequacy of the financial statement disclosures, including disclosures of key assumptions, judgements and sensitivities.

Independent Auditors' Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Key Audit Matters *(Continued)*

Key audit matter	How the matter was addressed in our audit
Deferred tax on Goodwill **Deferred tax asset: INR 115,026 lakhs at 31 March 2021** **Deferred tax liability: INR 126,538 lakhs at 31 March 2021** *Refer to the Financial Statements: Significant Accounting Policies – Impairment of non-financial assets" and Note 49 "Impairment of goodwill"* *Refer to the Financial Statements: Significant Accounting Policies - Taxes on income", "Note 8 to the Financial Statements: Current tax assets (Net)" "Note 9 to the Financial Statements: Deferred tax liabilities (Net)"* **Evaluation of tax positions** The Company has material tax positions which involves significant judgement mainly the consideration of the tax deductibility of goodwill recognised as part of the merger of Piramal Housing Finance Limited with Piramal Finance Limited and Piramal Capital Limited. Based on legal opinions considered by the management, the goodwill recognised at date of merger is claimed under Income Tax by way of depreciation @ 25% under written down value. Under Ind AS, goodwill is not subject to amortization and instead the carrying amount of goodwill is subject to impairment testing. The above treatment creates a temporary difference which leads to the recognition of a deferred tax liability at each reporting date. Due to amendment by Finance Act 2021, goodwill is expressly not a depreciable asset for tax purposes. The amendment doesn't impact the depreciation claimed in the previous year. The cost of goodwill is deductible under capital gain tax but only when goodwill is transferred. The Company has recognized deferred tax liability on additional temporary difference (unamortized goodwill) in the current year. The Company has also assessed the recovery of the unamortized balance of goodwill for tax purposes through a potential sale / transfer in the future and have considered such unamortized balance as deductible for the computation of capital gains. Thus, supporting the recognition of a deferred tax asset. Given the significance of the matters involved and the inherent judgement associated with aforesaid tax positions of the Company, we have considered this to be a key audit matter.	**Our key audit procedures included:** • Obtaining an understanding and assessed the design and implementation of controls in respect of the management review processes over the recognition of deferred tax on goodwill. • Evaluated the implication of changes in the Finance Act 2021 with respect to goodwill and its resultant impact on the deferred tax liability recognised on the goodwill. • Obtain and evaluate management assessment on recognition and measurement of deferred tax asset on unamortized balance of goodwill as per books. • Obtain and review the independent fair valuation obtained by the Company to support the recoverability of the deferred tax asset recognized on goodwill and the tax rate applied thereon for such recognition. • Confirmed with the audit committee of the Company that the underlying assumptions applied by the management for the recognition of deferred tax assets are consistent with their judgment and understanding. • Testing the mathematical accuracy of the computations and considered the appropriateness of disclosures associated with this area in the financial statements.

Independent Auditors' Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Company's annual report, but does not include the financial statements and our auditors' report thereon. The annual report of Company is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Management's Responsibility and Board of Director's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditors' Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Auditor's Responsibilities for the Audit of the Financial Statements *(Continued)*

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and the Board of Director's.
- Conclude on the appropriateness of management's and the Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated in with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Report on Other Legal and Regulatory Requirements

A) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

B) As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and statement of changes in equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016.

(e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

C) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37(a) to the Financial Statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

Independent Auditors' Report *(Continued)*

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Report on Other Legal and Regulatory Requirements *(Continued)*

D) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 21113156AAAACT9577

Place: Bengaluru
Date: 24 May 2021

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Annexure A to the Independent Auditor's report on the financial statements of Piramal Capital & Housing Finance Limited for the year ended 31 March 2021

(Referred to in paragraph A under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were physically verified by management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed upon such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the of the Company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

ii. The Company is engaged in providing financial services primarily into housing finance. Accordingly, it does not hold any inventories. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.

iii. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

iv. According to the information and explanations given to us, the Company has neither granted any loans to any director or any person in whom director is interested nor made investments in any company as specified in the provisions of section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of Section 73 to Section 76 or any other relevant provisions of the Act and the rules framed thereunder apply. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

vi. According the information and explanation given to us, the Central government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and services tax and other material statutory dues with the appropriate authorities As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, duty of excise and value added tax.

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Annexure A to the Independent Auditor's report on the financial statements of Piramal Capital & Housing Finance Limited for the year ended 31 March 2021 *(Continued)*

(b) According to the information and explanations given to us no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, professional tax and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, service tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute except as below:

Name of Statute	Nature of dues	Period to which the amount relates	Amount disputed (Rs. in Lakhs)	Forum where the dispute is pending
Income-tax Act, 1961	Income-tax	Assessment Year: 2014-2015	34	Income Tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	Assessment Year: 2017-2018	8,258	Commissioner of Income Tax (Appeal)
Income-tax Act, 1961	Income-tax	Assessment Year: 2018-2019	6,729	Commissioner of Income Tax (Appeal)
Income-tax Act, 1961	Income-tax	Assessment Year: 2019-2020	510	Commissioner of Income Tax (Appeal)
Income-tax Act, 1961	Income-tax	Assessment Year: 2020-2021	1,268	Commissioner of Income Tax (Appeal)

viii. In our opinion and according to the information and explanations given to us, the Company had availed the moratorium package announced by RBI on the COVID 19 pandemic and based on our examination of records of the Company, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks or dues to debenture holders. During the year, the Company did not have loans or borrowings from government.

ix. According to the information and explanations given to us, the Company has utilised the money raised by way of issue of non-convertible debentures and the terms loans during the year for the purpose for which they were raised. During the year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).

x. According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Annexure A to the Independent Auditor's report on the financial statements of Piramal Capital & Housing Finance Limited for the year ended 31 March 2021 *(Continued)*

xii. According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and Section 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

xvi. According to the information and explanation given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 21113156AAAACT9577

Place: Bengaluru
Date: 24 May 2021

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Annexure B to the Independent Auditor's report on the financial statements of Piramal Capital & Housing Finance Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to the financial statements of Piramal Capital & Housing Finance Limited (the 'Company') as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls were operating effectively as at 31 March 2021 based on the internal financial controls with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note').

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Annexure B to the Independent Auditor's report on the financial statements of Piramal Capital & Housing Finance Limited for the year ended 31 March 2021 *(Continued)*

Auditor's Responsibility *(Continued)*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the financial statements.

Meaning of Internal Financial controls with Reference to the Financial Statements

A company's internal financial controls with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to the Financial Statements

Because of the inherent limitations of internal financial controls with reference to the financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the financial statements to future periods are subject to the risk that the internal financial controls with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

V. Venkataramanan

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 21113156AAAACT9577

Place: Bengaluru
Date: 24 May 2021

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Standalone Balance Sheet

as at March 31, 2021

(Currency : Rs in lakhs)

		Note	As at March 31, 2021	As at March 31, 2020
	ASSETS			
1	**Financial assets:**			
(a)	Cash and cash equivalents	3	3,55,849	3,86,460
(b)	Bank balances other than (a) above	4	77,318	39,510
(c)	Loans	5	24,67,586	26,83,252
(d)	Investments	6	11,35,175	8,06,336
(e)	Other financial assets	7	81,759	41,204
2	**Non- financial assets:**			
(a)	Current tax assets (net)	8	79,626	52,561
(b)	Right-of-use assets	11	4,116	5,071
(c)	Property, Plant and Equipment	11	2,408	3,372
(d)	Intangible assets under development	11	753	2,803
(e)	Goodwill	11	10,25,681	10,25,681
(f)	Other intangible assets	11	3,554	79
(g)	Other non-financial assets	10	31,843	32,441
	Total Assets		**52,65,668**	50,78,770
	LIABILITIES AND EQUITY			
	Liabilities			
1	**Financial liabilities:**			
	Payables			
(a)	Trade payables			
	(i) Total outstanding dues of micro and small enterprises	12	9	39
	(ii) Total outstanding dues of creditors other than micro and small enterprises	12	9,275	14,729
(b)	Debt securities	13	10,40,599	5,59,476
(c)	Borrowings (other than debt securities)	14	16,30,023	21,66,926
(d)	Deposits	15	2,66,600	1,59,654
(e)	Subordinated debt liabilities	16	49,493	49,399
(f)	Other financial liabilities	17	10,262	11,239
2	**Non- financial liabilities:**			
(a)	Current tax liabilities (net)	18	78	78
(b)	Provisions	19	9,791	18,788
(c)	Deferred tax liabilities (net)	9	97,909	52,336
(d)	Other non- financial liabilities	20	2,965	951
	Equity			
(a)	Equity share capital	21	19,28,372	19,28,372
(b)	Other equity	22	2,20,292	1,16,783
	Total Liabilities and Equity		**52,65,668**	50,78,770

Significant accounting policies 2

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156
Bengaluru, May 24, 2021

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953
Khandala, May 13, 2021

Ajay Piramal
Director
DIN: 00028116
London, May 13, 2021

Sachin Deodhar
Chief Financial Officer
Mumbai, May 13, 2021

Bipin Singh
Company Secretary
Mumbai, May 13, 2021

External Public

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Standalone Statement of Profit and Loss
for the year ended March 31, 2021

(Currency : Rs in lakhs)

	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations			
Interest income	23	5,07,029	5,56,954
Rental income		156	167
Fees and commission income	24	505	2,127
Others	25	475	1,153
Total Revenue from operations		**5,08,165**	5,60,401
Other income	26	625	1,860
Total Income		**5,08,790**	5,62,261
Expenses			
Finance costs	27	2,82,821	3,15,006
Fees and commission expenses	28	11,094	17,842
Net loss on fair value changes	29	11,872	5,103
Net loss on derecognition of financial instruments under amortise	31(a)	14,391	198
Impairment on financial instruments	31(b)	(8,024)	1,17,569
Employee benefits expenses	30	13,507	20,892
Depreciation, amortisation and impairment		2,922	3,271
Other expenses	32	26,184	22,193
Total Expenses		**3,54,767**	5,02,074
Profit before exceptional items and tax		1,54,023	60,187
Exceptional items		-	-
Profit before tax		**1,54,023**	60,187
Less: Tax Expenses			
Current tax		5,028	-
Prior year tax		-	954
Tax effect- on account of new tax regime being opted		-	37,286
Deferred tax		45,551	18,899
		50,579	57,139
Profit for the year		**1,03,444**	3,048
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plan		282	(5)
Income tax relating to items that will not be reclassified to profit or loss		(71)	1
Items that will be reclassified to profit or loss			
Remeasurement gain/(loss) on hedge accounting		(196)	(1,937)
Income tax relating to items that will be reclassified to profit or loss		50	488
Net other comprehensive income		**65**	(1,453)
Total comprehensive income for the year		**1,03,509**	1,595
Earnings per equity share (Basic and Diluted) (Rs.)	34	**0.54**	0.02
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156
Bengaluru, May 24, 2021

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953
Khandala, May 13, 2021

Ajay Piramal
Director
DIN: 00028116
London, May 13, 2021

Sachin Deodhar
Chief Financial Officer
Mumbai, May 13, 2021

Bipin Singh
Company Secretary
Mumbai, May 13, 2021

External Public

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Standalone Statement of changes in equity
for the year ended March 31, 2021

(Currency : Rs in lakhs)

A. Equity Share Capital:

Particulars	Amount
Balance as at March 31, 2019	**18,04,452**
Add: Issued during the year	1,23,920
Balance as at March 31, 2020	**19,28,372**
Add: Issued during the year	**0**
Balance as at March 31, 2021	**19,28,372**

B. Other Equity:

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	Equity Share Capital Suspense	Statutory Reserve	Capital Reserve	Securities Premium	Retained Earnings	Cash flow hedging reserve	
Balance as at March 31, 2019	-	28,852	3	-	1,19,778	-	1,48,633
Add/(Less): Transfer during the year	-	610	-	16,080	-	(1,449)	15,240
Add: Reversal of lease equalisation balance	-		-	-	144	-	144
Add: Profit during the year	-	-	-	-	3,048	-	3,048
Less: Other Comprehensive Income (net of tax)	-	-	-	-	(4)	-	(4)
Less: Dividend paid (including DDT)	-	-	-	-	(49,668)	-	(49,668)
Less: Transfer to statutory reserve fund	-	-	-	-	(610)	-	(610)
Balance as at March 31, 2020	**-**	**29,462**	**3**	**16,080**	**72,687**	**(1,449)**	**1,16,783**
Add/(Less): Transfer during the year	-	20,689	-	-	-	(147)	20,542
Add: Profit during the year	-	-	-	-	1,03,444	-	1,03,444
Add: Other comprehensive income (net of tax)	-	-	-	-	211	-	211
Less: Transfer to statutory reserve fund	-	-	-	-	(20,689)	-	(20,689)
Balance as at March 31, 2021	**-**	**50,151**	**3**	**16,080**	**1,55,654**	**(1,596)**	**2,20,292**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156
Bengaluru, May 24, 2021

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953
Khandala, May 13, 2021

Ajay Piramal
Director
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London, May 13, 2021

Sachin Deodhar
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External Public

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Standalone Cash Flow Statement
for the year ended March 31, 2021

(Currency : Rs in lakhs)

		For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**Cash flow from operating activities**		
	Profit before tax	**1,54,023**	60,187
	Short term capital gain on mutual fund	(476)	(1,153)
	Interest income from fixed deposits	(3,174)	(7,136)
	(Gain)/Loss on fair valuation	11,872	5,102
	Lease rent payment	(2,000)	(2,377)
	Allowance for expected credit loss on loans and loan commitments	(8,024)	1,17,569
	Finance cost on lease payment	684	629
	Change in provision for gratuity and compensated absence	(910)	387
	Loss on financial assets	14,391	551
	Write off of intangible assets under development	-	400
	Loss on sale of fixed assets	72	-
	Depreciation and amortisation	2,922	3,271
	Operating cash flow before working capital changes	**1,69,380**	1,77,430
	Decrease in Loans	2,22,489	3,20,336
	(Increase) /Decrease in Investments	(1,71,732)	1,11,639
	(Increase) / Decrease in other financials assets	(42,254)	39,831
	Decrease / (Increase) in other Non financials assets	598	(21,984)
	(Decrease) / Increase in Trade Payables	(5,484)	6,742
	(Decrease) / Increase in other financials liabilities	(942)	574
	Increase / (Decrease) in other non financials liabilities	2,015	(3,606)
	Cash used in operations	**1,74,070**	6,30,962
	Less: Income taxes paid	(32,093)	(47,190)
	Net cash from operating activities (a)	**1,41,977**	5,83,772
B	**Cash flow from investing activities**		
	Fixed assets purchased	(1,772)	(2,217)
	Investments in mutual funds	(7,27,500)	(43,92,000)
	Redemptions from mutual funds	5,37,975	43,93,153
	Interest income from fixed deposits	3,090	6,637
	Investment in fixed deposits	(12,84,142)	(2,69,994)
	Redemption from in fixed deposits	12,46,334	2,32,889
	Net cash flow used in investing activities (b)	**(2,26,015)**	(31,532)
C	**Cash flow from financing activities**		
	Borrowings taken during the year	19,60,290	32,82,770
	Borrowings repaid during the year	(19,06,863)	(35,80,112)
	Dividend Paid	-	(49,669)
	Issue of equity shares	-	1,40,000
	Net cash (used in)/ from financing activities (c)	**53,427**	(2,07,011)
	Net increase/ (decrease) in cash and cash equivalents (a+b+c)	**(30,611)**	3,45,229
	Cash and cash equivalents as at beginning of the year	**3,86,460**	41,231
	Cash and cash equivalents as at end of the year (refer note 3)	**3,55,849**	3,86,460

The notes referred to above form an integral part of the financial statements.
As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156
Bengaluru, May 24, 2021

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

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External Public

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Notes to the Standalone Financial Statements

for the year ended March 31, 2021

(Currency : Rs in lakhs)

1A. GENERAL INFORMATION

Piramal Capital & Housing Finance Limited (formerly known as Piramal Housing Finance Limited) ('the Company') was incorporated under the Companies Act, 2013 on 10 February 2017 with its registered office in Mumbai to carry on the business of housing finance in India.
The Company was registered as a non-deposit taking housing finance company with the National Housing Bank ("NHB") on 28 August 2017.

The Company was converted into a public limited company w.e.f. 17 October 2017 and consequently the name of the Company was changed from Piramal Housing Finance Private Limited to Piramal Housing Finance Limited w.e.f. the date of the certificate of Registrar of Companies ('ROC'), Mumbai.

The Company has acquired Piramal Finance Limited and Piramal Capital Limited with effect from 31 March 2018 being the appointed date. The primary activities of the acquired Companies involve lending / investing.

The name of Company was changed from Piramal Housing Finance Limited to Piramal Capital & Housing Finance Limited w.e.f. 12 Jun 2018.

The Company is a public limited company and its debts are listed on the Bombay Stock Exchange (BSE), India, and/or the National Stock Exchange (NSE), India.

1B. Basis of Preparation

i) Statement of compliance and basis of preparation and presentation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('the Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter ("Ind AS") on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained below, the relevant provisions of the Companies Act, 2013 (the "Act") and the guidelines issued by the National Housing Bank ("NHB") to the extent applicable.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

ii) Basis of Accounting

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

iii) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Following areas entail a high degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.
1. Impairment of financial assets – Note 44
2. Fair Valuation of financial assets and liabilities - Note 42
3. Measurement of defined benefit obligations; key actuarial assumptions – Note 41 and
4.Impairment of Goodwill – Note 49

(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES

i) Property, plant and equipment

All Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.
The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The estimated useful lives of Property, Plant and Equipment are as stated below:

Office Equipment	5 years
Furniture and fixtures	10 years
Computers Servers and Network	6 years
Computer - End user device	3 years
Leasehold Improvements	Amortised on SLM over lease tenure

ii) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.
Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.
Intangible assets not ready for use on the date of Balance Sheet is disclosed as 'Intangible assets under development'.
Intangible Assets are amortized on a straight line basis over their finite useful lives over the following period:

Computer Software	6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Individual fixed assets costing less than Rupees five thousand are depreciated fully in the year of purchase or acquisition.
Goodwill on acquisition is included in intangible assets. Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.
Goodwill is carried at cost less accumulated impairment losses.

iii) Impairment of non financial assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

iv) Financial instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES

iv) Financial instruments *(Continued)*

Financial assets

Classification

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through Other Comprehensive Income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit and loss (FVTPL).

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Effective interest rate method

Income is recognised on an effective interest rate basis for financial assets other than those financial assets classified as at FVTPL. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Changes in the fair value of financial assets at FVTPL are recognised in the statement of profit and loss.

(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES

iv) Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets
Wholesale lending:
The Company applies the expected credit loss ("ECL") model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has devised an internal model to evaluate the probability of default and loss given default based on the parameters set out in Ind AS 109. The Company has a dedicated Asset Monitoring team which evaluates asset performance on a continued basis to flag of early warning signals. Probability of default have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions to comply with IndAS 109. The forward looking macro-economic conditions based adjustment is driven through a multi linear regression model which forecasts systemic gross non-performing assets under baseline future economic scenarios. Accordingly, the financial instruments are classified into Stage 1 – Standard Assets with zero to thirty days past due (DPD), Stage 2 – Significant Credit Deterioration or overdue between 31 to 90 days and Stage 3 – Default Assets with overdue for more than 90 days. The Company also takes into account the below qualitative parameters in determining the increase in credit risk for the financial assets:

1) Significant negative deviation in the business plan of the borrower
2) Internal rating downgrade for the borrower or the project
3) Current and expected financial performance of the borrower
4) Need for refinance of loan due to change in cash flow of the project
5) Significant decrease in the value of collateral
6) Change in market conditions and industry trends

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Default assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

Retail lending:
The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

The Company uses ECL allowance for financial assets measured at amortised cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar characteristics. The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has recently started its operations and it's too early to observe actual defaults and corresponding recovery in its portfolio. Accordingly, the Company has used surrogate data from a reputed credit bureau agency for potential credit losses. Further, the estimates from the above sources have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions to comply with IndAS 109. The forward looking macro-economic conditions based adjustment is driven through a multi linear regression model which forecasts systemic gross non-performing assets under baseline future economic scenarios.

(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES

iv) Financial instruments *(Continued)*

Financial liabilities and equity instruments

The financial instruments are classified into Stage 1 – Standard Assets with zero to thirty days past due (DPD), Stage 2 – Significant Credit Deterioration or overdue for more than thirty days to 90 days and Stage 3 – Default Assets with overdue for more than 90 days.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk (as represented by days past due status of the individual accounts) since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Default assets wherein the management does not expect any realistic prospect of recovery are written off to the Statement of Profit and Loss.

Derecognition of financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.
On derecognition of financial assets in entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, is recognised in the statement of profit and loss.

Foreign exchange gains and losses
The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

Classification as debt or equity
Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES

iv) Financial instruments *(Continued)*

Foreign exchange gains and losses
For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit and loss.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

Embedded derivatives
Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Embedded foreign currency derivatives
Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related.

Hedge accounting

The Company designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

v) Assets held for sale

Assets comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.
Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.
Once classified as held-for-sale, assets and liabilities are no longer amortised or depreciated.

(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES

vi) Employee Benefits

Employee benefits include provident fund, compensated absences and long term service awards. In case of Provident fund, contributions are made to the Regional Provident Fund Office.

Defined Contribution Plans

The Company's contribution to provident fund to the Regional Provident Fund office are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

Defined Benefit Plans

The Company contributes to Defined Benefit Plans comprising of Gratuity and Compensated absences.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

vii) Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.
Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

viii) Revenue recognition

Interest income from a financial asset (including Lease rental discounting assets) is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Loan processing fees income is accounted for on effective interest basis. Arranger fees income is accounted for on accrual basis.

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of dividend income can be measured reliably). The gain / loss on account of redemption of units of mutual funds is recognised in the period in which redemption occurs.

(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES

ix) Foreign Currency Transactions

In preparing the financial statement, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

x) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as exceptional items.

xi) Leases

Operating Leases

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

(Currency : Rs in lakhs)

2. SIGNIFICANT ACCOUNTING POLICIES

xii) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

xiii) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

xiv) Borrowing Costs

Borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those fixed assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised.
Borrowing costs include interest expense calculated using the EIR method. EIR includes interest, amortization of ancillary cost, incurred in connection with the borrowing of funds. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xv) Earnings per share

Basic earnings per share
The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

Diluted earnings per share
Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

Notes to the Standalone Financial Statements *(Continued)*

as at March 31, 2021

(Currency : Rs in lakhs)

		As at March 31, 2021	As at March 31, 2020
3	**Cash and cash equivalents**		
	Cash on hand	1	1
	Balances with banks in current accounts	3,00,848	1,24,582
	Cheques, drafts on hand	-	1,56,877
	Fixed deposits (with maturity less than 3 months)	55,000	1,05,000
	Total	**3,55,849**	3,86,460
4	**Bank balances other than (a) above**		
	Earmarked balances with banks*	77,318	39,510
	Total	**77,318**	39,510

*(Deposits with banks to the extent of Rs.77,318 lakhs (31 Mar 2020-Rs.22,105 lakhs) held as security against the borrowings and guarantees)

5	**Loans**		
	Loans within India		
	Term loan to borrowers - at amortised cost		
	- Secured by tangible assets, considered good	21,11,871	24,49,499
	Less: Allowance for impairment loss (expected credit loss allowance)	(55,658)	(88,660)
	Term loan to borrowers - at FVTPL		
	- Secured by tangible assets, considered good	87,072	59,425
	Term loan to borrowers - at amortised cost to related party		
	- Unsecured, considered good	1,40,115	1,39,500
	Term loan to borrowers - at amortised cost		
	- Unsecured, considered good	77,398	52,834
	Less: Allowance for impairment loss (expected credit loss allowance)	(3,580)	(2,524)
	Term loan to borrowers - at amortised cost		
	- Significant increase in Credit Risk	83,183	54,172
	Less: Allowance for impairment loss (expected credit loss allowance)	(17,982)	(15,452)
	Term loan to borrowers - at amortised cost		
	- Credit impaired	87,317	53,036
	Less: Allowance for impairment loss (expected credit loss allowance)	(42,150)	(18,578)
	Total	**24,67,586**	26,83,252

Note:
During the current and prior reporting periods, there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

(Currency : Rs in lakhs)

6 Investments

	As at March 31, 2021	As at March 31, 2020
Investments within India		
Measured at Amortised Cost		
Quoted Investments (at fully paid)		
Redeemable Non Convertible Debentures	51,811	53,481
Total	**51,811**	53,481
Measured at Amortised Cost		
Unquoted Investments (at fully paid)		
Redeemable Non Convertible Debentures	5,94,980	6,06,101
Less: Allowance for impairment loss (expected credit loss allowance)	(56,453)	(50,828)
Total	**5,38,527**	5,55,273
Instruments at Fair Value through Profit & Loss		
Project Receivables	1,75,960	1,65,830
Investment in AIF	1,49,061	-
Redeemable Non Convertible Debentures	29,809	31,753
Total	**3,54,830**	1,97,583
Instruments at Fair Value through Profit & Loss		
Quoted Investments (at fully paid)		
Investment in Mutual Funds	1,90,007	-
Total	**1,90,007**	**-**
Total Investments	**11,35,175**	8,06,336
Aggregated book value of quoted investments	**2,41,818**	53,481
Aggregated market value of quoted investments	**2,41,818**	53,481
Aggregated book value of unquoted investments	**9,49,810**	8,03,684

Notes to the Standalone Financial Statements *(Continued)*
as at March 31, 2021

(Currency : Rs in lakhs)

		As at March 31, 2021	As at March 31, 2020
7	**Other financial assets**		
	Interest receivable	626	542
	Security deposits	74,003	38,865
	Other receivable	7,129	-
	Forward Contract Receivable (refer note 45)	-	1,784
	To related parties		
	Unsecured, considered good		
	PHL Fininvest Private Limited	-	13
	Total other financial asset	**81,759**	41,204
8	**Current tax assets (Net)**		
	Advance Tax (net of Provision of Rs.150,973/-, 31 March 2020 Rs. 145,945/-)	79,626	52,561
	Total current tax assets (net)	**79,626**	52,561

Notes to the Standalone Financial Statements *(Continued)*

as at March 31, 2021

(Currency : Rs in lakhs)

		As at March 31, 2021	As at March 31, 2020
9	**Deferred tax liabilities (net)**		
	Deferred tax assets	1,73,635	87,057
	Deferred tax liabilities	(2,71,544)	(1,39,393)
		(97,909)	(52,336)

Particulars	Opening balance as at March 31, 2020	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing balance as at March 31, 2021
Movement in deferred tax balances:				
Depreciation on property, plant and equipment	142	777	-	919
Depreciation on intangible assets	(1,31,646)	(875)	-	(1,32,521)
Non deductibility of goodwill for purposes of computing business income	-	(1,26,538)	-	(1,26,538)
Deductible temporary difference on account of capital gains basis for unamortized goodwill	-	1,15,026	-	1,15,026
Preliminary Expenses	28	(14)	-	14
Provision for compensated absence	202	1	-	203
Provision for Gratuity	292	(372)	71	(9)
Provision on loans and investments as per ECL	47,942	(2,020)	-	45,923
Unabsorbed depreciation	30,646	(30,646)	-	0
(Gain)/loss on fair valuation	1,285	2,988	-	4,273
Net fair value changes on foreign currency loan	488	49	-	537
Deferrement of interest income due to EIR	3,394	754	-	4,148
Deferrement of interest expense due to EIR	(6,008)	(5,301)	-	(11,309)
Unamortised Processing fees paid to Piramal Enterprises Limited	(463)	331	-	(131)
Stamp duty on Amalgamation allowable u/s 35DD	439	(219)	-	219
Expenses that are allowed on payment basis	831	-		831
Lease Liabilites	1,368	(154)	-	1,214
Right of Use assets	(1,276)	240	-	(1,036)
Loss on derognition of assets	-	328	-	328
	(52,336)	(45,644)	71	(97,909)

Particulars	Opening balance as at March 31, 2019	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing balance as at March 31, 2020
Movement in deferred tax assets:				
Depreciation on property, plant and equipment	86	56	-	142
Depreciation on intangible assets	(1,24,204)	(7,442)	-	(1,31,646)
Preliminary Expenses	58	(30)	-	28
Provision for compensated absence	233	(31)	-	202
Provision for Gratuity	318	(25)	(1)	292
Provision on loans and investments as per ECL	25,476	22,466	-	47,942
Business Loss	4,998	(4,998)	-	-
Unabsorbed depreciation	44,672	(14,026)	-	30,646
Lease straightlining	50	(50)	-	-
Gain on fair valuation	(43)	1,328	-	1,285
Net fair value changes on foreign currency loan	0	488	-	488
Deferrement of interest income due to EIR	5,566	(2,172)	-	3,394
Deferrement of interest expense due to EIR	(4,120)	(1,888)	-	(6,008)
Unamortised Processing fees paid to Piramal Enterprises Limited	(1,104)	641	-	(463)
Stamp duty on Amalgamation allowable u/s 35DD	914	(475)	-	439
MAT Credit Entilement	50,460	(50,460)	-	0
Expenses that are allowed on payment basis	-	831		831
Lease Liabilites	-	1,368	-	1,368
Right of Use assets	-	(1,276)	-	(1,276)
	3,359	**(55,695)**	**(1)**	**(52,336)**

		As at March 31, 2021	As at March 31, 2020
10	**Other non-financial assets**		
	Goods and service tax credit receivable	12,742	7,448
	Prepaid expenses	681	334
	Advance for expenses	1,562	3,297
	Advance processing fees paid	16,858	21,362
	Total other non-financial assets	**31,843**	32,441

(Currency : Rs in lakhs)

11 Property, plant and equipment, Intangible Assets and Intangibles under development

Particulars	Cost				Accumulated Depreciation / Amortisation				Net Carrying Amount
	Opening As at April 1, 2020	Additions during the year	Deduction/ write offs	As at March 31, 2021 (A)	Opening As at April 1, 2020	Charge for the year	Deduction/ write offs	As at March 31, 2021 (B)	As at March 31, 2021 (A-B)
Tangible Assets									
Land & Building	30			30	-		-	-	30
Office Equipment	680	2		682	225	134	-	359	323
Computer	711	63		773	399	180	-	579	194
Computer Server	371			372	112	65	-	177	195
Furniture	303			303	69	30	-	100	204
Motor Car	239			239	43	31	-	73	166
Leasehold Improvements	2,929		100	2,829	1,043	517	27	1,533	1,296
Right to Use Assets	6,836	950	662	7,124	1,765	1,657	414	3,009	4,116
Total (I)	12,099.09	1,016	761	12,352	3,656	2,613	441	5,829	6,524
Intangible Asset									
Goodwill on amalgamation	10,25,681		-	10,25,681	-		-	-	10,25,681
Computer software	101	3,783	-	3,884	22	309	-	331	3,554
Total (II)	10,25,781	3,783	-	10,29,565.25	22	309	-	331	10,29,235
Intangibles under development (III)	2,803	1,790	3,840	753	-	-	-	-	753
Grand Total (I+II+III)	10,40,684	6,589	4,601	10,42,671	3,678	2,922	441	6,159	10,36,512

Particulars	Cost				Accumulated Depreciation / Amortisation				Net Carrying Amount
	Opening As at April 1, 2019	Additions during the year	Deduction/ write offs	As at March 31, 2020 (A)	Opening As at April 1, 2019	Charge for the year	Deduction/ write offs	As at March 31, 2020 (B)	As at March 31, 2020 (A-B)
Tangible Assets									
Land & Building	30	-	-	30	-	-	-	-	30
Office Equipment	512	168	-	680	98	127	-	225	455
Computer	571	158	16	711	171	237	9	399	312
Computer Server	298	73	-	371	52	60	-	112	259
Furniture	297	6	-	303	39	30	-	69	234
Motor Car	239	-	-	239	19	24	-	43	197
Leasehold Improvements	2,007	921	-	2,929	381	663	-	1,043	1,886
Right to Use Assets	-	8,562	1,726	6,836	-	2,115	349	1,765	5,071
Total (I)	3,956	9,887	1,742	12,099	760	3,254	358	3,656	8,444
Intangible Asset									
Goodwill on amalgamation	10,25,681		-	10,25,681	-	-	-	-	10,25,681
Computer software	75	26	-	101	6	16	-	22	79
Total (II)	10,25,755	26	-	10,25,781	6	16	-	22	10,25,760
Intangibles under development (III)	2,330	873	400	2,803	-	-	-	-	2,803
Grand Total (I+II+III)	10,32,041	10,786	2,142	10,40,684	766	3,270	358	3,678	10,37,006

(Currency : Rs in lakhs)

		As at March 31, 2021	As at March 31, 2020
12	**Trade payables**		
(i)	Total outstanding dues of micro enterprises and small enterprises	9	39
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	8,827	10,900
(iii)	Trade payables to related parties (refer note 40)	448	3,829
	Total	**9,284**	14,768
13	**Debt Securities**		
	Debt securities in India		
	Measured at amortised cost		
	Redeemable Non Convertible Debentures (secured)	10,40,599	5,59,476
	Total	**10,40,599**	5,59,476
14	**Borrowings (Other than Debt Securities)**		
	Borrowings in India		
	Measured at amortised cost		
	Term Loans (secured)		
	-From banks	14,47,435	15,41,212
	-FCNR Loan	54,755	56,794
	-From others	74,928	2,04,525
	Working capital demand loan/short term borrowings (secured)		
	-From banks	50,007	2,44,395
	-From others	-	1,20,000
	Commercial Paper (unsecured)	2,898	-
	Total	**16,30,023**	21,66,926
15	**Deposits**		
	Deposits in India		
	Measured at amortised cost		
	Intercorporate deposit from related party (Unsecured)	2,66,600	1,59,654
	Total	**2,66,600**	1,59,654
16	**Subordinated Liabilities**		
	Subordinated Liabilities in India		
	Measured at amortised cost		
	Redeemable Non Convertible Debentures (unsecured)	49,493	49,399
	Total	**49,493**	49,399

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Notes to the Financial Statements (Continued)

as at March 31, 2021

(Currency : Rs in lakhs)

13. Borrowings

A. Redeemable Non Convertible Debentures (secured)

Particulars	Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2021	Principal Outstanding as at March 31, 2020	Maturity Due Date	First Instalment payment date
50 (payable annually) 8.95% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 2555 days from the date of allotment.	500	500	08-Mar-24	NA
2,000 (payable on maturity) 8.85% Secured Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 1,000,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1152 days from the date of allotment	-	20,000	25-May-20	NA
4400 (payable on maturity) 8.85% Secured, Rated, Listed, redeemable Non Convertible Debentures (NCD's) each having a face value of Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 1154 days from the date of allotment	-	44,000	03-Jun-20	NA
250 (payable annually) 8.75% Secured, Rated, Listed , Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs. 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 2556 days from the date of allotment	2,500	2,500	03-May-24	NA
950 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	-	9,500	14-Jul-20	NA
500 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	-	5,000	04-Aug-20	NA
500 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	-	5,000	04-Aug-20	NA
250 (payable annually) 8.35% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	-	2,500	04-Aug-20	NA
5000 (payable annually) 8.07% Secured, Rated , Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs. 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1096 days from the deemed date of allotment	-	50,000	25-Sep-20	NA
1250 (payable annually) 8.10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1096 days from the date of allotment	-	12,500	29-Sep-20	NA
5000 (payable monthly) 7.96% Secured, Rated , Listed, Redeemable Non Convertible Debentures (NCD's) each having a face value of Rs. 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are redeemable at par in three instalments : 8th year-167 crore; 9th year-167crore; 10th year-166 crore	50,000	50,000	20-Sep-27	19-Sep-25
150 (payable annually) 7.96% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1094 days from the date of allotment	-	1,500	06-Nov-20	NA
1000 (payable annually) 7.96% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1094 days from the date of allotment	-	10,000	06-Nov-20	NA

(Currency : Rs in lakhs)

350 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 2555 days from the date of allotment	3,500	3,500	03-Oct-25	NA
250 (payable annually) 9.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are repayable after 1826 days from the date of allotment	2,500	2,500	02-Nov-23	NA
5000 (payable annually) 9.27% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCDs are redeemable at par in three instalments : 8th year-167 crore; 9th year-167crore; 10th year-166 crore	50,000	50,000	19-Dec-28	18-Dec-26
8125 (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 800000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	65,000	65,000	15-Apr-22	NA
625 (payable annually) 9.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 800000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after three years from the date of allotment	5,000	5,000	21-Apr-22	NA
5000 (payable annually) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after eight years from the date of allotment	50,000	50,000	11-Mar-27	NA
5000 (payable annually) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after Nine years from the date of allotment	50,000	50,000	10-Mar-28	NA
5000 (payable annually) 9.51% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 1000000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after Ten years from the date of allotment	50,000	50,000	09-Mar-29	NA
900 (payable semi annually) 10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 53 months from the date of allotment	9,000	9,000	08-Nov-23	NA
900 (payable semi annually) 10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 65 months from the date of allotment	9,000	9,000	08-Nov-24	NA
1500 (payable annually) 9.5% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 3 years from the date of allotment	-	15,000	16-Sep-22	NA
1500 (payable annually) 9.5% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 3 years from the date of allotment	15,000	15,000	16-Sep-22	NA
2500 (payable annually) 8.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 3 years from the date of allotment	25,000	-	12-May-23	NA
2500 (payable annually) 8.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 3 years from the date of allotment	25,000	-	12-May-23	NA
3250 (payable annually) 8.75% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 3 years from the date of allotment	32,500	-	31-May-23	NA

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(Currency : Rs in lakhs)

1000 (payable annually) 7.85% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 18 months from the date of allotment	10,000	-	14-Jan-22	NA
5000 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 3 years from the date of allotment	50,000	-	31-Jul-23	31-Jul-21
5000 (payable annually) 7.85% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 18 months from the date of allotment	50,000	-	31-Jan-22	NA
400 (payable annually) 7.85% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 18 months from the date of allotment	4,000	-	04-Feb-22	NA
1500 (payable annually) 7.85% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 18 months from the date of allotment	15,000	-	17-Feb-22	NA
500 (payable annually) 7.85% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 18 months from the date of allotment	5,000	-	21-Feb-22	NA
1500 (payable annually) 8.10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 18 months from the date of allotment	15,000	-	22-Mar-22	NA
1500 (payable annually) 8.10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 18 months from the date of allotment	15,000	-	04-Mar-22	NA
500 (payable annually) 9.32% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 10 years from the date of allotment	5,000	-	01-Nov-30	NA
1750 (payable annually) 8.10% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 18 months from the date of allotment	17,500	-	19-May-22	NA
15000 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 60 months from the date of allotment	1,50,000	-	19-Mar-26	19-Jun-25

(Currency : Rs in lakhs)

3750 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 60 months from the date of allotment	37,500	-	19-Mar-26	19-Jun-25
1750 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 60 months from the date of allotment	17,500	-	19-Mar-26	19-Jun-25
15000 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 60 months from the date of allotment	1,50,000	-	12-Mar-26	12-Jun-25
3750 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 60 months from the date of allotment	37,500	-	12-Mar-26	12-Jun-25
750 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 60 months from the date of allotment	7,500	-	12-Mar-26	12-Jun-25
500 (payable annually) 9.25% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 60 months from the date of allotment	5,000	-	12-Mar-26	12-Jun-25
509 (payable annually) 8.50% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 22 months from the date of allotment	5,090	-	23-Jan-23	NA
250 (payable annually) 9.00% Secured, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each of a face value Rs 10,00,000	First pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over Specifically Mortgaged Property	The NCD's are repayable after 10 years from the date of allotment	2,500	-	28-Mar-31	NA

The rate of interest for the above loans are in the range of 7.85% to 10% per annum

14. Borrowings (Other than Debt Securities)

B. 1. Rupee Term Loan from Banks

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2021	Principal Outstanding as at March 31, 2020	Maturity Due Date	First Instalment payment date
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal half yearly instalments with moratorium period of one year from drawdown date	-	2,500	17-Jun-20	17-Dec-17
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal quarterly instalments commencing from 27 month of drawdown date	12,509	18,750	15-Mar-22	30-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal quarterly instalments commencing from 21st month from date of drawdown	-	32,199	30-Mar-21	31-Dec-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	-	50,000	30-Jun-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve quarterly instalments Commencing from 25th month from date of drawdown	37,500	75,000	09-Mar-22	09-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in half yearly instalments Commencing from one year from date of drawdown	1,667	5,000	26-Apr-21	26-Oct-18

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(Currency : Rs in lakhs)

First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in half yearly instalments Commencing from one year from date of drawdown	833	2,500	26-Apr-21	26-Oct-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	-	20,000	18-Sep-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight equal quarterly instalments commencing after the moratorium period of two years from the date of drawdown	5,000	12,500	17-Sep-21	18-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in six equal quarterly instalments commencing from 7 quarter of date of drawdown	-	10,000	25-Sep-20	21-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal quarterly instalments commencing from 25 months from date of drawdown	6,273	8,333	27-Jun-22	30-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve quarterly instalments Commencing from 25th month from date of drawdown	25,000	25,000	09-Mar-22	09-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal quarterly instalments commencing from 21st month from date of drawdown	1,616	6,616	02-Aug-21	02-May-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight equal quarterly instalments commencing from 15th month from date of drawdown	-	1,250	18-Aug-20	16-Nov-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in sixteen quarterly instalments with a holiday period of 1 year from the drawdown date.	19,403	31,250	28-Aug-22	28-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly instalments after the moratorium period of 24 months from the drawdown date	-	8,331	31-Aug-20	31-Aug-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten equal quarterly instalments starting from 21st month from drawdown date	9,699	39,699	24-Sep-21	26-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight half yearly instalments commencing after initial moratorium period of 12 months	7,237	11,250	30-Sep-22	26-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve monthly instalments, first 11 of 20.83 crore each and the 12th instalment of 20.87 crore post holiday period of 24 months from drawdown date	-	12,500	18-Sep-20	18-Oct-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	-	10,000	18-Sep-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight half yearly instalments commencing after 12th month from the drawdown date	3,173	3,750	30-Sep-22	26-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly instalments commencing from 21st month from the date of drawdown	3,440	10,940	06-Oct-21	06-Jul-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight equal quarterly instalments commencing after a moratorium of 2 years from the date of drawdown	10,888	10,000	17-Sep-21	18-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly instalments commencing after a moratorium period of 24 months from the date of drawdown	-	12,500	30-Nov-20	31-Dec-19

Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

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(Currency : Rs in lakhs)

First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly instalments commencing from 21st month from the date of drawdown	1,720	4,720	21-Dec-21	21-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly instalments commencing from 21st month from the date of drawdown	3,440	9,440	27-Dec-21	27-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in sixteen equal quarterly instalments commencing from 13th month of drawdown date	22,645	37,500	28-Dec-22	28-Nov-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly instalments commencing after moratorium of 24 months from the date of drawdown	-	8,233	30-Nov-20	31-Dec-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in ten quarterly instalments commencing from 21st month from the date of drawdown.	12,349	27,349	11-Feb-22	11-Nov-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in nineteen quarterly instalments commencing after a moratorium period of 3 months from the date of drawdown	8,645	12,632	28-Feb-23	31-Aug-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in six equal half yearly instalments with moratorium period of one year from drawdown date	16,124	25,000	31-Mar-22	30-Sep-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in twelve equal monthly instalments commencing post moratorium period of 2 years from the drawdown date	2,291	5,000	31-Aug-21	31-Mar-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in eight quarterly instalments commencing after a moratorium period of 12 months from the date of first disbursement	-	18,750	26-Mar-21	28-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment in equal half yearly instalments	3,750	6,250	20-Apr-22	20-Oct-18
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in two years from drawdown date	-	20,000	26-Jun-20	26-Jun-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in three years from drawdown date	30,000	30,000	10-Aug-21	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principle to be repaid in 18 quarterly instalment after moratorium period of 6 months from the date of 1st drawdown	1,33,334	1,66,667	31-Oct-23	31-Jul-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principle to be repaid in 12 quarterly instalment of Rs. 41.67 Crs after moratorium period of 6 months from the date of 1st drawdown	29,111	37,499	26-May-22	26-Aug-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principle to be repaid in 16 quarterly instalment of Rs. 6.23 Crs after moratorium period of 3 months from the date of 1st drawdown	12,488	16,250	27-Mar-23	27-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principal to be repaid in 47 equal monthly instalment of Rs. 10.42 Crs each and 48th installment of Rs. 10.50 Crs after drawdown.	21,141	34,687	29-Dec-22	29-Jan-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 6 equal semi annual instalment after 12 months from drawdown date	14,293	20,000	31-Dec-22	30-Jun-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 35 months from drawdown date	8,281	16,600	31-Dec-21	29-Feb-20

(Currency : Rs in lakhs)

First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of principal to be repaid in 47 equal monthly instalment of Rs. 10.42 Crs each and 48th installment of Rs. 10.50 Crs after drawdown	22,183	35,729	02-Feb-23	02-Mar-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayment of Principle to be repaid in 12 equal quarter instalment of Rs. 25 Crs after moratorium period of the 2 years from the date of drawdown	29,979	30,000	31-Mar-24	30-Jun-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 4 year from drawdown date	6,078	9,411	26-Mar-23	26-Sep-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 84 months from drawdown date	67,500	67,500	17-May-26	17-Jun-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 24 months from drawdown date	-	23,000	28-Jun-21	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 472 days from drawdown date	-	25,000	05-Oct-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 472 days from drawdown date	-	20,000	05-Oct-20	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	-	23,000	08-Jan-21	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 equal quarterly installments fter the moratorium period of 6 months from the drawdown date	39,935	50,000	24-Sep-24	29-Jun-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 60 months in 9 equal half yearly installments commencing after initial moratorium of 6 months	23,081	30,000	19-Sep-24	16-Sep-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	-	11,500	28-May-21	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Term Loan to be repaid in 19 equal quarterly installments starting from 1 quarter from date of first disbursement.	42,107	50,000	30-Sep-24	30-Sep-20
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Term Loan repayment in 16 equal quarterly installments commencing from 12 month.	39,319	40,000	26-Dec-24	26-Mar-21
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 194 months from drawdown date	7,694	18,415	31-Aug-35	11-Oct-19
Specific loan cash flows & underlying that are part of the Assignment pool	Repayable in 362 months from drawdown date	13,539	33,475	20-Jul-49	20-Nov-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 85 months from drawdown date	49,988	50,000	30-Jan-27	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	-	17,500	06-Jul-21	06-Jul-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 24 months from drawdown date	-	2,400	20-Jan-22	20-Jan-22
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	-	15,900	03-Sep-21	03-Sep-21

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First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 24 months from drawdown date	25,000	25,000	04-Mar-22	04-Mar-22
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 60 months from drawdown date	5,000	5,000	13-Mar-25	13-Jun-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	30,000	30,000	16-Sep-21	16-Sep-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 20 equal quarterly instalments after the moratorium period of 24 months from the drawdown date	20,874	20,000	31-Mar-27	17-Jun-22
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Term Loan repayment in 24 quarterly installments post moratorium period of 1 year.	2,50,000	-	04-Apr-27	04-Jul-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Term Loan repayment in 24 quarterly installments post moratorium period of 1 year.	50,000	-	04-Apr-27	04-Jul-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Term Loan repayment in 24 quarterly installments post moratorium period of 1 year.	50,000	-	03-Apr-25	04-Jul-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Term Loan Repayment in 16 equal quarterly installments post moratorium period of 1 year.	49,999	-	03-Apr-25	03-Jul-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 24 months from drawdown date	23,000	-	20-May-22	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 60 months from drawdown date	10,000	-	31-Aug-25	30-Nov-21
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	6,500	-	18-May-22	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 60 months from drawdown date	5,000	-	11-Dec-25	11-Mar-22
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	11,000	-	23-Jun-22	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 60 months including moratorium period of 1 year and post that payable in 16 equal quarterly instalments.	35,000	-	28-Dec-25	28-Mar-22
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 18 months from drawdown date	16,700	-	11-Jul-22	NA
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	Repayable in 20 equal quarterly instalments.	75,000	-	30-Mar-26	30-Jun-21

The rate of interest for the above loans are in the range of 7.35% to 12.50% per annum

Piramal Capital & Housing Finance Limited

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Notes to the Financial Statements (Continued)

as at March 31, 2021

(Currency : Rs in lakhs)

14. Borrowings (Other than Debt Securities)

B.2. Foreign Currency Non Repatriable Loans:

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2021	Principal Outstanding as at March 31, 2020	Maturity Due Date	First Instalment payment date
First pari-passu charge on the standard assets including receivables present and future	Repayable in 65 months from drawdown date	26,132	26,132	08-Nov-24	NA
First pari-passu charge on the standard assets including receivables present and future	Repayable in 53 months from drawdown date	26,132	26,132	08-Nov-23	NA

The rate of interest for the above loans is 9.30% per annum

B.3. Term Loan from others:

Nature of Security	Terms of repayment	Principal Outstanding as at March 31, 2021	Principal Outstanding as at March 31, 2020	Maturity Due Date	First Instalment payment date
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 29 months from drawdown date	41,950	1,41,402	15-Apr-21	15-Oct-19
Specific loan cash flows & underlying that are part of the PTC pool	Repayable in 105 months from drawdown date	25,139	57,710	20-Feb-28	20-Nov-19
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book	Repayable in 365 days from drawdown date	-	5,000	30-Jul-20	NA

The rate of interest for the above loans are in the range of 8.9% to 10.50% per annum

B.4. Working Capital Demand Loan/short term borrowings (secured) from bank:

Nature of Security	Principal Outstanding as at March 31, 2021	Principal Outstanding as at March 31, 2020
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	20,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	10,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	10,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	1,480
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	7,500
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	2,417
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	7,500
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	5,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	20,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	1,20,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	-	1,60,000
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	4,999	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	25,000	-
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book debts ,present and future	20,000	-

The rate of interest for the above loans are in the range of 7.40% to 9.00% per annum

Piramal Capital & Housing Finance Limited
(formerly known as Piramal Housing Finance Limited)

Notes to the Financial Statements (Continued)
as at March 31, 2021

(Currency : Rs in lakhs)

B.5. Working Capital Demand Loan/short term borrowings (secured)- from others:

Nature of Security	Principal Outstanding as at March 31, 2021	Principal Outstanding as at March 31, 2020
First pari-passu charge by way of hypothecation on the standard moveable assets including receivables and book	-	1,20,000

The rate of interest for the above loans is 10,50% per annum

B.6. Commercial Paper

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2021	Principal Outstanding as at March 31, 2020	Maturity Due Date
Commercial Paper	Repayable within 365 days from date of disbursement	3,000	-	Various

15. Intercorporate Deposit :
Intercorporate deposit from related party (Unsecured)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2021	Principal Outstanding as at March 31, 2020	Maturity Due Date	First Instalment payment date
Intercorporate Deposit	Repayable in Eighteen months from drawdown date	2,66,600	1,60,000	25-Jun-25	NA

The rate of interest for the above loans is 7.60% per annum

16. Subordinated Liabilities :
Redeemable Non Convertible Debentures (unsecured)

Particulars	Terms of Repayment	Principal Outstanding as at March 31, 2021	Principal Outstanding as at March 31, 2020	Maturity Due Date	First Instalment payment date
5,000 (payable annually) 9.55% Unsecured, Subordinated, Tier II, Rated, Listed, Redeemable Non Convertible Debentures (NCD's) each having face value of Rs. 10,00,000	The NCD's are repayable after 10 years from the date of allotment	50,000	50,000	08-Mar-27	NA

The rate of interest for the above loans is 9.55% per annum

		As at March 31, 2021	As at March 31, 2020
17	**Other financial liabilities**		
	Lease liability	4,824	5,438
	Payable to employees	4,859	5,801
	Forward Contract Payable (refer note 45)	579	-
	Total	**10,262**	11,239
18	**Current tax liabilities**		
	Net provision for tax (net of advance tax of Rs. 3,484/-, 31 March 2020 Rs.3,484/-)	78	78
	Total	**78**	78
19	**Provisions**		
	Provision for Employee Benefits		
	Gratuity (refer Note 41)	(38)	1,158
	Compensated absence	806	802
	Allowance for impairment on commitments (refer note 37 (b) and 44.3(b))	9,023	16,828
	Total provisions	**9,791**	18,788
20	**Other non- financial liabilities**		
	Statutory dues payable	1,132	948
	Advance received	1,833	3
	Total	**2,965**	951

(Currency : Rs in lakhs)

	As at March 31, 2021	As at March 31, 2020

21 Equity Share Capital

Authorized share capital:		
Opening balance:	25,00,000	25,00,000
25,000,000,000 (31 March 2020: 25,000,000,000) equity shares of INR 10 each		
Additions during the year	-	-
Total	**25,00,000**	**25,00,000**

Note- The Company has increased its Authorised Share Capital to Rs. 19,99,800 lakhs w.e.f. May 02, 2018. Thus, w.e.f. the Effective Date, i.e. May 23, 2018, the Authorised Share Capital of the Company shall be Rs 2,500,000 lakhs.

Issued, subscribed and paid up capital:		
Opening balance	19,28,372	18,04,452
Add: issued during the year	0	1,23,920
Total	19,28,372	19,28,371.83970

(i) There is capital infusion by the holding company of Rs. 50,000 lakhs and Rs.90,000 lakhs on 29 July 2019 and 31 March 2020 respectively. The Company has issued 454,545,454 number of equity share of Rs.10 each at a premium of Rs.1 per share, issue price being Rs.11 per share on 29 July 2019. Further, the Company has issued 784,655,623 number of equity share of Rs.10 each at a premium of Rs.1.47 per share, issue price being Rs.11.47 per share on 31 March 2020 for consideration other than cash.
(ii) 18,04,452 equity share of INR 10 each issued as fully paid for consideration other than cash on account of amalgamation. (refer note 39)

Particulars of shareholder holding more than 5% shares

Name of the shareholder	March 31, 2021	March 31, 2020
Piramal Enterprises Limited (100% holding company)	19,28,372	19,28,372

Rights, preferences and restrictions attached to shares

Equity shares
The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled for one vote per share. There are no restriction on payment of dividend to equity shareholders. Upon winding up of the company, the holders of equity share will be entitled to receive balance assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

22 Other equity

Capital Reserve (refer note 22.1)	3	3
Securities Premium (refer note 22.2)	16,080	16,080
Cash flow hedging reserve (refer note 22.3)	(1,596)	(1,449)
Statutory reserve fund (refer note 22.4)	50,150	29,461
Retained earnings (refer note 22.5)	1,55,655	72,688
Total	**2,20,292**	**1,16,783**

(Currency : Rs in lakhs)

		As at March 31, 2021	As at March 31, 2020
22.1	**Capital reserve**		
	Opening balance (refer note 39)	3	3
	Addition during the year	-	-
	Closing Balance	**3**	**3**
22.2	**Securities Premium**		
	Opening balance	16,080	-
	Addition during the year	-	16,080
	Closing Balance	**16,080**	**16,080**

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

22.3	**Cash flow hedging reserve**		
	Opening Balance	(1,449)	-
	Addition during the year (refer note 45)	(147)	(1,449)
	Closing Balance	**(1,596)**	(1,449)

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated with variable interest rate borrowings as described within note 14. For hedging foreign currency risk, the Company uses foreign currency forward contracts, which are designated as cash flow hedges. For hedging interest rate risk, the Company uses interest rate swaps which is also designated as cash flow hedges. To the extent these hedges are effective; the changes in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss (e.g. interest payments).

22.4	**Statutory reserve fund**		
	Reserve fund U/s 29C of the NHB Act, 1987		
	Opening Balance	29,461	28,852
	Addition during the year	20,689	610
	Closing Balance	**50,150**	**29,461**

Reserve Fund is required to be maintained u/s 29C of the NHB Act, 1987 for Housing Finance Companies. During the year ended 31 March 2021, the Company has transferred an amount of Rs. 20,689 lakhs (31 March 2020 Rs. 609 lakhs), being 20% of profit after tax.

22.5	**Retained earnings**		
	Opening Balance	72,688	1,19,778
	Add: Reversal of lease equalisation balance	0	144
	Net profit for the year	1,03,444	3,048
	Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	211	(4)
	Less: Dividend paid (including DDT)	-	(49,668)
	Less: Transfer to statutory reserve fund	(20,689)	(610)
	Closing Balance	**1,55,655**	**72,688**

Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve and dividends paid to investors. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirely.

Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2021

(Currency : Rs in lakhs)

		For the year ended March 31, 2021	For the year ended March 31, 2020
	Revenue from operations		
23	**Interest income**		
	Interest income on financial assets measured at amortised cost:		
	- on investments	90,609	1,15,079
	- on loans and advances	3,64,342	4,15,225
	Interest income- on investments mandatorily measured at FVTPL	48,905	19,514
	Interest income on Fixed deposits	3,173	7,136
	Total Interest income	**5,07,029**	5,56,954
24	**Fees and commission Income**		
	- processing / arranger fees	505	2,127
	Total Fees and commission Income	**505**	2,127
25	**Others**		
	Short term capital gain on mutual fund	475	1,153
	Total others	**475**	1,153
	Total	**5,08,010**	5,60,234
26	**Other income**		
	Other non-operating income	625	1,860
	Total other income	**625**	1,860
	Expenses		
27	**Finance cost**		
	Interest expense on financial liabilities measured at amortised cost:		
	Interest on deposits	17,044	20,726
	Interest on borrowings	1,99,515	2,34,927
	Interest on debt securities	61,393	54,565
	Interest on subordinated liabilities	4,869	4,788
		2,82,821	3,15,006
28	**Fees and commission expense**		
	Other borrowing cost	11,094	17,842
		11,094	17,842

Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2021

(Currency : Rs in lakhs)

		For the year ended March 31, 2021	For the year ended March 31, 2020
29	**Net loss on fair value changes**		
	Loss on loans and investments measured at FVTPL	11,872	5,103
		11,872	5,103
30	**Employee benefits expense**		
	Salaries and wages	12,403	19,197
	Contribution to provident and other funds	575	716
	Provision for leave encashment	130	197
	Staff welfare expenses	86	485
	Provision for gratuity	313	297
		13,507	20,892
31 (a)	**Net loss on derecognition of financial instruments-under amortised cost category**		
	Loss on derecognition of financial assets	14,391	198
		14,391	**198**
31 (b)	**Impairment on financial instruments**		
	On Financial instruments measured at Amortised Cost		
	Loans	(5,845)	74,483
	Investments	5,626	34,951
	Commitments	(7,805)	8,135
		(8,024)	1,17,569
32	**Other expenses**		
	Corporate social responsibility expenses (refer note 51)	1,761	4,600
	Contribution to electoral trust	-	1,000
	Rent (refer note 35)	476	441
	Travelling and conveyance	76	793
	Legal and professional fees	13,794	8,100
	Royalty	3,994	2,286
	Electricity expense	155	276
	Repairs and maintenance	755	1,179
	Business promotion and advertisement expenses	1,233	1,261
	Postage and communication	147	229
	Printing and stationery	59	99
	Other expenses	3,596	1,818
	Payments to auditors		
	- as auditor	59	57
	- for other services	76	47
	- for reimbursement of expenses	3	7
		26,184	22,193

(Currency : Rs in lakhs)

33 Income Taxes

a. Recognised in the statement of profit and loss

	Year ended March 31, 2021	Year ended March 31, 2020
Current Tax		
In respect of the current year	**5,028**	-
In respect of the previous years	**-**	954
Deferred Tax		
In respect of the current year	**45,551**	18,899
Tax effect- on account of new tax regime being opted	**-**	37,286
Total	**50,579**	**57,139**

b. The income tax expense for the year can be reconciled to the accounting profit as follows:

			Effective tax rate reconciliation	
	Year ended March 31, 2021	Year ended March 31, 2020	**Year ended March 31, 2021**	Year ended March 31, 2020
Profit before tax from continuing operations	1,54,023	60,187		
Income tax expense calculated at 25.17% (previous year at 25.17%)	38,768	15,149	25.17%	25.17%
Tax effect:				
Effect of expenses that are not deductible in determining taxable profit -				
Donation	947	1,410	0.61%	2.34%
Interest on TDS	12	0	0.01%	0.00%
Non deductibility of goodwill for purposes of computing business income	1,26,538	0	82.16%	0.00%
Deductible temporary difference on account of capital gains basis for unamortized goodwill	(1,15,026)	0	-74.68%	0.00%
Effect of difference in amortised cost and carrying amount of loan portfolio	(589)	2,340	-0.38%	3.89%
Tax provision for prior years	-	954	0.00%	1.59%
Effect of change in deferred tax rate on opening balance (current year - nil ,previous year at 25.168% from 34.944%)	-	(13,174)	0.00%	-21.89%
MAT credit written off	-	50,461	0.00%	83.84%
Reclass to Other comprehensive income for remeasurement of defined benefit obligation	(71)	-	-0.05%	0.00%
Effect of ETR				
Income tax expense recognised in the statement of profit and loss	**50,579**	57,139	**32.84%**	94.94%
Effective Tax Rate	**32.84%**	94.94%		

Note:
The tax rate used for the reconciliations above is the corporate tax rate of 25.168% (as per new tax regime) for the year 2020-21 and 25.168% (as per new tax regime) for the year 2019-20 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

(Currency : Rs in lakhs)

34 Earnings per share (EPS)

Basic and diluted EPS is computed in accordance with Ind AS 33 'Earnings Per Share' specified under section 133 of the Companies Act 2013.

The computation of earnings per share is set out below:

Description	**As at March 31, 2021**	As at March 31, 2020
Net profit/ loss attributable to equity shareholders	**1,03,444**	3,048
Weighted average number of equity shares outstanding during the year for calculation of EPS	**19,28,37,18,397**	18,35,34,17,273
Basic and Diluted EPS of face value of INR 10	**0.54**	0.02

The basic and diluted EPS is same as there are no potential dilutive equity shares.

35 Lease disclosure as lessee

Ind AS 116 introduced a single, on balance sheet accounting model for lessees. As a result, the Company, as a lessee, has recognised the right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligations to make lease payments.

At transition, for leases classified as operating leases under Ind AS 17, lease liabilities were measured at the present value of the outstanding lease payments, discounted at the Company's incremental borrowing rate as at April 01, 2019. The respective right-of-use asset was recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid/advance lease payments or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

The Company's significant operating lease arrangements are mainly in respect of office/branch premises. These lease arrangements are for a period exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms. Details for the operating lease as lessee are as under:

Right-of-use assets

Right-of-use assets related to lease properties

Land & Buildings	**As at March 31, 2021**	As at March 31, 2020
Particulars		
Opening Balance	5,071	8,562
Depreciation charge for the year	1,657	2,115
Addition to right-of-use assets	950	-
Derecognition of right-of-use assets	248	1,376
Closing Balance	**4,116**	5,071

Amount recognised in statement of profit and loss - Lease under Ind AS - 116

	As at March 31, 2021	As at March 31, 2020
Interest on lease liabilities	685	629
Income from sub-leasing right-of-use assets presented in 'Other Revenue'	-	-
Expenses Related to short-term lease	278	22
Expenses related to leases of low-value assets, excluding short-term lease of low-value assets	-	-

Amount recognised in the statement of cash flow

	As at March 31, 2021	As at March 31, 2020
Total Cashflow for lease	2,001	2,377

Contractual maturities of lease liabilities on an undiscounted basis

	As at March 31, 2021	As at March 31, 2020
Less than 1 year	1,290	1,210
1-3 years	2,374	2,264
3-5 years	628	1,155
More than 5 years	532	808

(Currency : Rs in lakhs)

36 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with company including confirmations sought from suppliers on registration with specified authority under MSMED, the amount of principal and interest outstanding during the year is given below.

Particulars	**As at March 31, 2021**	As at March 31, 2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	8	39
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0	1
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	247	240
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	4	4
Further interest remaining due and payable for earlier years	-	-

(Currency : Rs in lakhs)

37(a) Contingent liabilities

Particulars	March 31, 2021	March 31, 2020
Claim against the Company not acknowledged as debt		
Dues towards Income Tax for AY 2014-2015	**34**	34
Dues towards Income Tax for AY 2015-2016	**-**	-
Dues towards Income Tax for AY 2017-2018	**5,534**	5,534
Dues towards Income Tax for AY 2018-2019	**511**	511
Dues towards Income Tax for AY 2019-2020	**510**	510
Dues towards Income Tax for AY 2020-2021	**1,268**	1,268
Letter of Comfort issued by the Company	**-**	75

The Company is of the view that the above demands may not devolve on the Company and hence no provision has been made.

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At year end the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of accounts.

The Company has also reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results

The Company has given letter of comfort to unrelated parties in relation to to borrowing from banks. The term of the contract contains a minimum compensation payment to unrelated parties in the event of default.

37(b) Capital commitment

Particulars	March 31, 2021	March 31, 2020
Undisbursed loan commitments	**-**	1,35,410
Total	**-**	1,35,410

The undisbursed loan commitments represents the undrawn limits of the facilities sanctioned that are non-cancellable at sole and absolute discretion of the Company.

38(a) Segment reporting

The chief operational decision maker monitors its principle business segment i.e. 'financing segment' for the purpose of making decision about resource allocation and performance assessment. The Company is operating in a single reportable and geographical segment in accordance with Ind AS 108 - Operating Segments as notified u/s 133 of the Companies Act, 2013 and accordingly the same is not applicable to the Company.

(Currency : Rs in lakhs)

38(b) Significant transactions during the year

(i) During the year, the Company has acquired a portion of lending portfolio comprising of loan portfolio of Rs. 38,842 lakhs (31 March 2020- Rs.189,708 lakhs) from its parent company, Piramal Enterprises Limited and acquired a portion of loan portfolio of Rs 486,547 lakhs (31 March 2020- Rs.193,788 lakhs) from its fellow subsidiary PHL Fininvest Private Limited.

Further, the Company has transfered a portion of loan portfolio of Rs 376,223 lakhs (31 March 2020- Rs.516,430 lakhs) to PHL Fininvest Private Limited and of Rs Nil lakhs (31 March 2020- Rs.79,370 lakhs) to its fellow subsidiary Piramal Fund Management Private Limited.

(ii) During the year, the Company has taken inter-corporate deposit from its holding company Piramal Enterprises Limited of Rs. Nil (31 March 2020-Rs. 90,000 lakhs) which has been repaid by way of allotment of Nil (31 March 2020-784,655,623 equity shares) of Rs 10 each.

(iii) During the year, the Administrator of Dewan Housing Finance Corporation Limited ('DHFL') vide Letter of Intent ('LOI') dated 22nd January, 2021, has intimated that the Committee of Creditors of DHFL have declared Piramal Capital & Housing Finance Limited ('PCHFL'), wholly owned subsidiary of the Company, as the Successful Resolution Applicant in relation to the Corporate Insolvency Resolution Process of DHFL under the Insolvency & Bankruptcy Code, 2016 and identified the resolution plan submitted by PCHFL, as the Successful Resolution Plan. PCHFL has received fit and proper approval from the Reserve Bank of India dated 16th February, 2021 and approval from Competition Commission of India for the acquisition of DHFL dated 12th April, 2021. An application has been submitted to NCLT for the approval of the resolution plan. The implementation of the resolution plan is subject to the terms of the LOI and other applicable regulatory approvals.

(iv) The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, announced a scheme for COVID-19 Relief for grant of exgratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium as per RBI regulatory package was availed or not. The Company has implemented the Scheme and credited the accounts of or remitted amounts to the eligible borrowers as per the Scheme, amounting to Rs. 188 lakhs. The Company has filed its claim for the ex-gratia with State Bank of India as per the Scheme and has received an amount of Rs. 188 lakhs as on March 31, 2021.

(v) RBI circular dated April 7, 2021 advised all lending institutions to put in place a Board-approved policy to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. March 01, 2020 to August 31, 2020 in conformity with the Supreme Court judgement dated March 23, 2021 ("Supreme Court judgement"). Further, the circular stated that in order to ensure that the Supreme Court judgement is implemented uniformly in letter and spirit by all lending institutions, methodology for calculation of the amount to be refunded/adjusted for different facilities shall be finalised by the Indian Banks Association ("IBA") in consultation with other industry participants/bodies, which shall be adopted by all lending institutions and also advised all lending institutions to disclose the aggregate amount to be refunded/adjusted in respect of their borrowers based on the above reliefs in their financial results for the year ended March 31, 2021. As per the IBA clarification, the Company has estimated the said amount and recognised a reversal in its Statement of Profit and Loss Account for the year ended March 31, 2021.

39 Amalgamation of Piramal Finance Limited and Piramal Capital Limited with Piramal Housing Finance Limited erstwhile Piramal Housing Finance Private Limited

1 The Board of Directors of Piramal Capital Limited (PCL) and the board of Directors of and Piramal Finance Limited (PFL) had at their respective meetings held on October 12, 2017, had approved the Scheme of Amalgamation ("Scheme") of PFL and PCL (together referred as "Transferor Companies") with Piramal Housing Finance Limited (PHFL) (referred as "Transferee Company") effective from March 31, 2018 ("Appointed date"). The National Company Law Tribunal , Mumbai Bench ("NCLT") at its hearing held on April 06, 2018, have sanctioned the Scheme of Amalgamation of the Transferor Companies PFL and PCL with the Transferee Company PHFL. The certified copy of the NCLT,sanctioning the Scheme was filed with the Registrar of Companies, Maharashtra, Mumbai on May 23, 2018 (the "Effective Date").

In accordance with the said Scheme and as per the approval of the National Company Law Tribunal :

a) The amalgamation has been accounted for under the "Purchase Method" as prescribed by AS 14 - Accounting for Amalgamations as specified under section 133 of the Companies Act 2013 and as per the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these financial statements. All assets, liabilities, rights and obligations, income and expenditure of the Transferor Companies stand transferred to and vested in the Transferee Company.

b) The purchase consideration of Rs 1,804,452 lakhs for acquisition of Transferor Companies is being discharged by way of issue of 18,044,517,320 equity shares of Rs 10/- each at face value per share to the shareholder of PFL and PCL as per following share exchange ratio (without payment being received in cash).

i) 483 equity shares of face value of Rs. 10 each for every 100 equity shares of face value of Rs. 10 each held in PFL pre amalgamation.

ii) 1 equity shares of face value of Rs. 10 each for every 5 equity shares of face value of Rs. 2 each held in PCL pre amalgamation.

iii) Pending allotment, the face value of such shares has been shown as "Equity Share Suspense". The said shares have been allotted on the Effective Date.

2 Consequent to the Scheme becoming effective, net assets of Transferor Companies aggregating to Rs. 783,027 lakhs as at the Appointed date have been transferred to the Transferee Company at their respective fair values as determined by an independent Valuer. The balance amount of Rs 1,021,428 lakhs has been recorded as goodwill on amalgamation and Rs. 3 lakhs as capital reserve.

3 The Company has increased its Authorised Share Capital to Rs. 19,99,800 lakhs w.e.f. May 02, 2018. Thus, w.e.f. the Effective Date, i.e. May 23, 2018, the Authorised Share Capital of the Company shall be Rs 2,500,000 lakhs.

Break down of the purchase consideration into net assets and goodwill is as under:

(Rs. in Lakhs)

	Particulars	PFL	PCL	Total
I.	**Consideration paid for acquisition**	**18,04,252**	**200**	**18,04,452**
II.	**Net assets acquired on Appointed date**	**7,82,824**	**203**	**7,83,027**
III.	**Goodwill (I - II)**	**10,21,428**	**(3)**	**10,21,425**

4 The amalgamation has been accounted under the "Purchase Method" as prescribed by AS 14 - Accounting for Amalgamations as specified under section 133 of the Companies Act 2013 and as per the specific provisions of the Scheme. If the same would have been accounted as per IndAS 103 - Business Combinations, results would have been different.

(Currency : Rs in lakhs)

40 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures.

List of Related Parties

A. Holding companies

Piramal Enterprises Limited

B. Fellow subsidiaries

Piramal Fund Management Private Limited
PHL Fininvest Private Limited
Piramal Securities Limited
Piramal Investment Advisory Services Private Limited
Piramal Finance Sales & Services Pvt. Ltd.
Piramal Pharma Limited

C. Other related parties where common control exists

Aasan Corporate Solutions Private Limited
Brickex Advisors Private Limited
Gopikrishna Piramal Memorial Hospital
Piramal Corporate Services Private Limited
Piramal Foundation for Educational Leadership
Piramal Swasthya Management & Research Institute
Piramal Trusteeship Services Private Limited
Piramal Udgam Data Management Solution

D. Key Management Personnel

Mr. Khushru Jijina

E Non-Executive/Independent Directors

Mr. Deepak Satwalekar
Mr. Suhail Nathani
Mr. Harish Engineer (upto 31 Dec 2019)
Mr. Gautam Doshi

40 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures. (Continued)

F. Details of transactions with related parties

Details of Transactions	Holding Company		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Rent paid										
- Piramal Enterprises Limited	-	1	-	-	-	-	-	-	-	1
- Aasan Corporate Solutions Private Limited	-	-	-	-	1,300	1,569	-	-	1,300	1,569
-Gopikrishna Piramal Memorial Hospital	-	-	-	-	-	15	-	-	-	15
TOTAL	**-**	**1**	**-**	**-**	**1,300**	**1,584**	**-**	**-**	**1,300**	**1,585**
Roayalty Paid										
- Piramal Corporate Services Limited	-	-	-	-	3,995	**2,285**		-	3,995	2,285
TOTAL	**-**	**-**	**-**	**-**	**3,995**	**2,285**	**-**	**-**	**3,995**	**2,285**
Donation Given										
- Piramal Foundation for Educational Leadership	-	-	-	-	2,503	3,259	-	-	2,503	3,259
- Piramal Swasthya Management & Research Institute	-	-	-	-		1,341	-	-	-	1,341
TOTAL	**-**	**-**	**-**	**-**	**2,503**	**4,600**	**-**	**-**	**2,503**	**4,600**
Other Borrowing Cost										
- Piramal Enterprises Limited	4,586	1,319	-	-	-	-	-	-	4,586	1,319
TOTAL	**4,586**	**1,319**	**-**	**-**	**-**	**-**	**-**	**-**	**4,586**	**1,319**
Arranger Fees for downselling of Assets										
- Piramal Investment Advisory Services Private Limited	-	-	-	109	-	-	-	-	-	109
- Piramal Securities Limited	-	-	1,098	-	-	-	-	-	1,098	-
TOTAL	**-**	**-**	**1,098**	**109**	**-**	**-**	**-**	**-**	**1,098**	**109**
Fees Paid										
- Piramal Trusteeship Services Pvt. Ltd.	-	-		-	**3**	9	-	-	3	9
- Piramal Fund Management Private Limited	-	-	**790**	-	-	-	-	-	790	-
- Piramal Finance Sales & Services Pvt. Ltd.	-	-	**373**	-	-	-	-	-	373	-
TOTAL	**-**	**-**	**1,163**	**-**	**3**	**9**	**-**	**-**	**1,166**	**9**
Reimbursement of relocation Expenses by Aasan										
- Aasan Corporate Solutions Private Limited	-	-	-	-	-	175	-	-	-	175
TOTAL	**-**	**-**	**-**	**-**	**-**	**175**	**-**	**-**	**-**	**175**
Reimbursement of expenses										
- Aasan Corporate Solutions Private Limited	-	-	-	-	35	102	-	-	35	102
- Piramal Trusteeship Services Pvt. Ltd.	-	-	-	-	-	0	-	-	-	0
- Brickex Advisors Private Limited	-	-	-	-	2,176	947	-	-	2,176	947
- Piramal Enterprises Limited	15	35	-	-	-	-	-	-	15	35
- Piramal Pharma Limited	-	-	3	-	-	-	-	-	3	-
TOTAL	**15**	**35**	**3**	**-**	**2,211**	**1,049**	**-**	**-**	**2,230**	**1,084**

40 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures. (Continued)

F. Details of transactions with related parties

Details of Transactions	Holding Company		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Remuneration to KMP										
- Mr. Khushru Jijina	-	-	-	-	-	-	620	994	620	994
-Sitting Fees paid to Non-Executive/Independent Directors	-	-	-	-	-	-	28	17	28	17
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**648**	**1,011**	**648**	**1,011**
Loan to relative of KMP										
- Mrs. Binaifer Khushru Jijina	-	-	-	-	-	-	-	**800**	-	800
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**800**	**-**	**800**
Asset Trnasfer										
- PHL Fininvest Pvt. Ltd.	-	-	-	9	-	-	-	-	-	9
TOTAL	**-**	**-**	**-**	**9**	**-**	**-**	**-**	**-**	**-**	**9**
Interest paid										
- Piramal Enterprises Limited	19,494	4,125	-	-	-	-	-	-	19,494	4,125
- PHL Fininvest Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-
TOTAL	**19,494**	**4,125**	**-**	**-**	**-**	**-**	**-**	**-**	**19,494**	**4,125**
Interest Received										
- Piramal Enterprises Limited	570	7,240	-	-	-	-	-	-	570	7,240
- PHL Fininvest Pvt. Ltd.	-	-	12,545	6,391	-	-	-	-	12,545	6,391
- Piramal Fund Management Private Limited	-	-	565	-	-	-	-	-	565	-
- Piramal Investment Advisory Services Private Limited	-	-	2,680	-	-	-	-	-	2,680	-
- Piramal Asset Management Private Limited	-	-	19	-	-	-	-	-	19	-
- Mrs. Binaifer Khushru Jijina	-	-	-	-	-	-	-	22	-	22
TOTAL	**570**	**7,240**	**15,810**	**6,391**	**-**	**-**	**-**	**22**	**16,379**	**13,653**
Interim Dividend paid										
- Piramal Enterprises Limited	-	49,669	-	-	-	-	-	-	-	49,669
TOTAL	**-**	**49,669**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**49,669**
Lease Rent Income										
- PHL Fininvest Pvt. Ltd.	-	-	75	83	-	-	-	-	75	83
- Piramal Securities Ltd	-	-	81	89	-	-	-	-	81	89
TOTAL	**-**	**-**	**155**	**172**	**-**	**-**	**-**	**-**	**155**	**172**

40 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures. (Continued)

F. Details of transactions with related parties. (Continued)

Details of Transactions	Holding Company		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Equity Infusion										
- Piramal Enterprises Limited	-	1,23,920	-	-	-	-	-	-	-	1,23,920
TOTAL	**-**	**1,23,920**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,23,920**
Share Premium on issuance of Share										
- Piramal Enterprises Limited	-	16,080	-	-	-	-	-	-	-	16,080
TOTAL	**-**	**16,080**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**16,080**
ICD repaid										
- Piramal Enterprises Limited	**2,01,900**	**12,44,500**	-	-	-	-	-	-	2,01,900	12,44,500
TOTAL	**2,01,900**	**12,44,500**	**-**	**-**	**-**	**-**	**-**	**-**	**2,01,900**	**12,44,500**
ICD taken										
- Piramal Enterprises Limited	3,08,500	14,04,500	-	-	-	-	-	-	3,08,500	14,04,500
TOTAL	**3,08,500**	**14,04,500**	**-**	**-**	**-**	**-**	**-**	**-**	**3,08,500**	**14,04,500**
ICD Given										
- Piramal Enterprises Limited	**1,61,550**	**10,16,750**	-	-	-	-	-	-	1,61,550	10,16,750
- PHL Fininvest Pvt. Ltd.	-	-	1,27,300	6,08,360	-	-	-	-	1,27,300	6,08,360
- Piramal Fund Management Private Limited	-	-	26,700	-	-	-	-	-	26,700	-
- Piramal Investment Advisory Services Private Limited	-	-	26,167	-	-	-	-	-	26,167	-
- Piramal Asset Management Private Limited	-	-	900	-	-	-	-	-	900	-
TOTAL	**1,61,550**	**10,16,750**	**1,81,067**	**6,08,360**	**-**	**-**	**-**	**-**	**3,42,617**	**16,25,110**
Repayment of ICD Given										
- Piramal Enterprises Limited	1,61,550	10,16,750	-	-	-	-	-	-	1,61,550	10,16,750
- PHL Fininvest Pvt. Ltd.	-	-	1,51,525	5,13,060	-	-	-	-	1,51,525	5,13,060
- Piramal Fund Management Private Limited	-	-	26,700	-	-	-	-	-	26,700	-
- Piramal Investment Advisory Services Private Limited	-	-	1,327	-	-	-	-	-	1,327	-
- Piramal Asset Management Private Limited	-	-	900	-	-	-	-	-	900	-
TOTAL	**1,61,550**	**10,16,750**	**1,80,452**	**5,13,060**	**-**	**-**	**-**	**-**	**3,42,002**	**15,29,810**
Loan portfolio transferred from										
- Piramal Enterprises Limited	38,842	1,89,708	4,86,547	-	-	-	-	-	5,25,389	1,89,708
- PHL Fininvest Pvt. Ltd.	-	-	-	1,93,788	-	-	-	-	-	1,93,788
TOTAL	**38,842**	**1,89,708**	**4,86,547**	**1,93,788**	**-**	**-**	**-**	**-**	**5,25,389**	**3,83,496**

40 Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures. (Continued)

F. Details of transactions with related parties. (Continued)

Details of Transactions	Holding Company		Fellow subsidiaries		Other Related Parties		Key Management Personnel		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Loan portfolio transferred to										
- PHL Fininvest Pvt. Ltd.	-	-	3,76,223	5,16,414	-	-	-	-	3,76,223	5,16,414
-Piramal Fund Management Pvt. Ltd.	-	-	-	79,370	-	-	-	-	-	79,370
TOTAL	**-**	**-**	**3,76,223**	**5,95,784**	**-**	**-**	**-**	**-**	**3,76,223**	**5,95,784**
Redemption of Investment in NCD - PEL										
- Piramal Enterprises Limited	-	36,414	-	-	-	-	-	-	-	36,414
TOTAL	**-**	**36,414**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**36,414**
NCD Byback										
- Piramal Enterprises Limited	15,000.00	-	-	-	-	-	-	-	15,000	-
TOTAL	**15,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15,000**	**-**
CP Buyback from PEL										
- Piramal Enterprises Limited	-	75,000	-	-	-	-	-	-	-	75,000
TOTAL	**-**	**75,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**75,000**
Security Deposit Refunded										
- Aasan Corporate Solutions Private Limited	-	-	-	-	-	211	-	-	-	211
TOTAL	**-**	**-**	**-**	**-**	**-**	**211**	**-**	**-**	**-**	**211**
Security deposit placed										
- Aasan Corporate Solutions Private Limited	-	-	-	-	-	185	-	-	-	185
TOTAL	**-**	**-**	**-**	**-**	**-**	**185**	**-**	**-**	**-**	**185**
Prepaid Expenses										
- Piramal Enterprises Limited	12	-	-	-	-	-	-	-	12	-
- Piramal Pharma Limited	-	-	10	-	-	-	-	-	10	-
TOTAL	**12**	**-**	**10**	**-**	**-**	**-**	**-**	**-**	**23**	**-**
Payable										
- Piramal Enterprises Limited	2,93,554	1,78,706	-	-	-	-	-	-	2,93,554	1,78,706
- Aasan Corporate Solutions Private Limited	-	-	-	-	10	12		-	10	12
- PHL Fininvest Pvt. Ltd.	-	-	680	380	-	-	-	-	680	380
- Brickex Advisors Private Limited	-	-	-	-	9	-	-	-	9	-
- Piramal Investment Advisory Services Private Limited	-	-	-	108	-	-	-	-	-	108
- Piramal Pharma Limited	-	-	14	-	-	-	-	-	14	-
TOTAL	**2,93,554**	**1,78,706**	**694**	**488**	**295**	**12**	**-**	**-**	**2,94,543**	**1,79,206**
Receivables										
- Aasan Corporate Solutions Private Limited	-	-	-	-	592	592	-	-	592	592
- PHL Fininvest Pvt. Ltd.	-	-	1,15,275	1,39,500	-	-	-	-	1,15,275	1,39,500
- Piramal Investment Advisory Services Private Limited	-	-	24,840	-	-	-	-	-	24,840	-
- Piramal Finance Sales & Services Pvt Ltd.	-	-	20	-	-	-	-	-	20	-
- Brickex Advisors Private Limited	-	-	-	-	91	153	-	-	91	153
TOTAL	**-**	**-**	**1,40,135**	**1,39,500**	**684**	**745**	**-**	**-**	**1,40,818**	**1,40,245**

(Currency : Rs in lakhs)

41 Employee Benefits:

Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2021

The Company has scheme for gratuity as part of post retirement plan. The Company has a defined benefit gratuity plan in India (funded from current year ended March 31, 2021, unfunded for previous year ended March 31, 2020). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a Piramal Capital & Housing Finance Limited Employees Group Gratuity Trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

A. Change in Projected Benefit Obligation

Particulars	**(Funded) Gratuity Year Ended March 31, 2021**	(Non-Funded) Gratuity Year Ended March 31, 2020
Present Value of Benefit Obligation as at beginning of the year	**1,158**	**910**
Interest Cost	**76**	**70**
Current Service Cost	**237**	**224**
Liability transferred in	**-**	-
Benefits paid	**(69)**	(55)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	**(1)**	82
Actuarial (Gains)/Losses on Obligations - Due to Experience	**(172)**	(73)
Present Value of Defined Benefit Obligation as at the end of the year	**1,228**	1,158

B. Fair value of plan assets

Particulars	**(Funded) Gratuity As at March 31, 2021**	(Non-Funded) Gratuity As at March 31, 2020
Fair Value of Plan Assets as at beginning of the year	**-**	-
Interest income	**-**	-
Contributions by the Employer	**1,158**	-
Assets transferred in	**-**	-
Return on Plan Assets, Excluding Interest Income	**109**	-
Fair value of plan assets as at the end of the year	**1,267**	-

C. Amount recognised in the Balance Sheet

Particulars	**(Funded) Gratuity As at March 31, 2021**	(Non-Funded) Gratuity As at March 31, 2020
Present Value of Benefit Obligation at the end of the year	**(1,228)**	(1,158)
Fair Value of Plan Assets at the end of the year	**1,267**	-
Funded Status (surplus/ (deficit))	**38**	(1,158)
Net (Liability)/Asset Recognized in the Balance Sheet	**38**	(1,158)

D. Net interest cost for current year

Particulars	**(Funded) Gratuity Year Ended March 31, 2021**	(Non-Funded) Gratuity Year Ended March 31, 2020
Present Value of Benefit Obligation at the Beginning of the year	**1,158**	910
(Fair Value of Plan Assets at the Beginning of the year)	**-**	-
Net Liability/(Asset) at the Beginning	**1,158**	910
Interest Cost	**76**	70
(Interest Income)	**-**	-
Net Interest Cost for current year	**76**	70

(Currency : Rs in lakhs)

41 Employee Benefits: *(Continued)*

E. Expenses recognised in Statement of Profit and Loss

Particulars	(Funded) Gratuity Year Ended March 31, 2021	(Non-Funded) Gratuity Year Ended March 31, 2020
Current Service Cost	237	224
Interest Cost	76	70
Total Expenses / (Income) recognised in the Statement of Profit and Loss	**313**	293

F. Expenses Recognized in the Other Comprehensive Income (OCI) for current year

Particulars	(Funded) Gratuity Year Ended March 31, 2021	(Non-Funded) Gratuity Year Ended March 31, 2020
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(173)	9
Actuarial (Gains)/Losses on Obligations - Due to Experience	-	-
Actuarial (Gains)/Losses on Obligation due to experience	-	-
Return on Plan Assets, Excluding Interest Income	(109)	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the year recognized in OCI	**(282)**	9

G. Total amount recognized in Other Comprehensive Income consists of:

Particulars	Gratuity Year Ended March 31, 2021	Gratuity Year Ended March 31, 2020
Remeasurement (gains)/losses	-	-

H. Principal actuarial assumptions used:

Particulars	(Funded) Gratuity Year Ended March 31, 2021	(Non-Funded) Gratuity Year Ended March 31, 2020
Rate of discounting	6.57%	6.56%
Rate of salary increase	9.00%	9.00%
Rate of employee turnover	10.00%	10.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

I. Balance Sheet Reconciliation

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Net Liability	1,158	910
Expenses Recognized in Statement of Profit or Loss	313	293
Expenses Recognized in OCI	(282)	9
Net liability transfer in	-	-
Benefit Paid	(69)	(55)
(Employer's Contribution)	(1,158)	
Net Liability/(Asset) Recognized in the Balance Sheet	**(38)**	1,158

(Currency : Rs in lakhs)

41 Employee Benefits: *(Continued)*

J. Category of Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Government of India assets	-	-
State Government securities	-	-
Special deposits scheme	-	-
Debt instruments	-	-
Corporate bonds	-	-
Cash and cash equivalents	-	-
Insurance fund	1,267	-
Asset-backed securities	-	-
Structured debt	-	-
Other	-	-
Total	1,267	-

K. Other Details

Particulars	As at March 31, 2021	As at March 31, 2020
No of Active Members	615	703
Per Month Salary For Active Members	380	431
Weighted Average Duration of the Projected Benefit Obligation	8	9
Average Expected Future Service	8	8
Projected Benefit Obligation (PBO)	1,228	1,158
Prescribed Contribution For Next Year (12 Months)	176	-

L. Net Interest Cost for Next Year

Particulars	Estimated for the year ended March 31, 2021	Estimated for the year ended March 31, 2020
Present Value of Benefit Obligation at the End of the year	1,228	1,158
(Fair Value of Plan Assets at the End of the year)	(1,267)	-
Net Liability/(Asset) at the End of the year	(38)	1,158
Interest Cost	81	76
(Interest Income)	(83)	-
Net Interest Cost for Next Year	(3)	76

M. Expenses Recognized in the Statement of Profit or Loss for Next Year

Particulars	Estimated for the year ended March 31, 2021	Estimated for the year ended March 31, 2020
Current Service Cost	214	237
Net Interest Cost	(3)	76
(Expected Contributions by the Employees)	-	-
Expenses Recognized	212	314

N. Maturity Analysis of the Benefit Payments: From the Employer

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2021	As at March 31, 2020
1st Following Year	80	74
2nd Following Year	92	78
3rd Following Year	309	88
4th Following Year	129	289
5th Following Year	78	121
Sum of Years 6 To 10	413	395
Sum of Years 11 and above	1,021	1019

(Currency : Rs in lakhs)

41 Employee Benefits: *(Continued)*

O. Sensitivity Analysis

Projected Benefits Payable in Future Years From the Date of Reporting	**As at March 31, 2021**	As at March 31, 2020
Projected Benefit Obligation on Current Assumptions	**1,228**	1,158
Delta Effect of +1% Change in Rate of Discounting	**(77)**	(77)
Delta Effect of -1% Change in Rate of Discounting	**88**	88
Delta Effect of +1% Change in Rate of Salary Increase	**85**	85
Delta Effect of -1% Change in Rate of Salary Increase	**(76)**	(76)
Delta Effect of +1% Change in Rate of Employee Turnover	**(19)**	(21)
Delta Effect of -1% Change in Rate of Employee Turnover	**20**	23

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Notes:

Gratuity is payable as per company' scheme as detailed in the report.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation and attrition rate are in line with the industry practice considering promotion and demand and supply of the employees.

Cash flow projection is done considering future salary, attrition and death in respective year for members as mentioned above.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk

The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

(Currency : Rs in lakhs)

42 Fair Value Disclosures

a)

Categories of Financial Instruments:	March 31, 2021 FVTPL	March 31, 2021 Amortised Cost*	March 31, 2020 FVTPL	March 31, 2020 Amortised Cost*
Financial Assets				
Investments	5,44,838	6,46,791	1,97,583	6,08,753
Loans	87,072	24,99,884	59,425	26,23,827
Cash and Bank Balances #	-	4,33,167	-	4,25,971
Other Financial Assets #	-	81,759	-	64,228
	6,31,910	**36,61,601**	2,57,008	37,22,779
Financial liabilities				
Borrowings #	-	29,86,715	-	29,35,456
Trade Payables #	-	9,284	-	14,768
Other Financial Liabilities #	-	10,262	-	11,241
	-	**30,06,261**	-	29,61,465

b) **Fair Value Hierarchy and Method of Valuation**

Financial Instruments	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
		March 31, 2021				
Financial Assets						
Measured at FVTPL						
Investments						
Redeemable Non-Convertible Debentures	**i.**	**29,810**	**-**	**-**	**29,810**	**29,810**
Investments in Mutual Funds	**ii.**	**1,90,007**	**1,90,007**	**-**	**-**	**1,90,007**
Project Receivables	**i.**	**1,75,960**			**1,75,960**	**1,75,960**
Investment in AIF	**i.**	**1,49,061**			**1,49,061**	**1,49,061**
Loans	**i.**	**87,072**	**-**	**-**	**87,072**	**87,072**
Measured at Amortised Cost*						
Investments						
Redeemable Non-Convertible Debentures	**iii.**	**6,46,791**	**-**	**-**	**6,57,537**	**6,57,537**
Loans	**iii.**	**24,99,884**	**-**	**-**	**25,08,812**	**25,08,812**
Financial Liabilities						
Measured at Amortised Cost						
Borrowings	**iii.**	**29,86,715**	**-**	**-**	**30,05,410**	**30,05,410**

Financial Instruments	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
		March 31, 2020				
Financial Assets						
Measured at FVTPL						
Investments						
Redeemable Non-Convertible Debentures	i.	31,753	-	-	31,753	31,753
Project Receivables	i.	1,65,830			1,65,830	1,65,830
Loans	i.	59,425	-	-	59,425	59,425
Measured at Amortised Cost*						
Investments						
Redeemable Non-Convertible Debentures	iii.	6,08,753	-	-	7,18,985	7,18,985
Loans	iii.	26,23,827	-	-	27,61,320	27,61,320
Financial Liabilities						
Measured at Amortised Cost						
Borrowings	iii.	29,35,456	-	-	29,56,553	29,56,553

(Currency : Rs in lakhs)

42 Fair Value Disclosures *(Continued)*

Notes:

i. Discounted cash flow method has been used to determine the fair value. The yield used for discounting has been determined based on trades, market polls, levels for similar issuer with same maturity, spread over matrices, etc. For instruments where the returns are linked to the share price of the investee company the equity price has been derived using Monte Carlo simulation and local volatility model using the inputs like spot rate, volatility surface, term structures and risk free rates from globally accepted third party vendor for these data.

ii. Net Asset Value (NAV) as at the reporting period have been used to determine the Fair Value of the mutual fund investments.

iii. Discounted cash flow method has been used to determine the fair value. The discounting factor used has been arrived at after adjusting the rate of interest for the financial assets and financial liabilities by the difference in the G-SEC rates from date of initial recognition to the reporting dates.

* The carrying value & fair value of investments & loans at amortised cost is gross of ECL provision amounting to Rs 175,823 (31 March 2020 – Rs 176,041)

\# The Company has not disclosed the fair value of cash and bank balances, other financial assets, trade payables and other financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2021 and March 31, 2020.

Particulars	Investments	Debentures	Loans	Total
As at March 31, 2019	-	**15,258**	**41,818**	**57,076**
Transfer Out	-	14,415	-	14,415
Acquisitions	1,68,423	6,249	15,947	1,90,619
(Losses) recognised in profit or loss	(2,593)	(4,169)	1,660	(5,103)
As at March 31, 2020	**1,65,830**	**31,753**	**59,425**	**2,57,007**
Transfer Out	-	-	(36,851)	(36,851)
Acquisitions	1,73,881	(3,463)	63,486	2,33,903
(Losses) recognised in profit or loss	(14,690)	1,520	1,012	(12,157)
As at March 31, 2021	**3,25,021**	**29,810**	**87,072**	**4,41,903**

d) Sensitivity for FVTPL Instruments

Impact on the Company's profit before tax if discount rates had been 100 basis points higher / lower is given below:

Method	Nature of Instrument	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact	
				Yield Increase	Yield Decrease
Discounted Cash Flow Model as at March 31, 2021	NCD	Discount rate	0.7%	(162)	165
	Investment	Sale Price	5.0%	7,570	(7,550)
	Term Loan	Discount rate	0.7%	(151)	154
	Term Loan	Sale Price	5.0%	3,140	(3,140)
	Term Loan	Equity	10.0%	-	-
Discounted Cash Flow Model as at March 31, 2020	NCD	Discount rate	0.7%	(125)	127
	Investment	Sale Price	5.0%	(8,100)	8,100
	Term Loan	Discount rate	0.7%	(320)	329
	Term Loan	Equity	10.0%	(468)	1,689

(Currency : Rs in lakhs)

43 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 13 offset by cash and bank balances) and total equity of the Company.

The Company being a Non-Deposit taking Housing Finance Company has to maintain a Capital Adequacy Ratio of 12%. The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through equity or convertible / non convertible debt securities or other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company. The Company has complied with all regulatory requirements related capital and capital adequacy ratios as prescribed by NHB.

The capital components of the Company are as given below:	**March 31, 2021**	March 31, 2020
Total Equity	**21,48,664**	**20,45,155**
Borrowings	29,86,715	29,35,456
Total Debt	**29,86,715**	**29,35,456**
Cash and Cash equivalents	(3,55,849)	(3,86,460)
Bank balances other than above	(77,318)	(39,510)
Net Debt	**25,53,548**	**25,09,485**

44 Risk management

Risk Management is an integral part of the Company's business strategy. The Risk Management oversight structure includes Committees of the Board and Management Committees. Company's risk philosophy is to develop and maintain a healthy portfolio which is within its risk appetite and the regulatory framework. While the Company is exposed to various types of risks, the most important among them are liquidity risk, interest rate risk, credit risk, regulatory risk and fraud and operational risk. The measurement, monitoring and management of risks remain a key focus area for the Company.

The Audit Committee of the Board provides direction to and monitors the quality of the internal audit function and also monitors compliance with NHB and other regulators.

The Company's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with market best practices.

The Audit and Risk Management Committee of the Board ("ARMC") reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyse risk exposure and provides oversight of risk across the organization. The ARMC nurtures a healthy and independent risk management function to inculcate a strong risk management culture in the Company and broadly perceives the risk arising from (i) credit risk, (ii) liquidity risk, (iii) interest rate risk and (iv) fraud risk and operational risk (v) regulatory risk

44.1 Liquidity Risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Company has an Asset Liability Management Policy in place, which is in line with NHB/RBI guidelines for Housing Finance Companies. The ALCO is responsible for the management of the companies funding and liquidity requirements. The company manages liquidity risk by maintaining unutilised banking facilities, credit lines and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

The Company has the following undrawn credit lines available as at the end of the reporting period.

	March 31, 2021	March 31, 2020
- Expiring within one year (including bank overdraft)	-	4,02,603
- Expiring beyond one year	-	-
Undrawn credit lines	-	4,02,603

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of March 31, 2021 and March 31, 2020 respectively has been considered. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Currency : Rs in lakhs)

44 Risk management *(Continued)*

44.1 Liquidity Risk *(Continued)*

Maturities of Financial Liabilities	March 31, 2021			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Borrowings	9,40,648	12,36,420	11,87,046	4,83,508
Trade Payables	9,284	-	-	-
Other Financial Liabilities*	7,982	2,374	628	532
	9,57,914	**12,38,794**	**11,87,674**	**4,84,040**

Maturities of Financial Liabilities	March 31, 2020			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Borrowings	14,76,454	10,69,783	8,46,833	2,76,476
Trade Payables	14,768	-	-	-
Other Financial Liabilities	7,014	2,264	1,155	808
	14,98,236	10,72,047	8,47,988	2,77,284

*This includes lease liabilities

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Maturities of Financial Assets	March 31, 2021			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Investments	40,657	4,35,022	5,07,388	93,284
Loans	4,07,708	12,88,710	5,22,273	8,65,414
Other Financial Assets	58,798	39,818	-	-
	5,07,163	**17,63,550**	**10,29,661**	**9,58,698**

Maturities of Financial Assets	March 31, 2020			
	Up to 1 year	1 to 3 years	3 to 5 years	5 years and above
Investments	1,91,757	3,64,721	7,04,178	-
Loans	5,73,516	15,95,345	12,60,593	7,99,502
Other Financial Assets	21,545	39,387	-	-
	7,86,817	19,99,453	19,64,771	7,99,502

For the year ended March 31, 2020, due to outbreak of Covid-19 pandemic, RBI vide circular DOR.No.BP.BC.47/21.04.048/2019-20 dated 27 March 2020 has directed HFC Companies to provide moratorium of 3 months to its customer / borrower on all payments falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers classified as standard.
Accordingly, the Company has followed the direction issued by RBI and has proposed a moratorium of three months on the payment of all principal instalments and/ or interest, as applicable, falling due between 1 March 2020 and 31 May 2020. The Company has also availed moratoriums on their borrowings in line with these directions. Therefore, the maturities of the financial assets and financial liabilities, to the extent applicable have been impacted as a consequence of this RBI direction.

(Currency : Rs in lakhs)

44 Risk management *(Continued)*

44.2 Interest Rate Risk

Retail lending:
The Company is exposed to minimal interest rate risk as it has assets and liabilities are based on floating interest rates. The Company has an approved Asset and Liability Management Policy which empowers the ALCO assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk.

Wholesale lending:
The Company is exposed to interest rate risk as it has assets and liabilities based on both fixed and floating interest rates. The Company has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.

The sensitivity analysis below have been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates. The basis risk between various benchmarks used to reset the floating rate assets and liabilities has been considered to be insignificant.

The exposure of the Company's borrowings to the interest rate risk at the end of the year for variable rate borrowing is Rs.18,96,623 lakhs (31 March 2020- Rs.2,326,580 lakhs) and fixed rate borrowings are Rs. 10,90,091 lakhs (31 March 2020- Rs. 608,874 lakhs)

Impact on the Company's profit before tax if interest rates had been 100 basis points higher / lower is given below:

Sensitivity Analysis on Floating Rate Instruments	**For the Year Ended**			
	March 31, 2021		March 31, 2020	
	Higher	**Lower**	Higher	Lower
Sensitivity Analysis on Floating Rate Borrowings	(19,072)	19,072	(23,295)	23,295
Sensitivity Analysis on Floating Rate Assets	19,742	(19,742)	21,739	(21,739)

(Currency : Rs in lakhs)

44 Risk management *(Continued)*

44.3 Credit Risk

The Company is exposed to Credit Risk through its lending activity. Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Retail lending:
For retail lending the credit policy has been reviewed and approved by Risk Team. The Credit Risk management structure includes credit policies and procedures. The Credit Policy defines customer segments, income assessment criteria, underwriting standards, target market definition, appraisal and approval processes, product limits, Delegation of Authority metrics (DoA) and cover risk assessment for product offerings etc. to ensure consistency of credit buying patterns.

Wholesale lending:
The Company's Risk management team has developed proprietary internal rating models to evaluate risk return trade-off for the loans and investments made by the Company. The output of traditional credit rating model is an estimate of probability of default. These models are different from the traditional credit rating models as they integrate both probability of default and loss given default into a single model.

The lending exposure includes lending to the below sectors:

Sectors	Exposure as at	
	March 31, 2021	March 31, 2020
Real Estate	**77.00%**	73.98%
Renewables	**6.66%**	6.50%
Retail	**13.83%**	15.90%
Others	**2.51%**	3.63%

Credit Risk Management

For retail lending business, credit risk management is achieved by considering various factors like:
• Assessment of borrower's capability to pay – detailed assessment of borrower's capability to pay is conducted. The approach to the assessment is uniform across the entire Company and is spelt out in the Credit Policy. For construction finance deals, the underlying project, the financial capability, past track record of repayments of the promoters is assessed by an independent risk team.

• Security cover – this is an assessment of the value of security under stress scenario which is further adjusted for factors like liquidity, enforceability, transparency in valuation, etc of the collateral.
• Geographic region – the Company monitors loan performances in a particular region to assess if there is any stress due to natural calamities, etc impacting the performance of loans in a particular geographic region

For wholesale lending business, credit risk management is achieved by considering various factors like :
• Cash flow at risk – This is an assessment of the standalone project or business from which interest servicing and principal repayment is expected to be done.

• Security cover – This is an assessment of the value of the security under stress scenario which is further adjusted for factors like liquidity, enforceability, transparency in valuation etc. of the collateral.
• Promoter strength – This is an assessment of the promoter from financial, management and performance perspective.
• Exit – This is an assessment of the liquidity of the loan or investment.
The output from each of the analysis is converted to a risk weight equivalent. Each of the four components of the risk analysis are assigned a specific weight which differ based on type of investment. The risk weight is then converted into capital requirement. The required capital and the return is combined to create a metric which is used for deal assessment.

Based on the above assessment the risk team categorises the deals in to the below Risk Grades

Risk Grading	Description
I	Extremely good loan
II	Good loan
III	Moderate loan
IV	Weak loan
V	Extremely weak loan

(Currency : Rs in lakhs)

44 Risk management *(Continued)*

44.3 Credit Risk *(Continued)*

Further, a periodic review of the performance of the portfolio is also carried out by the Risk Group. The Risk Group adjusts the stress case considered during the initial approval based on actual performance of the deal, developments in the sector, regulatory changes etc. The deal level output is combined to form a portfolio snapshot. The trends from portfolio are used to provide strategic inputs to the management.

The credit risk on liquid funds and other financial instruments is limited because the counterparties are banks with high credit-ratings assigned credit-rating agencies or mutual funds.

Provision for Expected Credit Loss

The Company has assessed the credit risk associated with its financial assets for provision of Expected Credit Loss (ECL) at the reporting dates. For different product categories (Real Estate, Senior debt, Lease Rental Discounting, Loan Against Shares, Mezzanine etc), the Company has developed scorecard that makes use of various reasonable supportive forward looking parameters which are both qualitative as well as quantitative in nature. These scorecards helps in determining the change in credit risk and the probability of default. These parameters have been detailed out in Note No.vi of Significant Accounting Policies. Based on the result yielded by the above assessment the Financial assets are classified into (1) Standard (Performing) Asset, (2) Significant Credit Deteriorated (Under-Performing) Asset (3) Default (Non-Performing) Asset (Credit Impaired).
For the purpose of expected credit loss analysis the Company defines default as any asset with more than 90 days overdues. This is also as per the rebuttable presumption provided by the standard.

The Company provides for expected credit loss based on the following:

Category - Description	Stage	Basis for Recognition of Expected Credit Loss
Assets for which credit risk has not significantly increased from initial recognition	Stage 1	12 month ECL
Assets for which credit risk has increased significantly but not credit impaired	Stage 2	Life time ECL
Assets for which credit risk has increased significantly and credit impaired	Stage 3	Loss Given Default (LGD)

For the year ended March 31, 2021 and March 31, 2020 the Company has developed a PD Matrix after considering some parameters as stated below :

The key parameters for various scorecards are highlighted as follows -Real Estate products (Construction Finance, Structured Debt, LRD) - (1) Developer Grade (2) Past Overdue History (3) Tenant profile (4) Status from monthly Asset Monitoring report (5) Stage of the project (6) Geography etc . Some of the Parameters for Non Real Estate products (Senior lending, mezzanine, project finance etc) - (1) Sponsor strength (2) Overdues (3) Average debt service coverage ratio (4) Regulatory Risk (5) Stability of EBITDA (6) Quality of underlying assets etc. Based on these parameters the Company has computed the PD. The Company has also built in model scorecards to determine the internal LGD. However, due to lack of default history to statistically substantiate the internal LGD, the Company has made use of a combination of both internal as well as external LGD. The Company also maintains Expected Credit Loss for undisbursed limits after applying the credit conversion factor (CCF). CCF for these limits is computed based on historical disbursement trends observed across various products.

(Currency : Rs in lakhs)

44 Risk management *(Continued)*

44.3 Credit Risk *(Continued)*

Impact of Covid -19 pandemic on the credit risk

The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, the Company has proposed a moratorium of three months on the payment of all principal instalments and/ or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers classified as standard even if overdue as on February 29, 2020, excluding the collections made already made in the month of March 2020. Further, in line with the additional Regulatory Package guidelines dated May 23, 2020 the Company granted a second three month moratorium on the payment of principal instalments and/ or interest, as applicable, falling due between June 1, 2020 and August 31, 2020.

For all such accounts where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the Company's policy).
The Supreme Court through an interim order dated September 03, 2020 directed that accounts which were not declared non-performing till August 31, 2020 shall not be declared non-performing after August 31, 2020. Pursuant to the Supreme Court's final order and the related RBI notification issued on April 7, 2021, the Company has classified the borrower accounts as Credit impaired (Stage -3) as at March 31, 2021.

The Company has portfolios that may face some head winds due to the emerging economic conditions. The exposures to sectors like hotels, auto-ancillaries may face much larger challenges. However, the exposure to these sectors are fairly limited compared to the overall lending portfolio..

Other sectors like residential and commercial real estate, renewables, logistics etc. where the Company has exposure may have direct or indirect impact. Company ran a scenario analysis using proprietary algorithm based risk models on the portfolio. The scenario took into account the current COVID-19 related impact and was built by risk with inputs from the Chief Economist of the Company.

Further, the Company has, based on current available information estimated and applied management overlays based on the policy approved by the Board for the purpose of determination of the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts upto the date of approval of these financial results. Accordingly, the provision for expected credit loss on financial assets as at March 31, 2021 aggregates Rs. 184,846 lakhs (as at March 31, 2020, Rs. 192,870 lakhs) which includes potential impact on account of the pandemic.. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate.
The extent to which the COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's performance will depend on ongoing as well as future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. Given the uncertainty over the potential macro-economic condition and other related matters, the impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone annual financial results and the Company will continue to closely monitor any material changes to future economic conditions.

(Currency : Rs in lakhs)

44 Risk management *(Continued)*

44.3 Credit Risk *(Continued)*

Expected Credit Loss as at the Reporting period:

As at March 31, 2021

Particulars	Asset Group	Exposure at Default	Expected Credit Loss	Net Amount
Assets for which credit risk has not significantly increased from initial recognition*	Investments	5,45,372	15,186	5,30,185
	Loans	24,37,148	59,238	23,77,910
Assets for which credit risk has increased significantly but not credit impaired	Investments	96,177	29,576	66,601
	Loans	84,517	17,982	66,535
Assets for which credit risk has increased significantly and credit impaired	Investments	24,484	11,691	12,793
	Loans	87,245	42,150	45,095
Total		**32,74,943**	**1,75,823**	**30,99,119**

As at March 31, 2020

Particulars	Asset Group	Exposure at Default	Expected Credit Loss	Net Amount
Assets for which credit risk has not significantly increased from initial recognition*	Investments	5,40,670	20,884	5,19,786
	Loans	27,99,619	91,183	27,08,437
Assets for which credit risk has increased significantly but not credit impaired	Investments	64,530	22,375	42,155
	Loans	45,429	15,452	29,977
Assets for which credit risk has increased significantly and credit impaired	Investments	20,665	7,569	13,096
	Loans	53,032	18,578	34,454
Total		35,23,945	1,76,041	33,47,904

***includes FVTPL instrument outstanding amount of Rs.2,57,989 lakhs (31 March 2020- Rs.2,40,939 lakhs) (excluding investments in Alternate investments funds 'AIF' and mutual funds)**

Reconciliation of Loss Allowance

For the year ended March 31, 2021

a) **Investments and Loans**	**12 months ECL**	**Lifetime ECL not credit impaired**	**ECL credit impaired**
Balance at the beginning of the year	1,12,067	37,827	26,147
Transferred to 12-month ECL	-	-	-
Transferred to Lifetime ECL not credit impaired	(842)	842	-
Transferred to Lifetime ECL credit impaired	(1,130)	(3,789)	4,919
On Account of Rate (Reduction)/Increase	(29,687)	12,688	22,775
On Account of Disbursements	58,011	-	-
On Account of Repayments	(63,995)	(10)	-
Balance at the end of the year	**74,424**	**47,558**	**53,841**

For the year ended March 31, 2020

a) **Investments and Loans**	**12 months ECL**	**Lifetime ECL not credit impaired**	**ECL credit impaired**
Balance at the beginning of the year	52,160	5,699	8,747
Transferred to 12-month ECL	1,918	(1,918)	-
Transferred to Lifetime ECL not credit impaired	(2,162)	2,162	-
Transferred to Lifetime ECL credit impaired	(159)	-	159
On Account of Rate (Reduction)/Increase	80,102	32,083	17,241
On Account of Disbursements	19,300	-	-
On Account of Repayments	(39,093)	(199)	-
Balance at the end of the year	1,12,067	37,827	26,147

44 Risk management *(Continued)*

44.3 Credit Risk *(Continued)*

b) Expected Credit Loss on undrawn loan commitments and letter of comfort:

Particulars	March 31, 2021	March 31, 2020
ECL on undrawn loan commitments and letter of comfort (refer note 19)	9,023	16,828

c) Description of Collateral held as security and other credit enhancements

The Group has set benchmarks on appropriate level of security cover for various types of deals. The Group periodically monitors the quality as well as the value of the security to meet the prescribed limits. The collateral held by the Group varies on case to case basis and includes:

i) First / Subservient charge on the Land and / or Building of the project or other projects
ii) First / Subservient charge on the fixed and current assets of the borrower
iii) Hypothecation over receivables from funded project or other projects of the borrower
iv) Pledge on Shares of the borrower or their related parties
v) Guarantees of Promoters / Promoter Undertakings
vi) Post dated / Undated cheques

As at the reporting date, the value of the collateral held as security for the credit impaired financial assets is higher than the exposure at default for these assets.

d) The credit impaired assets as at the reporting dates were secured by charge on land and building and project receivables amounting to:

Particulars	March 31, 2021	March 31, 2020
Value of Security (at fair value considered for LGD)	57,888	47,550

44.4 Regulatory Risk:

The Company requires certain statutory and regulatory approvals for conducting business and failure to obtain retain or renew these approvals in a timely manner, may adversely affect operations. Any change in laws or regulations made by the government or a regulatory body that governs the business of the Company may increase the costs of operating the business, reduce the attractiveness of investment and / or change the competitive landscape.

44.5 Fraud risk and operational risk:

Fraud risk management committee ('FRMC') comprising of top management representatives is constituted, which shall oversee the matters related to fraud risk, review and approve action against frauds.

FRMC conducts fraud risk assessment, identified fraud prone areas and develop mitigation measures. Status of mitigation measures are reviewed periodically.

The Company's risk management framework considers strategic, operations, financial reporting and external laws and regulations related risks

The Company has an elaborate system of internal audit and concurrent audit commensurate with the size, scale and complexity of its operations and covers funding operations, financial reporting, fraud control and compliance with laws and regulations.

Risks associated with frauds are mitigated through 100% document verification by concurrent auditors and review of all the cases which are entered in the system, including corrective and remedial actions as regards people and processes.

Internal Auditors monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with laws and regulations, efficacy of its operating systems, adherence to the accounting procedures and policies at all offices of the Company and report directly to Audit and Risk Management Committee of the company.

(Currency : Rs in lakhs)

45 Accounting for cash flow hedge

The Company had taken foreign currency floating rate borrowings which are linked to LIBOR. For managing the foreign currency risk and interest rate risk arising from changes in LIBOR on such borrowings, the company had entered into cross-currency interest rate swap (CCIRS) for the entire loan liability. The Company had designated the CCIRS (hedging instrument) and the borrowing (hedged item) into a hedging relationship and applies hedge accounting.

Under the terms of the CCIRS, the Company pays interest at the fixed rate to the swap counterparty and receives the floating interest payments based on LIBOR. Further, the principal amount of the foreign currency borrowing is hedged by a forward rate. As the critical terms of the hedged item and the hedging instrument (notional, interest periods, underlying and fixed rates) are matched and the interest cash flows are off-setting, an economic relationship exists between the two. This ensures that the hedging instrument and hedged item have values that generally move in the opposite direction.

Hedge Effectiveness Testing is assessed at designation date of the hedging relationship, and on an ongoing basis. The ongoing assessment is performed at a minimum at each reporting date or upon a significant change in circumstances affecting the hedge effectiveness requirements, whichever comes first.

Following table provides quantitative information regarding the hedging instrument as on March 31, 2021:

Type of risk/ hedge position	Nominal value (Liabilities)	Carrying amount of hedging instruments (included under "Other financial assets")	Maturity date	Hedge ratio	Average contracted fixed interest rate	Changes in fair value of hedging instrument used as a basis for recognising hedge effectiveness	Changes in value of hedged item used as a basis for recognising hedge effectiveness
Cash Flow Hedge Foreign currency and Interest rate risk	52,264	579	14-Jun-24	1 : 1	9.30%	2,363	(2,167)

Following table provides quantitative information regarding the hedging instrument as on March 31, 2020:

Type of hedge and risks	Nominal value	Carrying amount of hedging instruments (included under "Other financial assets")	Maturity date	Hedge ratio	Average contracted fixed interest rate	Changes in fair value of hedging instrument used as the basis for recognising hedge effectiveness	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	(Liabilities)	(Assets)*					
Cash Flow Hedge							
Foreign currency and Interest rate risk	52,264	1,784	14-Jun-24	1 : 1	9.30%	(1,937)	3,721

Following table provides the effects of hedge accounting on financial performance for the year ended March 31, 2021:

Type of hedge	Changes in the value of hedging instruments recognised in Other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedge reserve to profit or loss	Line-item affected in statement of profit or loss because of reclassification
Cash flow hedge				
Interest Rate risk and Foreign Exchange Risk				
Interest Rate risk and Foreign Exchange Risk	2,363	-	(277)	Finance Cost
			(1,890)	Foreign Exchange (gain)/loss

(Currency : Rs in lakhs)

45 Accounting for cash flow hedge

Following table provides the effects of hedge accounting on financial performance for the year ended March 31, 2020:

Type of hedge	Changes in the value of hedging instruments recognised in Other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedge reserve to profit or loss	Line-item affected in statement of profit or loss because of reclassification
Cash flow hedge				
Interest Rate risk and Foreign Exchange Risk	(1,937)	-	(775)	Finance Cost
			4,497	Foreign Exchange (gain)/loss

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

Particulars	Movement in Cash flow hedge reserve for the years ended	Movement in Cash flow hedge reserve for the years ended
	March 31, 2021	March 31, 2020
Opening balance	(1,449)	-
Effective portion of changes in fair value:		
a) Interest rate and foreign currency risk risk	(2,363)	1,784
Net amount reclassified to profit or loss:		
a) Interest rate risk	(277)	(775)
b) Foreign currency risk	(1,890)	4,497
Tax on movements on reserves during the year	50	488
Closing balance	(1,596)	(1,449)

(Currency : Rs in lakhs)

46 Transfer of Financial Assets

Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Securitisations/ Assignments	**Year ended March 31, 2021**	Year ended March 31, 2020
Carrying amount of transferred assets measured at amortised cost	-	4,57,525
Carrying amount of associated liabilities measured at amortised cost	-	3,57,279
Fair value of assets	-	3,72,707
Fair value of associated liabilities	-	2,50,804
Net position at Fair value	-	1,21,903

The Company has entered into a securitization transaction with Catalyst Trusteeship Limited (Master Trust 2019 Series - I) (unrelated and unconsolidated entity). The Company does not hold any equity or other interest and does not control this entity. The Company is exposed to first loss amounting to Rs 86,676 lakhs (being 30%) of the amount securitised in addition to credit enhancement provided in the form of deposits is Rs 40,400 lakhs and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables.
Accordingly, Loan portfolio assets of Rs 288,919 lakhs are not derecognised and proceeds received of Rs 202,243 lakhs is recorded as financial liability under Borrowings (Other than Debt Securities).

The Company has entered into a securitization transaction with IDBI Trusteeship Services Limited (Powerplus Trust Series i) (unrelated and unconsolidated entity). The Company does not hold any equity or other interest and does not control this entity. The Company is exposed to first loss amounting of credit enhancement provided in the form of deposits is Rs 5,206 lakhs and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables.
Accordingly, Loan portfolio assets of Rs 27,401 lakhs are not derecognised and proceeds received of Rs 27,401 lakhs is recorded as financial liability under Borrowings (Other than Debt Securities).

The Company has entered into a securitization transaction with Catalyst Trusteeship Limited (Marigold Trust 2019) (unrelated and unconsolidated entity). The Company does not hold any equity or other interest and does not control this entity. The Company is exposed to first loss amounting to Rs 13,570 lakhs (being 15%) of the amount securitised in addition to credit enhancement provided in the form of deposits is Rs 9,940 lakhs and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables.
Accordingly, Loan portfolio assets of Rs 93,510 lakhs are not derecognised and proceeds received of Rs 79,940 lakhs is recorded as financial liability under Borrowings (Other than Debt Securities).

The Company has entered into a assignment transaction with State Bank of India (unrelated and unconsolidated entity). The Company does not hold any equity or other interest and does not control this entity. The Company is exposed to first loss amounting of credit enhancement provided in the form of deposits is Rs 6,800 lakhs and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables.
Accordingly, Loan portfolio assets of Rs 47,695 lakhs are not derecognised and proceeds received of Rs 47,695 lakhs is recorded as financial liability under Borrowings (Other than Debt Securities).

47 Foreign Currency Expenditure

Particulars	**March 31, 2021**	**March 31, 2020**
Annual License fees	-	249
Borrowing Cost	-	15,013
Business Promotion	-	5
Intangible assets under development	-	153
Professional Fees	256	311
Legal Fees	93	125
Reimb. Of Expenses/Traveling Expenses	-	4
Membership & Subscription	22	43

(Currency : Rs in lakhs)

48 Additional disclosure in terms of RBI circular DOR.No.BP.BC.63/21.04.048/2019-20 dated April, 17, 2020

Particulars	March 31, 2021	March 31, 2020
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended*	11,635	4,215
Respective amount where asset classification benefits is extended	11,635	4,215
Provisions made during the Q4 FY2020	1,164	211
Provisions adjusted during the respective accounting periods against slippages and the residual provisions	-	-

*Amount outstanding as on 31 March 2021 is Rs.10,716 lakhs

49 Impairment of Goodwill

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or groups of CGUs, which are benefited from the synergies of the acquisition. Goodwill is reviewed for any impairment at the operating segment level, which is represented through groups of CGUs.

As of March 31, 2021 , the estimated cash flows for a period of 5 years in the for the Company were developed using internal forecasts, and a pre-tax discount rate of 17.00% (31 Mar 2020- 17.5%) respectively. The cash flows beyond 5 years have been extrapolated assuming 5% (31 Mar 2020- 5%) growth rates, depending on the cash generating unit and the country of operations. The management believes that any possible changes in the key assumptions would not cause the carrying amount to exceed the recoverable amount of cash generating unit.
Based on the above, no impairment was identified as of March 31, 2021 as the recoverable value of the cash generating unit exceeded the carrying values by Rs.98,569 lakhs.

50 Disclosure in respect of IL&FS entities.

Position as on March 31, 2021

Name of facility	Amount Outstanding	Of (2), total amount of exposures which are NPAs as per IRAC norms and not classified as NPA.	Provisions required to be made as per IRAC norms.	Provisions actually held
(1)	(2)	(3)	(4)	(5)
IL&FS Solar Power Limited	-	-	-	-

Position as on March 31, 2020

Name of facility	Amount Outstanding	Of (2), total amount of exposures which are NPAs as per IRAC norms and not classified as NPA.	Provisions required to be made as per IRAC norms.	Provisions actually held
(1)	(2)	(3)	(4)	(5)
IL&FS Solar Power Limited	7,500	-	30	132

(Currency : Rs in lakhs)

51 Corporate Social Responsibility Expenditure

Particulars	March 31, 2021	March 31, 2020
Contribution to Piramal Swasthya Management and Research Institute	660	1,341
Contribution to Piramal Foundation for Education Leadership	1,101	3,259
Total	**1,761**	**4,600**
Amount required to be spent as per Section 135 of the Act	2,733	1,548
Amount spent during the year		
(i) Construction/acquisition of an asset	**-**	-
(i) On purposes other than (i) above	**1,761**	4,600
(iii) Set off taken during the year	**972**	-

52 Previous year figures have been regrouped and reclassified wherever necessary to conform to current year's presentation.

(Currency : Rs in lakhs)

53 Disclosure on Prudential Floor for ECL in terms of RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard Assets	Stage 1	29,72,409	74,424	28,97,985	22,056	52,368
	Stage 2	1,63,939	45,370	1,18,569	1,131	44,239
Sub-total		31,36,348	1,19,794	30,16,554	23,187	96,607
Non-performing assets (NPA)						
	Stage 2*	15,422	2,189	13,233	2,174	15
Substandard	Stage 3	53,931	19,751	34,180	8,090	11,661
Doubtful - up to 1 year	Stage 3	44,098	23,353	20,745	18,760	4,592
1 to 3 years	Stage 3	9,808	6,788	3,020	6,591	198
More than 3 years	Stage 3	3,949	3,949	-	3,949	-
Sub-total for doubtful		57,856	34,091	23,765	29,300	4,790
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,11,787	53,841	57,945	37,390	16,451
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	7,37,010	9,023	7,27,987	-	9,023
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total	**Stage 1**	**37,09,419**	**83,447**	**36,25,972**	**22,056**	**61,391**
	Stage 2	**1,79,361**	**47,558**	**1,31,803**	**3,304**	**44,254**
	Stage 3	**1,11,787**	**53,841**	**57,945**	**37,390**	**16,451**
	Total	**40,00,567**	**1,84,846**	**38,15,720**	**62,750**	**1,22,096**

*Represents the accounts which are in implementation phase as per One Time Restructing 'OTR'- resolution framework for COVID-19-related Stress based on RBI circular RBI/2020-21/16DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020. These accounts are classified as substandard as per RBI IRACP norms. However for the purpose of financial statements they are classified as "Stage 2 Assets".

54 Quarterly disclosure in terms of RBI circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate persons*	-	95,187	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	72	4,831	-	-	323
Total	**72**	**1,00,018**	**-**	**-**	**323**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

55 Additional disclosure on liquidity risk
In terms of RBI circular DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 04, 2019

1 Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	Number of Significant Counterparties	Amount	% of Total deposits	% of Total Liabilities
1	15	28,17,676	NA	90.4%

2 Top 20 large deposits (amount in ₹ lakhs and % of total deposits)
Not Applicable

3 Top 10 borrowings (amount in ₹ lakhs and % of total borrowings)

Amount	% of Total Borrowings
24,60,946	82.4%

4 Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument/product	Amount	% of Total Liabilities
1	Term Loan	14,76,760	47.4%
2	Non-convertible debentures	10,90,091	35.0%
3	Inter-corporate deposits	2,66,600	8.6%
4	Securitisation borrowing	95,609	3.1%
5	External Commercial Borrowing	54,755	1.8%

5 Stock Ratios:

Sr. No.		Particulars	March 31, 2021
(a)	(i)	Commercial papers as a % of total public funds	NA
	(ii)	Commercial papers as a % of total liabilities	0.1%
	(iii)	Commercial papers as a % of total assets	0.1%
(b)	(i)	Non-convertible debentures (original maturity of less than one year) as a % of total public funds	NA
	(ii)	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	NIL
	(iii)	Non-convertible debentures (original maturity of less than one year) as a % of total assets	NIL
(c)	(i)	Other short-term liabilities, if any as a % of total public funds	NA
	(ii)	Other short-term liabilities, if any as a % of total liabilities	23.5%
	(iii)	Other short-term liabilities, if any as a % of total assets	13.9%

6 Institutional set-up for liquidity risk management

a) The ALCO is responsible for the management of the companies funding and liquidity requirements, within the board approved framework and extant regulations.

b) The Company manages liquidity risk by maintaining an appropriate mix of unutilised banking facilities, credit lines as necessary and

by continuously monitoring expected and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

(Currency : Rs. in lakhs)

56 Non-Banking Financial Company disclosures

(i) **Disclosures as required in terms of Annex III of Master Direction – "Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021"**

	Particulars Liabilities side :	Amount outstanding as at March 31, 2021	Amount overdue as at March 31, 2021
1	**Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:**		
	(a) Debentures : Secured (refer note 4 below)	**10,40,599**	-
	: Unsecured	**49,493**	-
	(other than falling within the meaning of public deposits*)		
	(b) Deferred credits	-	-
	(c) Term loans	**14,47,435**	-
	(d) Inter-corporate loans and borrowing (refer note 4 below)	**2,66,600**	-
	(e) Commercial paper	**2,898**	-
	(f) Public deposits*	-	-
	(g) Other loans	**1,79,691**	-
	* Please see note 1 below		
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**		
	(a) In the form of unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-
	* Please see note 1 below		

	Assets side :	Amount outstanding as at March 31, 2021
3	**Break-up of loans and advances including bills receivables [other than those included in (4) below:]**	
	(Amount gross of provision)	
	(a) Secured (refer note 5 below)	**30,46,043**
	(b) Unsecured	**2,17,513**
4	**Break up of leased assets and stock on hire and other assets counting towards asset financing activities**	
	(i) Lease assets including lease rentals under sundry debtors:	
	(a) Financial lease	-
	(b) Operating lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	-
	(b) Repossessed assets	-
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-

56 Additional Non-Banking Financial Company - HFC disclosures *(Continued)*

	Assets Side :	**Amount outstanding as at March 31, 2021**
5	**Break-up of investments :**	
	Current investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and bonds (refer note 5 below)	-
	(iii) Units of mutual funds (refer note 5 below)	**1,90,007**
	(iv) Government securities	-
	(v) Others (please specify)	-
	2. Unquoted :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and bonds (refer note 5 below)	-
	(iii) Units of mutual funds	-
	(iv) Government securities	-
	(v) Others (please specify)	-
	Long term investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and bonds (refer note 5 below)	-
	(iii) Units of mutual funds	-
	(iv) Government securities	-
	(v) Others (please specify)	-
	2. Unquoted :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and bonds (refer note 5 below)	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others	
	-Project Receivable	**1,75,960**
	-Investment in AIF	**1,49,061**

6 **Borrower group-wise classification of assets financed as in (3) and (4) above :**
Please see Note 2 below

Category (Amount net of provision)	**As at 31 March 2021**		
	Secured	**Unsecured**	**Total**
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	**1,40,115**	**1,40,115**
(c) Other related parties	-	-	-
2. Other than related parties (refer note 5 below)	**28,73,799**	**73,818**	**29,47,618**
Total	**28,73,799**	**2,13,933**	**30,87,733**

56 Additional Non-Banking Financial Company - HFC disclosures (Continued)

7 **Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)**
Please see note 3 below

Category	As at 31 March 2021	
	Market Value / Break up or fair value or NAV	**Book Value (Net of Provision)**
1. Related Parties **		
(a) Subsidiaries	-	-
(b) Companies in the same group (refer note 2 and 5 below)	-	-
(c) Other related parties	-	-
2. Other than related parties (refer note 2 and 5 below)	5,15,028	5,15,028
Total		

** As per Accounting Standard of ICAI (refer note 3 below)

8 **Other information**

	Particulars	**Amount as at March 31, 2021**
(i)	Gross non-performing assets	
	(a) Related parties	-
	(b) Other than related parties	1,11,787
(ii)	Net non-performing assets	
	(a) Related parties	-
	(b) Other than related parties	57,945
(iii)	Assets acquired in satisfaction of debt	-

57 Disclosures required by the National Housing Bank

57.1 Minimum disclosures

The following additional disclosures have been given in terms of Annex IV of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('the Directions') issued by the National Housing Bank.

57.2 Summary of significant accounting policies

The accounting policies regarding key areas of operations are disclosed as note 2 of the financial statements.

57.3 Disclosures:

57.3.1 Details of Principal Business Criteria

Period	Percentage of total assets towards housing finance*	Percentage of total assets towards housing finance for individuals*
March 31, 2021	34.74%	6.95%

*** Total assets is total of assets side of Balance sheet net of intangible assets**

57.3.2 Capital

Particulars	March 31, 2021
(i) CRAR (%)	32.30%
(ii) CRAR – Tier I Capital (%)	32.06%
(iii) CRAR – Tier II Capital (%)	0.24%
(iv) Amount of subordinated debt raised as Tier- II Capital	-
(v) Amount raised by issue of Perpetual Debt Instruments	-

57.3.3 Reserves Fund u/s 29C of NHB Act, 1987

Particulars	March 31, 2021
Balance at the beginning of the year	
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	29,461
b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-
c) Total	29,461
Addition / Appropriation / Withdrawal during the year	
Add:	
a) Amount transferred u/s 29C of the NHB Act, 1987	20,689
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-
Less:	
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-
Balance at the end of the year	
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	50,150
b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-
c) Total	**50,150**

(Currency : Rs in lakhs)

57 Disclosures required by the National Housing Bank *(Continued)*

57.3 Disclosures *(continued)*

57.3.4 Investments:

Particulars	March 31, 2021
1. Value of Investments	
(i) Gross value of Investments	
(a) In India	5,15,028
(b) Outside India	-
(ii) Provisions for Depreciation	
(a) In India	-
(b) Outside India	-
(iii) Net value of Investments	
(a) In India	5,15,028
(b) Outside India	-
2. Movement of provisions held towards depreciation on investments	
(i) Opening balance	-
(ii) Add: Provisions made	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-
(iv) Closing balance	-

Note: Loans are given to corporates/builders & they use these loans through SPV route, so NCD is a preferred mode. When we underwrite any loan, we are agnostic towards the underlying instrument & for the ease of management, NCDs are used. All the NCD deals as on March 31, 2021 are in the nature of loan

57.3.5 Derivatives

57.3.5.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)
The Company has not taken any Forward rate agreement / Interest rate swap during the year ended March 31, 2021.

57.3.5.2 Exchange Traded Interest Rate (IR) Derivative
The Company has not taken any exchange traded interest rate (IR) derivatives during the year ended March 31, 2021.

57.3.5.3 Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure
Refer note 2(iv) for hedge accounting policy, note 44 for financial risk management and note 45 for accounting for cash flow hedge.

B. Quantitative Disclosure

Particulars	March 31, 2021
(i) Derivatives (Notional Principal Amount)	52,262
(ii) Marked to Market Positions	
(a) Assets (+)	-
(b) Liability (-)	579
(iii) Credit Exposure	4,647
iv) Unhedged Exposures	-

57.3.6 Securitisation
The Company had not entered into any securitisation transaction during the year ended March 31, 2021

57.3.7 Details of Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction
There are no financial assets sold to securitisation/reconstruction company for asset reconstruction

57.3.8 Details of Assignment transactions undertaken by HFCs
The Company had not entered into any assignment transaction during the year ended March 31, 2021

57.3.9 Details of non-performing financial assets purchased / sold
The Company has not purchased / sold any non-performing assets during the year ended March 31, 2021

57.3.10 Percentage of outstanding loans against collateral of gold jewellery to their outstanding total assets
The company has not granted any loan against collateral of gold jewellery during the year ended March 31, 2021

(Currency : Rs in lakhs)

57 Disclosures required by the National Housing Bank *(Continued)*

57.3 Disclosures *(continued)*

57.3.11 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

Maturity Pattern	Liabilities				
	Deposits	Borrowings from banks	Market borrowings	Foreign Currency liabilities	Total
1 day to 7 days	-	1,500	-	-	1,500
8 to 14 days	-	40	-	-	40
15 days to 30/31 days	-	18,427	50,379	-	68,806
Over one month to 2 months	-	15,912	229	-	16,141
Over 2 to 3 months	-	96,164	2,196	-	98,360
Over 3 to 6 months	-	1,64,080	17,359	-	1,81,439
Over 6 months to 1 year	-	2,21,517	1,15,012	-	3,36,530
Over 1 to 3 years	36,900	6,03,629	2,46,742	26,584	9,13,856
Over 3 to 5 years	2,29,700	2,76,775	4,36,636	28,171	9,71,282
Over 5 years	-	99,397	2,99,364	-	3,98,761
Total	**2,66,600**	**14,97,441**	**11,67,917**	**54,755**	**29,86,715**

Maturity Pattern	Assets			
	Advances	Investments	Foreign Currency Assets	Grand total
1 day to 7 days	11,440	63,336	-	74,775
8 to 14 days	-	63,336	-	63,336
15 days to 30/31 days	761	63,336	-	64,097
Over one month to 2 months	5,394	-	-	5,394
Over 2 to 3 months	21,953	-	-	21,953
Over 3 to 6 months	1,20,795	-	-	1,20,795
Over 6 months to 1 year	2,45,796	-	-	2,45,796
Details of all material transactions with	15,14,063	61,360	-	15,75,423
Over 3 to 5 years	7,00,041	2,63,661	-	9,63,702
Over 5 years	6,43,311	-	-	6,43,311
Total	**32,63,556**	**5,15,028**	**-**	**37,78,584**

Note: Debenture deals are considered as loans & advacnes

(Currency : Rs in lakhs)

57 Disclosures required by the National Housing Bank *(Continued)*

3 Disclosures *(continued)*

57.3.12 Exposure

57.3.12.1 Exposure to Real Estate sector

Category			March 31, 2021
a)	Direct exposure		
	(i)	Residential Mortgages -	
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual Housing Loans upto Rs 15 lakhs may be shown separately)	**17,82,585**
	(ii)	Commercial real estate -	
		Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	**13,42,029**
	(iii)	Investments in Mortgage Backed Securities (MBS) and	
		a) Residential	-
		b) Commercial Real Estate	-
b)	Indirect Exposure		
		Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-

57.3.12.2 Exposure to Capital Market

Particulars	March 31, 2021
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	**-**
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	**3,000**
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	**2,14,730**
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	**56,000**
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	**-**
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	**21,000**
(vii) bridge loans to companies against expected equity flows / issues;	**-**
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	**-**
Total exposure to capital market	**2,94,730**

57.3.13 Details of financing of parent company products

The Company has not finance parent company products during the year ended March 31, 2021

57.3.14 Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL)exceeded by the HFC

During the year, there has been one instance of breach of exposure limit of Single Borrower ('SBL') as described under para 20 of the Directions. The company has exceeded the single borrower limit in case of one borrower on account of merger of two companies which was beyond the control of the company and the Company has informed NHB about the excess exposure on 20 April 2020. Also note that the exposure has been brought down within the limit on 23 December, 2020.

Borrower Name	Exposure as on March 31, 2021
Macrotech Developers Limited	90,796

(Currency : Rs in lakhs)

57 Disclosures required by the National Housing Bank *(Continued)*

3 Disclosures *(continued)*

57.3.15 Unsecured advances
The company has unsecured advances of Rs. 2,17,513 Lakhs as on March 31, 2021.

57.3.16 Exposure to group companies engaged in real estate business
The company does not have any exposure to group companies engaged in real estate business as on March 31, 2021

57.4 Miscellaneous

57.4.1 Registration obtained from other financial sector regulators
The Company has not obtained any registration form other financial sector regulators during the year ended March 31, 2021

57.4.2 Disclosure of Penalties imposed by NHB and other regulators
No penalty has been imposed by NHB and other regulators during the year ended March 31, 2021

57.4.3 Related Party Transactions
Details of all material transactions with related parties are disclosed in note 40.

57.4.4 Group Structure
Please refer annexure I, Annexure II & Annexure III for diagrammatic representation

57.4.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Credit rating issued to Piramal Capital & Housing Finance Limited

Instrument	Rating agency	Ratings assigned during FY 2020-21	Ratings assigned during FY 2019-20
NCD	ICRA Limited CARE Ratings Limited	[ICRA]AA(Negative) CARE AA(CWD)	ICRA] AA (negative) CARE AA (Stable)
Commercial papers	CRISIL Limited CARE Ratings Limited ICRA Limited	CRISIL A1+ CARE A1+	CRISIL A1+ CARE A1+ [ICRA] A1+
Long Term Fund Based Bank Lines	ICRA Limited	[ICRA]AA(Negative)	[ICRA] AA (negative)
Long term bank facilities	CARE Ratings Limited	CARE AA(CWD)	CARE AA (Stable)
Tier II bonds	ICRA Limited CARE Ratings Limited	[ICRA]AA(Negative) CARE AA(CWD)	[ICRA] AA (negative) CARE AA (Stable)
Inter Corporate Deposits	CARE Ratings Limited	CARE A1+	CARE A1+
Market Linked Debenture	ICRA Limited CARE Ratings Limited	[ICRA]AA(Negative) CARE AA(CWD)	NA
Public NCD	ICRA Limited CARE Ratings Limited	[ICRA]AA(Negative) CARE AA(CWD)	NA

*** The rating has been changed from previous FY to current FY as mentioned in above table.**

57.4.6 Remuneration of Directors
Details of Remuneration of Directors are disclosed as part of the Related party transactions in note 40.

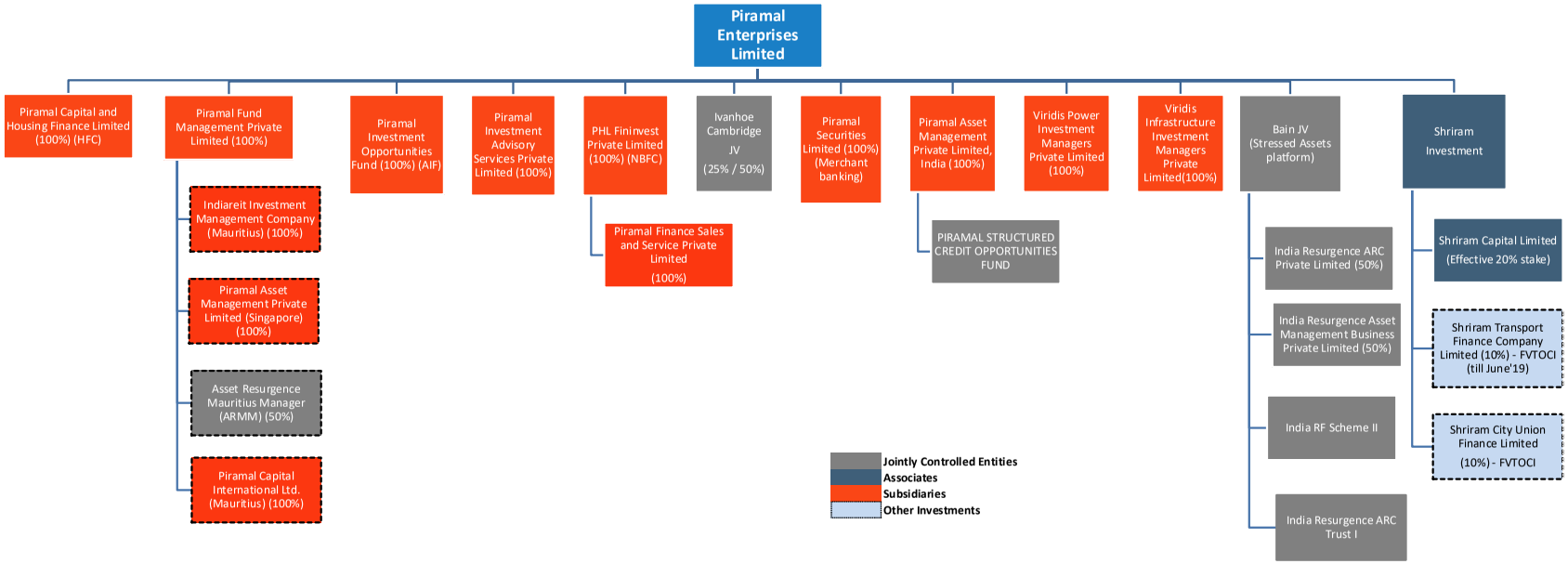
57.4.7 Management
Refer Directors' report for the relevant disclosures.

57.4.8 Net Profit or Loss for the period, prior period items and changes in accounting policies
There are no prior period items that have impact on the current year's profit and loss.

57.4.9 Revenue recognition
There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

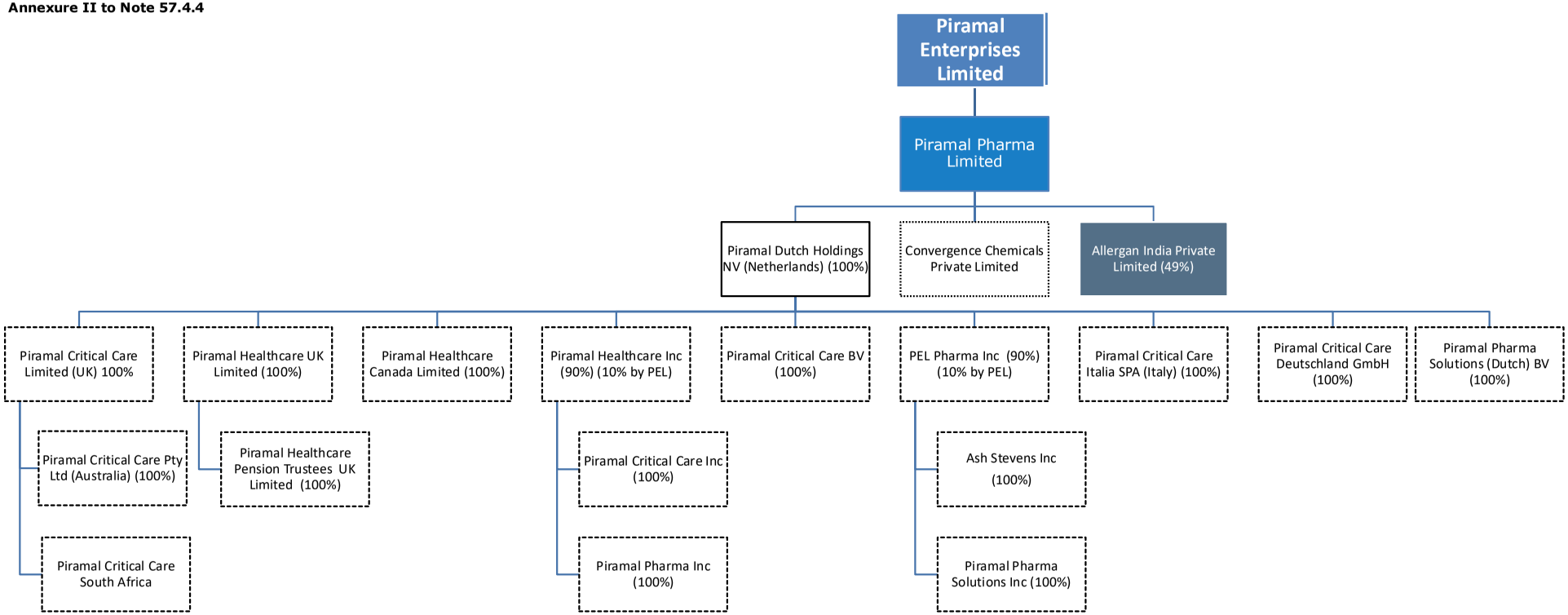
57.4.10 Consolidated Financial Statements (CFS)
The Company does not have any subsidiary. Hence, this disclosure under this para is not applicable.

Annexure I to Note 57.4.4



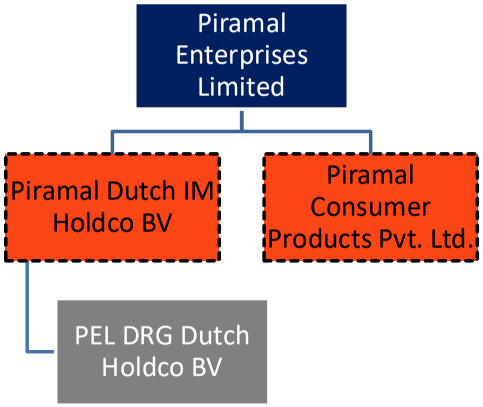
External Public

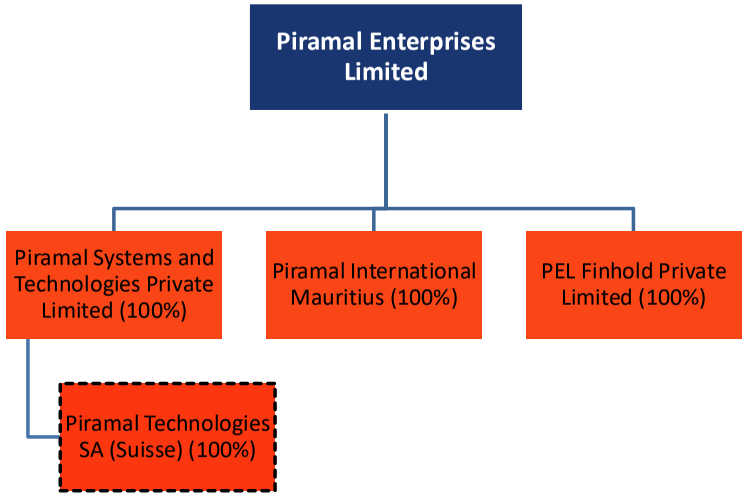
Annexure II to Note 57.4.4



External Public

Annexure III to Note 57.4.4





(Currency : Rs in lakhs)

57 Disclosures required by the National Housing Bank *(Continued)*

57.5 Additional Disclosures

57.5.1 Provisions and contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	March 31, 2021
1. Provisions for depreciation on Investment	-
2. Provision made towards Income tax	50,579
3. Provision towards NPA	27,596
4a. Provision for Standard Assets on CRE-RH	(17,627)
4b. Provision for Standard Assets on other CRE	(13,192)
4c. Provision for Standard Assets on others (Housing Loan, LAP, LRD etc.)	(4,801)
5. Other Provision and Contingencies	-

Break up of Loan & Advances and Provisions thereon	March 31, 2021	
	Housing#	Non-Housing
Standard Assets		
a) Total Outstanding Amount	14,63,878	16,87,891
b) Provisions made	40,051	90,954
Sub-Standard Assets		
a) Total Outstanding Amount	34,518	19,413
b) Provisions made	11,656	8,095
Doubtful Assets – Category-I		
a) Total Outstanding Amount	34,347	9,751
b) Provisions made	17,268	6,084
Doubtful Assets – Category-II		
a) Total Outstanding Amount	24	9,784
b) Provisions made	9	6,779
Doubtful Assets – Category-III		
a) Total Outstanding Amount	-	3,949
b) Provisions made	-	3,949
Loss Assets		
a) Total Outstanding Amount	-	-
b) Provisions made	-	-
Total		
a) Total Outstanding Amount	**15,32,767**	**17,30,789**
b) Provisions made	**68,984**	**1,15,862**

Includes composite funding for land acquistion and construction

57.5.2 Draw Down from Reserves

The company has not draw down from reserve during the year ended March 31, 2021

(Currency : Rs in lakhs)

57 Disclosures required by the National Housing Bank *(Continued)*

57.5 Additional Disclosures *(continued)*

57.5.3 Concentration of Advances, Exposures and NPAs

57.5.3.1 Concentration of loans and advances

Particulars	March 31, 2021
Total Loans & Advances to twenty largest borrowers	12,27,609
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	40.17%

57.5.3.2 Concentration of all exposure (including off-balance sheet exposure)

Particulars	March 31, 2021
Total Exposure to twenty largest borrowers	16,72,759
Percentage of Exposures to twenty largest borrowers to Total Exposures of the HFC	48.71%

57.5.3.3 Concentration of NPAs

Particulars	March 31, 2021
Total Exposure to top ten NPA accounts	84,135

57.5.3.4 Sector-wise NPAs

Sector	Percentage of NPA to Total Advances in that Sector
A. Housing Loans:	
1. Individuals	1.42%
2. Builder / project loans	5.23%
3. Corporates	8.76%
B. Non-Housing Loans:	
1. Individuals	0.32%
2. Builder / project loans	0.78%
3. Corporates	11.01%

57.5.3.5 Movement of NPAs

Particulars	March 31, 2021
(I) Net NPAs to Net Advances (%)	1.93%
(II) Movement of NPAs (Gross)	
a) Opening balance	73,701
b) Additions during the year	47,469
d) Reductions during the year	9,383
e) Closing balance	1,11,788
(III) Movement of Net NPAs	
a) Opening balance	47,455
b) Additions during the year	18,327
d) Reductions during the year	7,793
e) Closing balance	57,990
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)	
a) Opening balance	26,246
b) Provisions made during the year	29,186
d) Write-off/write-back of excess provisions	1,590
e) Closing balance	53,842

(Currency : Rs in lakhs)

57 Disclosures required by the National Housing Bank *(Continued)*

57.5 Additional Disclosures *(continued)*

57.5.3.6 Overseas assets

The Company does not have any overseas assets.

57.5.3.7 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

The Company does not have any sponsored SPVs which needs to be consolidated as per Accounting norms.

57.6 Disclosure of complaints

Particulars	March 31, 2021
a) No. of complaints pending at the beginning of the year	34
b) No. of complaints received during the year	905
c) No. of complaints redressed during the year	929
d) No. of complaints pending at the end of the year	10

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No: 113156
Bengaluru, May 24, 2021

For and on behalf of the Board of Directors of Piramal Capital & Housing Finance Limited

Khushru Jijina
Managing Director
DIN: 00209953
Khandala, May 13, 2021

Ajay Piramal
Director
DIN: 00028116
London, May 13, 2021

Sachin Deodhar
Chief Financial Officer
Mumbai, May 13, 2021

Bipin Singh
Company Secretary
Mumbai, May 13, 2021

External Public

Management Discussion and Analysis Report

MARKET SCENARIO

The Company has created its unique positioning in the financial services space, with a diversified exposure across both wholesale and retail financing. It has a strong portfolio with loans and investments of around ₹40,000 Crores as of March 31, 2019.

In FY 18-19, the default on payment obligations by IL&FS Group companies on their debt instruments resulted in a system-wide liquidity tightening. The default raised concerns over asset-liability mismatches at financial services entities, which traditionally relied on short-term market borrowings, such as commercial papers, to finance long-term assets. During the peak of the liquidity tightening situation, banks and mutual funds, which are among the largest providers of funds to financial services entities, became cautious and selective towards financing.

Since then, lenders started to classify financial services entities into three broad categories based on their (i) performance track record of growth, asset quality and return profile, (ii) promoter's reputation and commitment and (iii) balance sheet strength. The first category, of 'best-in-class' financial services entities, across the parameters mentioned earlier, continued to receive funds, although their cost of borrowing increased marginally. For the second category of financial services entities, which were relatively good, but not among the 'best-in-class', liquidity was available, but only selectively. For the third category of financial services entities, which were the relatively weaker ones, liquidity was not available and they were forced to sell their loan portfolios / businesses. As a result of these funding constraints, only a few top-quality financial services entities could grow their loan book in H2 FY2019. Subsequently, interventions by regulatory authorities and the government helped relatively ease system-wide liquidity to a certain extent, particularly for good quality players.

In the last few years, the real estate sector has witnessed several regulatory and policy reforms, such as demonetisation, followed by the implementation of Real Estate Regulation (and Development) Act (RERA) and GST, and changes in accounting standards. Although these reforms reduced the pace of growth of the real estate sector in the near term, they are contributing positively towards healthy consolidation, increased transparency and sustained growth in the medium to long term. However, increased compliance norms along with the recent liquidity tightening situation in financial services entities have accelerated the consolidation in the real estate sector

The housing finance market is expected to witness growth in the coming years due to under-penetration, increased urbanisation, favourable demographics, improving affordability due to the stabilisation of housing prices and higher deployment of funds towards housing loans by banks and Non-Banking Financial Companies ('NBFCs'). Additionally government and regulatory impetus are likely to create a huge demand potential for the sector. In the past few years, HFCs have been increasing their presence in the housing loan market. However, tight liquidity since September 2018 has forced HFCs to lower their disbursements and meet a sizeable portion of their funding requirement through portfolio sales.

CHALLENGES AND OPPORTUNITIES

Given the near term challenges, many HFCs have seen a slowdown in the real estate sector. The risk of default and non-payment by borrowers may adversely affect profitability and asset quality. The Company may also be exposed to concentration risks across sectors, counterparties and geographies.

In the past few years, HFCs have been increasing their presence in the housing loan market. However, tight liquidity since September 2018 has forced HFCs to lower their disbursements and meet a sizeable portion of their funding requirement through portfolio sales. Housing loan portfolio growth of HFCs/NBFCs reduced to 13% y-o-y for the period ended December 31, 2018 versus 18% for the same period the previous year[1]. The total housing credit outstanding stood at more than ₹18 Lakh Crores as of December 31, 2018. Your Company, leveraged this opportunity as the HFC business demonstrated robust growth during the year and remains well-positioned to capitalise on opportunities in the retail lending space going forward.

Wholesale and diversified HFCs/NBFCs continue to gain market share in corporate lending as a result of their ability to price risks, flexibility in loan structuring and faster turnaround periods. Going forward, credit demand is expected to increase as the government plans to boost infrastructure spending by targeting ~$1.4 Trillion of capital investment in infrastructure by 2024. The Company is well positioned to capture this growth opportunity and will likely benefit from its ability to offer customised solutions to customers and expand its product portfolio and sector coverage.

The Company's portfolio withstood the impact of RERA successfully, due to our developer selection criteria – i.e., partnering with top-tier developers in select micro-markets. Further, the platform's ability to foresee market headwinds and swiftly adapt to changing norms has helped in creating a book that is resilient to market dynamics. Going forward, real estate sales are expected to improve, driven by increasing end-user affordability and rising demand for projects by quality developers. In FY2019, residential real estate sales grew by 5% y-o-y across Tier I cities in India. We are relatively better positioned to benefit from the pick-up in residential real estate sales, as our clients have a track record of superior project performance and a relatively high share in overall sales in the markets they operate.

BUSINESS MIX

Lending Operations

The Company has a diversified exposure across both wholesale and retail financing which has created a unique positioning in the financial services space.

The loan book size is ₹39,431 Crores as on March 31, 2019. The growth was accompanied by loan book diversification, geographic expansion and new product

[1] Estimate by ICRA

launches.

a. Wholesale Lending:

The wholesale lending book stood at ₹34,257 crores as on March 31, 2019 as against ₹31,363 crores as on March 31, 2018.

b. Retail Lending

The increase in the Company's loan book was driven by strong growth which stood at ₹5,174 Crores as on March 31, 2019 from ₹1,326 crores as on March 31, 2018.

Market Borrowings

The average cost of borrowings was 9.1% in FY2019, marginally higher from FY2018. The increase in funding costs reflects the system-wide liquidity shortage following the default by IL&FS in September 2018 and the shift in the borrowing mix towards long-term sources of funds. We continue to closely monitor our borrowing costs by selecting the right mix of funding sources while carefully managing our asset liability profile.

Capital Adequacy Ratio

As of March 31, 2019, Company's Capital adequacy ratio was 29.9% Tier I ratio was 27.3%. Corresponding figures as on March 31, 2018 was 30.9% and 26.9% respectively. This are well above the minimum regulatory requirement prescribed by the NHB.

ALM

The Asset Liability Management (ALM) was within the norms stipulated by NHB. The Company maintains unutilised bank lines and surplus funds to manage liquidity requirements for the near term.

RISK AND CONCERNS

An independent risk management function formalizes the risk measurement & management process at the Company. The risk management philosophy is embedded into all activities of the entity, including comprehensive internal control and assurance processes to manage key risks. The risk management function mainly deals with credit, operational and liquidity & interest rate risk.

The risk management function plays a critical role in development and update of the credit policy which forms the basis of underwriting the loans. The risk management function also analyses the liquidity & interest rate risk at portfolio level.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal controls and processes in place with respect to its financial statements, which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies and procedures. The processes and controls

are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial performance for fiscal 2019 is summarised in the following table:

(Rs in crores)

	2018-19	**2017-18**
Net interest income and other income	5,571.86	67.89
Operating expenses	3,230.18	65.20
Provisions and contingencies	129.77	-
Profit before tax	2,211.91	2.69
Profit after tax	1,442.58	44.75
Other Comprehensive Income / (Loss)	(1.04)	-
Total Comprehensive Income	1441.54	44.75

STRATEGY OF BUSINESS

Despite a system-wide liquidity tightening, the Company delivered a strong performance during the year and further strengthened its balance sheet. On the liability side, Company demonstrated a strong ability to raise resources from a diversified set of investors and also substantially improved the borrowing mix by reorienting towards longer term funds.

The Company shall continue to further diversify its borrowings by tapping new funding sources, such as an External Commercial Borrowings (ECB), new bank lines, Tier II capital, etc. Company's asset quality remained robust even as it increased the granularity of our loan book with a significantly increased share of Housing Finance (to 13% from only 4% a year ago). The Company shall remain focused on further de-risking our portfolio and has already taken proactive measures to further strengthen the quality of our real estate loan book given the volatile market.

Going forward, the Company remains focused on delivering robust returns and are also proactively creating additional sources of fee income through asset aggregation opportunities, as we further reduce the overall risk profile of the loan book. The Company believes with long-term funding locked-in, a diversified loan book and healthy asset quality, it is well positioned to capitalise on potential future opportunities.

Company's strength lies in its rich experience and its network in the wholesale lending and construction finance space. Piramal Group has a vast network with some of the finest developers in the country and we place an emphasis at each step in the process of home buying – from the developer to the customer and we take pride in customising solutions for each stakeholder.

The Company has adopted sound corporate governance practices, world class processes and strong underwriting skills to elicit a sense of trust in the minds of stakeholders through ethical behaviour practices, integrity and transparency in conducting our business.

The Company believes in nurturing long-term relationships with its borrowers, channel partners and other stakeholders and encourages an open dialogue with all its key constituents. Cultivating long term, sustainable relationship with its stakeholders is the focal area of the Company. It is for this reason that the senior management of the Company devotes considerable time and efforts towards engaging constructively with all stakeholders.

The Company has believed that communicating in a consistent, credible and transparent manner enables stakeholders to appreciate and better understand the long term strategies of your Company. The Board pledges to uphold the highest standards of governance through transparency, accountability and integrity. The Board also takes cognizance of various regulatory changes in the overall governance framework and remains committed to imbibe the spirit and letter of regulations.

Branch expansion

The Company has opened 9 additional branches (Nashik, Nagpur, Ahmedabad, Surat, Vadodara, Chennai, Hyderabad, Jaipur, Indore) with a focus on Tier 2 cities during the second year of its operations. In total we have 16 branches in 15 cities.

Prevention of sexual harassment at the Workplace

The Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on prevention of sexual harassment at workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Particulars of Contracts or Arrangement with Related Parties

The Related Party Transactions policy of the Company ensures proper approval and reporting of the concerned transactions. During the year, all transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis. During the year, the Company had not entered into any material contract/arrangement/transaction with related parties. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

FUTURE OUTLOOK

At the macro level, India's GDP is expected to reach $5 Trillion in the next 5 years and it aspires to become a $10 Trillion economy by 2030. A significant pool of capital will be needed to fund this economic growth. As public sector banks remain capital constrained due to severe asset quality issues, HFCs/NBFCs, will need to step in to support demand for growth capital.

Over the past couple of years, financial services entities have played a critical role in India's economic growth, as they have been instrumental in extending credit to Micro,

Small and Medium Enterprises (MSMEs), real estate and retail consumers. MSMEs account for 31% of GDP, 40% of exports and hire 25% of labour force. Banks lending to MSMEs have declined significantly and it is estimated that financial services entities will have to lend ~₹2 Lakh Crores, or nearly 75% of the incremental credit demand, to MSMEs in the next 3-4 years. The real estate sector, which contributes more than 5% to GDP and hires 17% of labour force directly or indirectly, is also dependent on HFCs and NBFCs for funds. Going forward, the latent credit demand of an emerging India will require HFCs/NBFCs to fill the gaps where traditional banks have been wary to serve. Additionally, higher credit penetration, increased consumption and digital disruption present significant opportunities for HFCs and NBFCs to tap their growth potential.

The Company is well positioned to capitalise on this opportunity owing to its high capitalisation, high commitment from a reputed promoter, robust governance, conservative internal processes and deep sectoral understanding.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company has been in the growth phases and the focus was on building a world class team. We have hired 541 employees in a span of one year. We have hired a young and talented workforce from within the industry. Our average age of employees is 32 years. We have built a platform for imparting functional training that enables job readiness for our hires. The focus in future will also be attracting and retaining the best talent and building processes that nurture talent.

Management Discussion and Analysis Report

MARKET SCENARIO

The Company has created its unique position in the financial services space and offers a wide range of financial products and services to cater to the diverse needs of its clients. It has a strong portfolio with loans and investments of nearly Rs. 34,792 crores as on March 31, 2020.

Housing Finance Companies (HFCs) and other financial services entities play an important role in ensuring last-mile funding across the economy. Their niche financial intermediation complements and competes with the banking credit network, fostering better efficiency and wider financial inclusion. Indian policy makers have reiterated the relevance of financial services entities in India. Major beneficiaries of credit from financial services entities include micro, small and medium enterprises (MSMEs) and real estate developers.

Real estate directly accounts for ~7% of GDP and ~17% of employment. The impact is more pronounced through inter-linkages with about 250 auxiliary industries, such as steel, brick kilns, cement, paint, hardware, sanitary etc. However, the sector has been adapting to a rapidly evolving environment over the last few years. Several regulatory reforms and policy measures, such as RERA, GST and demonetisation, have reduced the sector's growth momentum, but helped to improve transparency and accountability while contributing to healthy consolidation and driving sustained long-term performance.

Moreover, housing is an economic and social priority for the Indian society. More than 60% of India's household savings is invested in homes as estimated by the Central Statistics Office. Economic development, rising per capita income and urbanisation have led to the emergence of an aspirational India. And owning a home continues to remain a key aspiration.

Even while the real estate sector is re-emerging from the impact of regulatory reforms and a system-wide liquidity tightening, it faces further headwinds from the COVID-19 pandemic. The pandemic is likely to further accelerate the pace of the on-going consolidation in the sector, as many weak, unorganised players will cease to exist.

Impact of COVID-19 on the Real Estate Sector:

(A) Residential Real Estate:

- **Sales through digital platforms:** Developers are adapting to technology and creating an online presence. As a result, virtual site tours and digital sales are gaining prominence.
- **Discounts to boost sales:** Enquiries for ready inventory are likely to increase and a few developers could offer further discounts to close transactions.
- **Focus on cash flow management:** There is a greater focus by developers on liquidity and cash flow management, along with other risk management practices.
- **Demand for housing and home office space likely to pick up:** As confidence in the economy is restored, demand for housing will gradually pick up. Also, people would increasingly prefer to stay in their own homes and so demand for housing with 'modern' amenities is likely to improve.

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(B) Commercial Real Estate Sector:

- **Working from home (WFH) is likely to become the new norm:** As more companies adopt a WFH policy, allowing a large portion of their employee base to work remotely (especially IT & ITES companies), rental growth is expected to remain muted on a YoY basis, and lessees are likely to seek reduction or deferment of rent escalations.
- **Changing demand for the type of office spaces:** Deferment of large space lease commitments in the next 12 months as corporates may shrink existing leased space and smaller companies may opt for co-working spaces.
- **Investments by global funds:** Total investments by global private equity (PE) firms in the Indian real estate sector is estimated at around USD 5 billion during CY 2019, of which nearly two-thirds was towards commercial real estate. Global funds may continue to invest in 'Grade-A' commercial assets, which may offer reasonable valuations.

(C) Hospitality:

- **Adverse impact due to lockdowns:** Hospitality sector is amongst the most severely affected, as cash flows of hotels have been impacted due to the nationwide lockdown.
- **Marquee brands relatively better positioned:** As the environment normalises gradually over the next 12-18 months, hotels/properties in prime locations with marquee brands are likely to be the first to recover.

CHALLENGES AND OPPORTUNITIES

Over the last few years, the growth of HFCs and other financial services entities was fuelled largely by funds from Indian banks and asset management companies (AMCs), deeply intertwining them with India's financial system.

In recent times, HFCs and other financial services entities are experiencing liquidity stress owing to rating downgrades and defaults in a few large Non-Banking Financial Companies ('NBFCs') in the aftermath of the IL&FS event. This slowdown has been witnessed mainly in the systemically important (assets ≥INR 500 Crores) non-deposit taking NBFCs. Consequently, financial markets and investors have been discriminating between stronger and weaker NBFCs, based on asset quality and asset-liability mismatch. Due to a rise in risk aversion, only well-governed, sufficiently capitalised NBFCs with a strong parentage have continued to receive funds, even though their cost of borrowings increased marginally. Both the RBI and Government of India have introduced measures to alleviate some of these stresses through liquidity injections, regulatory relaxations and partial credit guarantees. These measures have eased business conditions and assisted several HFCs and financial services entities to build adequate capital buffers, reduce ALM mismatches and improve their asset quality.

However, due to the COVID-19 related lockdowns, business conditions for HFCs and other financial services entities are once again likely to get impacted. The RBI announced a moratorium on loan repayments between March 1 and May 31, 2020. The moratoriums on loan repayments may lead to a substantial decline in cash inflows over the next few months for some HFCs and NBFCs. This may also increase liquidity stress and ALM mismatches, in case the NBFC/HFC does not have sufficient on-balance sheet liquidity. Several weaker

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NBFCs/HFCs have already halted disbursements and are looking for avenues to raise capital, which has shrunk considerably. Hence this could accelerate the on-going consolidation in the sector, with the "strong becoming stronger" as the more resilient and adaptable NBFCs/HFCs are able to navigate the current market volatility.

Further, the Government of India estimates that by 2022, about 100 million new homes will be required. Bulk of this requirement (95%) will be for low income group (LIG) and economically weaker sections (EWS) of the population. This presents an immense opportunity, for affordable homes as well as for housing finance.

BUSINESS OVERVIEW/OPERATIONAL PERFORMANCE.

During the FY2020, income has increased marginally to Rs. 5,623 Crores as compared to Rs. 5,572 Crores in the previous year. The moderation in YoY revenue growth was due to the reduction in average loan book size, which was partly offset by improved yields in the wholesale loan portfolio.

Lending Operations

Over the past few years, the Company has consistently diversified its exposure across both wholesale and retail financing through its presence in the following sub-segments:

a. Wholesale Lending:

• Real Estate Developer financing loan book stood at Rs. 25,718 Crores
• Corporate lending book (including Emerging Corporate Lending) stood at Rs. 3,560 Crores

b. Retail Lending

• Housing Finance loan book of Rs.5,515 Crores, accounted for 16% of overall loan book
• Building a multi-product retail lending platform

Market Borrowings

The average cost of borrowings was 10.5% in FY2020, marginally higher from FY2019. The increase in funding costs reflects the system-wide liquidity shortage following the default by IL&FS in September 2018 and the shift in the borrowing mix towards long-term sources of funds. We continue to closely monitor our borrowing costs by selecting the right mix of funding sources while carefully managing our asset liability profile.

Capital Adequacy Ratio

As of March 31, 2020, Company's Capital adequacy ratio was 34.9% Tier I ratio was 32.1%. Corresponding figures as on March 31, 2019 was 29.9% and 27.3% respectively. This are well above the minimum regulatory requirement prescribed by the NHB.

ALM

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The Asset Liability Management (ALM) was within the norms stipulated by NHB. The Company maintains unutilised bank lines and surplus funds to manage liquidity requirements for the near term.

RISK AND CONCERNS

An independent risk management function formalizes the risk measurement & management process at the Company. The risk management philosophy is embedded into all activities of the entity, including comprehensive internal control and assurance processes to manage key risks. The risk management function mainly deals with credit, operational and liquidity & interest rate risk.

The Risk Management function plays a critical role in development and update of the credit policy which forms the basis of underwriting the loans. The Risk management function also analyses the liquidity & interest rate risk at portfolio level.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal controls and processes in place with respect to its financial statements, which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies and procedures. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial performance for fiscal 2020 is summarised in the following table:

(Rs in crores)

Particulars	**2019-20**	**2018-19**
Net interest income and other income	5622.61	5,571.86
Operating expenses	3845.05	3,230.18
Provisions and contingencies	1175.69	129.77
Profit before tax	601.87	2,211.91
Profit after tax	30.48	1,442.58
Other Comprehensive Income / (Loss)	(14.53)	(1.04)
Total Comprehensive Income	15.95	1441.54

STRATEGY OF BUSINESS:

Despite significant headwinds faced by the real estate sector, the Company's asset quality has been resilient, that can be attributed to the Company's domain expertise, client selection, underwriting and strong risk and governance mechanism. Further, the Company's ability to proactively cure stressed deals and swiftly adapt to an evolving business environment has enabled its loan portfolio to withstand market volatility.

While the eventual impact of COVID-19 is difficult to predict, real estate construction activity has been delayed and industry-wide sales can be expected to remain slow in the

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near term. As a matter of prudence, the Company has created additional provisions in Q4 FY2020, which should be sufficient to meet any contingencies.

Also, the Company was able to raise long-term funds during the year and maintained adequate liquidity in the form of cash and undrawn bank lines as of Mar-2020. As a result, during the nationwide lockdown due to COVID-19, the Company was able to ensure that there are enough funds to meet the liquidity and working capital requirements of its clients. The Company continued to support its partners and clients during the volatile market environment by extending moratorium to its clients, with non-NPA accounts, as per regulatory guidelines.

Further, the Company continues to focus on diversifying the loan book and making it more granular. During the year, the Company continued to reduce its large, single-borrower exposures, while it remained focused on "risk-adjusted" returns.

In the retail housing finance business, given the market environment, the Company is being cautious on disbursements. Hence the portfolio size may remain steady for the next few months. Simultaneously, the Company will continue to shift the loan book mix towards mass affluent housing finance, to improve its profitability of this segment. In the near-to-medium term, the mass affluent housing finance market is also expected to witness significant consolidation, which is likely to create substantial growth opportunities for the business.

The Company is well positioned to capitalise on this opportunity owing to its high capitalisation, high commitment from a reputed promoter, robust governance, conservative internal processes and deep sectoral understanding.

Branch expansion
Due to a challenging external macro environment during FY-20 and also uncertainties driven by Covid-19, a cautious stance have been towards branch expansion. The Company remains committed in the long term to building a retail lending franchise with deep presence on tier 2 and beyond. Further, any branch expansion decision would be taken post-market normalization.

FUTURE OUTLOOK

Some of the major developments post the COVID-19 outbreak have been the rising prominence of technology and changing consumer behaviour. These mega trends are likely to create new opportunities for the NBFC/HFC sector. So players who embrace digitalisation will be able to address the evolving needs of clients and potentially benefit from the market dislocations caused by COVID-19.

In the past, players who have adopted transformational strategies have emerged winners from a crisis. Hence adaptability and agility of NBFCs will be key to navigating the current macroeconomic headwinds. Moreover, the players with: (i) sufficient on-balance sheet liquidity, (ii) access to long-term funding, (iii) healthy provisioning, (iv) a diversified loan portfolio and (v) adequate capital buffers with low leverage are relatively well-positioned to withstand the impact of disruptions caused by the COVID-19 outbreak.

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Owing to the growing importance of NBCFs and HFCs, policy makers are expected to work towards harmonising their regulatory framework with that of banks. This will benefit the well-governed and well-capitalised NBFCs and HFCs and, in all likelihood, lead to quicker consolidation within the space.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company has been in the growth phases and the focus was on building a world class team. It had hired 89 employees in a span of one year. It had hired a young and talented workforce from within the industry. The average age of employees is 32 years. The Company has built a platform for imparting functional training that enables job readiness for its hires. The focus in future will also be attracting and retaining the best talent and building processes that nurture talent.

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Management Discussion and Analysis Report

MARKET SCENARIO

The year FY2021 was unprecedented for the Indian economy due to the impact of the COVID-19 pandemic. The economic contraction in FY2021 was characterised by a slowdown in corporate and public revenues, increased unemployment and lower demand. Fortunately, timely expansionary monetary policies ensured abundant liquidity supporting India's financial system.

After witnessing strong growth between FY2014 to FY2018, HFCs began facing prolonged macroeconomic uncertainty due to a succession of events including: liquidity tightening (since September 2018) post IL&FS crisis, slowdown in GDP growth in FY2019 & 2020 and the ongoing COVID-19 pandemic beginning March 2020.

Consequently, the HFC sector witnessed moderate growth in recent years with some companies seeing a reduction in their loan book or assets under management (AUM). In order to navigate the situation, well-governed HFCs took several steps such as:

- Strengthened risk management framework and underwriting policies
- Improved collection processes and strengthened collection teams
- Focused on safer asset classes, especially secured lending products such as housing
- Embraced digitisation and new modes of payments
- Proactively raised capital and deleveraged the balance sheet
- Created buffers in the form of on-balance sheet liquidity and provisions for loan losses

In addition, the Reserve Bank of India (RBI) and the Government took several measures in response to the COVID-19 pandemic to support the financial services industry and provide liquidity support to HFCs/NBFCs. Some of these initiatives included moratorium on loan repayments, one-time restructuring of loans, partial credit guarantees, etc.

CHALLENGES AND OPPORTUNITIES

The Indian real-estate market was impacted by the COVID-19 pandemic during the first half of FY2021, followed by resurgence of demand in the later part of the year. The broad-based disruption caused by the pandemic weighed heavily on the real estate sector's demand and supply in Q1 FY2021.

However, after the first few months of FY2021, there was an increase in demand from home buyers, led by change in preference towards owning homes/owning larger homes instead of renting. This trend along with decade-low home loan interest rates, price correction or discounts offered by developers and the stamp duty cuts introduced by state governments (especially Maharashtra) led to significant increase in demand during H2 FY2021. As a result, sector-wide residential real-estate sales volumes steadily improved since Oct-2020, surpassing pre-COVID levels during H2 FY21.
The performance of our developer clients' in Q1 FY2021 was impacted by the nationwide lockdown amid the COVID-19 pandemic. However, during Q2 FY2021, there was gradual

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improvement month-over-month as the lockdown limitations eased. In H2 FY2021, our developer clients witnessed significant increase in sales and collections from homebuyers, reflecting sector-wide trends.

While developers witnessed better than expected sales in FY21 and are better prepared to handle the COVID situation, we continue to closely monitor the portfolio to mitigate any potential risks.

We believe that in the near term, the progress of the vaccination drive in the country and the government's stance on restrictions will be the key influencers of the real estate sector's performance. Moreover, the pandemic is likely to further accelerate the pace of the on-going consolidation in the real estate sector.

Since retail lending penetration[2] in India is relatively low and stood at 12% of the country's GDP compared to 56% in China and 75% in the US in 2019, the market offers significant long-term growth potential. The market size of consumer and micro, small and medium-scale enterprises (MSME) lending was estimated to reach Rs. 96 lakh crores in FY2024 from Rs. 48 lakh crores in FY2019[1]. However, retail credit growth was impacted due to lockdowns amid the COVID-19 pandemic in FY2021.

Within retail lending, housing finance forms a sizable portion of the loans outstanding. Historically, home loan disbursements witnessed healthy growth owing to the increasing demand from Tier-II and -III cities, growing disposable incomes, government initiatives and fiscal incentives. Going forward, mid-town India (Tier II and III cities) is expected to drive the growth in consumer and MSME credit.

Some HFCs/NBFCs were instrumental in providing retail credit to these markets owing to their deep understanding of target customer segments, use of technology and differentiated business models. Since September 2018, which spelt the beginning of liquidity tightening measures in the NBFC sector, several players limited their credit exposure to these markets or completely vacated this space.

When the economy was impacted by the COVID-19 pandemic in 2020, HFCs maintained a cautious stance towards loan disbursements during the lockdown period. While there was a gradual increase in sector-wide growth momentum and an improvement in collections from October 2020 onwards, the second wave of COVID-19 partially reversed these recovery gains.

The current market dislocation caused by the pandemic has created several opportunities for new entrants and incumbents to capture the market vacated by a few larger HFCs. With adequate growth capital, robust risk management and "next-gen" tech capabilities, HFCs are well-positioned to tap this opportunity and meet the evolving needs of the customers.

Notes: (1) Based on estimates by CRISIL; (2) Source: IMF

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BUSINESS OVERVIEW/OPERATIONAL PERFORMANCE

During the FY2021, income has decreased marginally to Rs. 5,088 Crores as compared to Rs. 5,623 Crores in the previous year. The moderation in YoY revenue growth was due to the reduction in average loan book size, which was partly offset by improved yields in the wholesale loan portfolio.

Lending Operations

Over the past few years, the Company has consistently diversified its exposure across both wholesale and retail financing through its presence in the following sub-segments:

a. Wholesale Lending:

- Loans for residential and commercial real-estate developers as well as corporates in select sectors
- Real Estate Developer financing loan book stood at Rs. 25,158 Crores
- Corporate lending book (including Emerging Corporate Lending) stood at Rs. 2,764 Crores

b. Retail Lending

- A multi-product retail lending platform that is 'digital at the core'
- The platform was launched and commenced disbursements in November 2020
- DHFL acquisition will lead to significant growth and scale of operations
- Retail loan book of Rs. 4,431 Crores, accounted for 13.7% of overall loan book

Market Borrowings

During the year, the incremental borrowing cost saw a gradual decline reflecting the progress made on our strategic priorities, including strengthening of the balance sheet and granularization of the wholesale loan book. Cost of borrowings are expected to further decline as we continue to make the loan book more diversified and granular.

Capital Adequacy Ratio

As of March 31, 2021, Company's Capital adequacy ratio was 32.3% and Tier I ratio was 32.1%. Corresponding figures as on March 31, 2020 were 34.9% and 32.1% respectively. These are well above the minimum regulatory requirement prescribed by the regulators.

ALM

The Asset Liability Management (ALM) was within the stipulated norms. The Company maintains unutilised bank lines and surplus funds to manage liquidity requirements for the near term.

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RISK AND CONCERNS

An independent risk management function formalizes the risk measurement & management process at the Company. The risk management philosophy is embedded into all activities of the entity, including comprehensive internal control and assurance processes to manage key risks. The risk management function mainly deals with credit, operational and liquidity & interest rate risk.

The Risk Management function plays a critical role in development and update of the credit policy which forms the basis of underwriting the loans. The Risk management function also analyses the liquidity & interest rate risk at portfolio level.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal controls and processes in place with respect to its financial statements, which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies and procedures. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial performance for fiscal 2021 is summarised in the following table:

(Rs in crores)

Particulars	**2020-21**	**2019-20**
Net interest income and other income	5087.90	5622.61
Operating expenses	3627.91	3845.05
Provisions and contingencies	(80.24)	1175.69
Profit before tax	1540.23	601.87
Profit after tax	1034.44	30.48
Other Comprehensive Income / (Loss)	0.65	(14.53)
Total Comprehensive Income	1035.09	15.95

STRATEGY OF BUSINESS:

(a) Diversify our loan book mix and product suite with increasing focus on retail financing products

In line with our stated strategy to diversify the loan book and make it more granular, we made progress on the following aspects during the year:

i. Organic build-up of the Retail Lending business, by pivoting to a multi-product strategy

ii. Expansion through inorganic growth (i.e. the on-going DHFL acquisition process)

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Organic build-up of the Retail Lending business, by pivoting to a multi-product strategy

We target to serve consumers and small businesses which we believe are systematically underserved and require differentiated products. As on March 31, 2021, the retail loan book accounted for 13.7 % of our overall loan book. We continue to expand our product offerings to cater to evolving customer needs.

During FY2021, the Company expanded its retail lending product suite from two to seven products, which include: (i) Mass Affluent Housing, (ii) Affordable Housing, (iii) Loan Against Property, (iv) Secured Business Lending, (v) Digital Personal Loans, (vi) Digital Purchase Finance, and (vii) Used Car Loans. Among these product offerings, Digital Purchase Finance, Digital Personal Loans and Used Car Loans were launched in partnerships with leading FinTech and Consumer Tech firms. Furthermore, the business exited booking any new business under 'Affluent Housing' as it strategically pivoted towards 'Affordable' and 'Mass Affluent' Housing.

We believe there is a significant untapped potential in the retail financing space, offering long-term growth opportunities. Further, due to the impact of COVID-19, the competitive intensity in the retail financing space is likely to decline with reducing competition from smaller players in the industry.

DHFL acquisition:

We are also strengthening our retail financing and consumer lending business verticals through inorganic growth. In line with this strategy, we are in the process of acquiring DHFL, subject to receipt of the necessary approvals, which has a large retail loan book. Such inorganic expansion will help to accelerate our retail business and diversify our portfolio by considerably increasing the share of retail loan in overall book.

The DHFL acquisition will set the foundation for a sizable retail lending business with potential to deliver continued growth in the coming years. The acquisition will create the right platform to implement the multi-product cross-sell strategy in the 'Bharat' market (Tier 2/3 cities in India).

(b) Leveraging a digital lending platform to cater to retail financing customers

The multi-product retail lending platform is 'digital at the core' and the business has assembled a future-ready tech stack with a combination of off-the-shelf and internally engineered technology. The business is using modular, next-gen capabilities to re-imagine the entire customer journey.

The business has built a secure, scalable, cloud-native architecture, which is Artificial Intelligence (AI)/Machine Learning (ML)-ready. With analytics deeply woven into the fabric of the business, the credit risk management framework has been created for the post-COVID era.

We are currently focused on continuously improving and building technology infrastructure, setting up robust processes, developing new loan products and acquiring key

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talent for this business. We believe that the digitally-led platform will enable us to scale and accelerate our retail business.

(c) Continue to focus on granularization of the wholesale financing loan book along with conservative provisioning to manage any contingences

Our Company has made consistent efforts to reduce concentration risk and large single-borrower exposures. This has been driven by both refinancing / down-selling of existing loans, securitisation and cautiously increasing new exposures to existing borrowers. We endeavour to continue to launch innovative products across segments to further granulise our wholesale financing loan book and reduce the exposure to top 10 client groups.

We also intend to continue our policy to adopt conservative approach to provisioning to enable us to meet any contingency that may occur to our portfolio due to uncertain market scenarios.

(d) Strengthening the balance sheet and maintaining high capital adequacy:

To mitigate any unforeseen events in the loan book, we have made adequate capital infusion into the balance sheet. We had a CRAR (as per Indian GAAP) of 29.92% (tier I capital – 27.27%) as on March 31, 2019, 34.89% (tier I capital – 32.06%) as on March 31, 2020 and 32.30% (tier I capital – 32.06%) as on March 31, 2021. We believe the business has adequate growth capital for the next few years.

(e) Focus on diversified liability mix with reduced cost of funding and increasing share of long-term borrowings

In Fiscal 2019, the growth of HFCs slowed down considerably due to the NBFC crisis and liquidity constraints in NBFCs and HFCs. The growth further weakened in Fiscal 2020 due to an economic slowdown (source: CRISIL Report). Interventions by the RBI and the Government have helped ease system-wide liquidity to a certain extent, particularly for good quality players.

The availability of liquidity has got further impacted due to COVID-19. During this uncertain pandemic situation with scare funding avenues, we shifted our borrowing mix towards longer-term sources of funds and reduced commercial paper borrowings. We raised Rs. 12,066 crores of long-term borrowings (≥1year tenure) during the Fiscal ended March 31, 2021. As on March 31, 2021, exposure to commercial papers (face value) in overall borrowings was Rs. 30 crores. We intend to further diversify our liability mix with reduced cost of funding and increasing share of long-term borrowings.

Our Company has adopted a conservative approach to ALM management and focussed on conserving liquidity. Our efforts are reflected in the ALM profile with higher positive gaps as on March 31, 2021 as compared to previous years. We continue to focus on having multiple and diversified sources of funding in order to support our business functions to grow value investment opportunities.

Our strong balance sheet and credit rating has helped us to gradually reduce our cost of borrowing. We intend to continue to make our efforts on reducing the cost of borrowing

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and optimize our liability franchise by adopting additional measures to boost liquidity that include issuance of non-convertible debentures, raising funds via external commercial borrowings with a focus on generating higher ROEs. Further, the growing retail book may also be leveraged to borrow through securitisation reducing our dependence on long-term bank borrowings and improving the overall borrowing cost.

FUTURE OUTLOOK

While the second wave of COVID-19 led to an uncertain business environment for the financial services sector, its impact is expected to be limited. Stronger HFCs are relatively better placed now to deal with COVID-19, as they have improved the resilience of their balance sheet and the deterioration in asset quality remains limited, given sectors such as real estate construction, infrastructure, etc. continue to witness increase in business activity.

Going forward, the 'retailisation' trend across HFCs is expected to gain ground. Also, HFCs are increasingly leveraging co-lending and partnerships to drive growth, while focusing on strengthening asset quality and tightening underwriting standards. With Indian consumers going digital at an unprecedented pace, 'digitisation' across the customer life cycle is likely to increase significantly.

HFCs with strong parentage will continue to have better access to funding. Moreover, the sector will continue to witness consolidation as companies with strong capital base, low leverage and high on-balance sheet liquidity will continue to gain market share.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

We place emphasis and focus on recruitment and retention of our employees as personnel is the most valuable asset for a service industry such as ours. As of March 31, 2021, we employed 600 employees. We also offer rewards and recognition programmes, and learning and development programmes to our employees.

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