



Ghar Ki Baat

July 4, 2020

The BSE Limited,
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited,
Listing Department
“Exchange Plaza”
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Scrip Code: 540173

Symbol: PNBHOUSING

Dear Sirs,

Sub: Rating Revision and change in Outlook for Bank borrowings, NCDs and Fixed Deposits by CARE

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that Credit Rating Agency, CARE has downgraded the credit rating of Bank Borrowings, NCDs and Fixed Deposits to ‘CARE AA’ (Outlook Stable) from ‘CARE AA+’ (Outlook Negative).

The rating agency has revised the Outlook from ‘Negative’ to ‘Stable’.

As per CARE;

“The revision in the ratings of PNBHFL factor in deteriorating asset quality of the company with rise in absolute Gross NPAs to Rs.1,856 crore, translating in GNPA of 2.75% on loan assets as on March-20, up from 1.75% as on Dec-19 which has been mainly due to increasing stress levels in the underlying assets, especially in the company’s corporate portfolio in recent years. The rating action also takes into account the delay in planned equity infusion as PNBHFL needs to raise substantial capital in order to bring down its on-book gearing levels (~9x as on Mar-20) which has become especially important in view of the increased portfolio vulnerability of the wholesale book. As per management of PNBHFL, the company intends to raise upto Rs.1,700 crore of capital via rights issue in the near term that would be crucial for sustaining the growth in its loan book and reduce its leverage levels.

Company’s profitability profile has moderated with return on total assets (RoTA) at 0.80% as on March-20 (vs 1.64% as March-19) on account of elevated provisioning costs (including provisions related to Covid-19) during FY20. PNBHFL has built in provisions in its book and the total provision as a percentage of CARE adjusted average total asset stood at 1.55% as on March 31, 2020 as against 0.26% as on March 31, 2019.

While the company has sufficient liquidity to meet its near term obligation, but with lower than expected scheduled inflows coupled with scheduled liability related outflows, the liquidity profile could moderate if the current challenging environment gets prolonged.

The ratings, however continue to derive strength from its experienced management team, brand linkages with/ and expectation of continued support from Punjab National Bank (PNB); promoter of PNBHFL, strong market position as the fourth largest Housing Finance Company (HFC) in the country (by assets as on March 31, 2020), well diversified resource profile as demonstrated by its ability to raise funds despite the tight liquidity environment seen since Sept-18 and adequate liquidity with company having liquid cash and bank balance and investments of Rs.14,269 crore as on May 30, 2020 which are sufficient to take care of short term debt obligations of upto 3 months (till Sep-20).”

The Press release of CARE dated July 3, 2020 containing rationale and key rating drivers is enclosed herewith. This is for your information and records.

Thanking You,

For PNB Housing Finance Limited

Sanjay Jain
Company Secretary & Head Compliance

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CIN: L65922DL1988PLC033856

PNB Housing Finance Limited

July 03, 2020

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating1	Rating Action
Long term Bank Facilities	15,600 (Rs. Fifteen Thousand and Six Hundred crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE AA+; Negative (Double A Plus; Outlook: Negative)
Long-term/Short-term Bank Facilities	16,400 (increased from 6,400) (Rs. Sixteen thousand and Four Hundred crore only)	CARE AA; Stable / CARE A1+ (Double A; Outlook: Stable / A One Plus)	Revised from CARE AA+; Negative / CARE A1+ (Double A Plus; Outlook: Negative / A One Plus)
Total Bank Facilities	32,000 (increased from 22,000) (Rs. Thirty Two Thousand crore only)		
Fixed Deposit programme	18,500 (Rs. Eighteen Thousand Five Hundred crore only)	CARE AA (FD); Stable [Double A (Fixed Deposit)]; Outlook: Stable)	Revised from CARE AA+ (FD); Negative [Double A Plus (Fixed Deposit)]; Outlook: Negative)
Long term Bonds/Non-Convertible Debentures	150 (Rupees One Hundred Fifty Crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE AA+; Negative (Double A Plus; Outlook: Negative)
Long term Bonds/Non-Convertible Debentures	125 (Rupees One Hundred Twenty Five Crore Only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE AA+; Negative (Double A Plus; Outlook: Negative)
Long term Bonds/Non-Convertible Debentures	200 (Rupees Two Hundred Crore Only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE AA+; Negative (Double A Plus; Outlook: Negative)
Long term Bonds/Non-Convertible Debentures	500 (Rupees Five Hundred Crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE AA+; Negative (Double A Plus; Outlook: Negative)
Long term Bonds/Non-Convertible Debentures	1000 (Rupees Thousand Crore Only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE AA+; Negative (Double A Plus; Outlook: Negative)
Long term Bonds/Non-Convertible Debentures	600 (Rupees Six Hundred crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE AA+; Negative (Double A Plus; Outlook: Negative)
Long term Bonds/Non-Convertible Debentures	2,875 (Rupees Two Hundred Seventy Five crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE AA+; Negative (Double A Plus; Outlook: Negative)
Long term Bonds/Non-Convertible Debentures	6,501 (Rupees Six Thousand Five Hundred One crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE AA+; Negative (Double A Plus; Outlook: Negative)

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

Long term Bonds/Non-Convertible Debentures	8,500 (Rupees Eight Thousand Five Hundred Crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed and Outlook revised from Stable to Negative
Long term Bonds/Non-Convertible Debentures	7,000 (Rupees Seven Thousand Crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed and Outlook revised from Stable to Negative
Long term Bonds/Non-Convertible Debentures	5,000 (Rupees Five Thousand Crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed and Outlook revised from Stable to Negative
Long Term Tier-II Bonds/Subordinated Debt	1,000 (Rupees One Thousand Crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed and Outlook revised from Stable to Negative
Long Term Tier-II Bonds/Subordinated Debt	200 (Rupees Two Hundred Crore Only)	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed and Outlook revised from Stable to Negative
Long Term Tier-II Bonds/Subordinated Debt	500 (Rupees Five Hundred Crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed and Outlook revised from Stable to Negative
Long term Tier-II Bonds/Subordinated Debt	499 (Rupees Four Hundred Ninety Nine crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE AA+; Negative (Double A Plus; Outlook: Negative)
Commercial Paper (CP) issue	25,000 (Rupees Twenty Five Thousand Crore only)	CARE A1+ (A One Plus)	Reaffirmed

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The revision in the ratings of PNBHFL factor in deteriorating asset quality of the company with rise in absolute Gross NPAs to Rs.1,856 crore, translating in GNPA of 2.75% on loan assets as on March-20, up from 1.75% as on Dec-19 which has been mainly due to increasing stress levels in the underlying assets, especially in the company's corporate portfolio in recent years. The wholesale loan book form about 18% of AUM as on March-20, reduced from 21% of AUM as on March-19. In view of the Reserve Bank of India (RBI)'s move to allow banks, NBFCs and HFCs to offer six month moratorium to borrowers (till Aug 31, 2020) there could be an impact on collections of the company in the near term which could lead to further weakness in asset quality of the company. The rating action also takes into account the delay in planned equity infusion as PNBHFL needs to raise substantial capital in order to bring down its on-book gearing levels (~9x as on Mar-20) which has become especially important in view of the increased portfolio vulnerability of the wholesale book. As per management of PNBHFL, the company intends to raise upto Rs.1,700 crore of capital via rights issue in the near term that would be crucial for sustaining the growth in its loan book and reduce its leverage levels. However, given the prolonged weak market sentiment, the ability of PNBHFL to raise capital in a timely manner remains a rating sensitivity.

Additionally, the rating revision also factors in moderation in the loan book growth of the company with assets under management (AUM) of Rs.83,346 crore as on March-20, down 2% Y-o-Y underpinned by 18% Y-o-Y de-growth in wholesale portfolio, decelerated pace of growth in retail loans and sell-down of its LRD portfolio. Also company's profitability profile has moderated with return on total assets (RoTA) at 0.80% as on March-20 (vs 1.64% as March-19) on account of elevated provisioning costs (including provisions related to Covid-19) during FY20. PNBHFL has built in provisions in its book and the total provision as a percentage of CARE adjusted average total asset stood at 1.55% as on March 31, 2020 as against 0.26% as on March 31, 2019.

While the company has sufficient liquidity to meet its near term obligation, but with lower than expected scheduled inflows coupled with scheduled liability related outflows, the liquidity profile could moderate if the current challenging environment gets prolonged.

The ratings, however continue to derive strength from its experienced management team, brand linkages with/ and expectation of continued support from Punjab National Bank (PNB); promoter of PNBHFL, strong market position as the fourth largest Housing Finance Company (HFC) in the country (by assets as on March 31, 2020), well diversified resource profile as demonstrated by its ability to raise funds despite the tight liquidity environment seen since Sept-18 and adequate liquidity with company having liquid cash and bank balance and investments of Rs.14,269 crore as on May 30, 2020 which are sufficient to take care of short term debt obligations of upto 3 months (till Sep-20).

CARE also takes note of the recent measures announced by RBI in light of the Covid-19 pandemic to provide durable liquidity and protect asset quality. Announcements with respect to Targeted Long Term Repo Operation 2.0 (TLTRO 2.0) for NBFCs and MFIs, special refinance facility by NHB to address sectoral credit needs, extension of date of commencement of commercial operations (DCCO) of project loans for commercial real estate by one year and asset classification standstill for all accounts where moratorium is granted are expected to provide some relief to the liquidity profile and asset quality ratios.

Key Rating sensitivities:**Positive:**

- Improvement in the asset quality metrics with reported GNPA falling below 1.75%
- Ability of the company to reduce and maintain its on-book gearing at 7 times on a sustained basis

Negative:

- Delay in equity raising
- Significant deterioration in asset quality profile
- Deterioration in liquidity profile with mismatches arising in near to medium term bucket

Detailed description of the key rating drivers**Key Rating Strengths*****Comfort from brand linkages with PNB (promoter of PNBHFL) and experienced management team of PNBHFL***

PNB is the promoter of PNBHFL with 32.65% shareholding as on March 31, 2020. In January 2020, PNB, via its board resolution, confirmed its stated objective to continue to hold a minimum 26% shareholding in PNBHF and continue to remain its promoter. Subsequently CARE expects PNB's support for PNBHF to be forthcoming as and when needed. PNBHFL also shares the brand linkages with PNB and benefits in terms of financial flexibility for fund raising as well as lending operations; however as the company has grown, its reliance on PNB in the form of management and funding support has reduced.

PNBHFL's operations are managed by an independent management team comprising of professionals with strong knowledge and extensive experience in the mortgage business. The company is led by Mr. Neeraj Vyas (Managing Director) who joined PNB HF in April 2020 and has a rich experience of over 35 years in Indian banking industry across a range of diverse functions such as retail banking, commercial banking, product development etc. He was previously associated as Deputy Managing Director and Chief Operating Officer at State Bank of India.

Long standing track record and market position

Established in 1988, PNBHFL has a long and profitable track record of operations of over three decades. PNBHFL is the fourth largest HFC in the country with asset under management (AUM) of Rs.83,346 crore as on March 31, 2020. PNBHFL has seen CAGR of 26% in its AUM over the last 3 years till March 31, 2020. As on March 31, 2020, PNBHFL had pan-India presence with 105 branches and 23 hubs with presence in 64 unique cities. This includes 3 new branches, which became operational in FY20. The company also services the customers through its 28 outreach locations. As on March-20, retail loan book i.e. Individual Housing loans (IHL; 58%), Retail Loan Against Property (LAP; 20%) and Retail Non-Residential Premise loans (NRPL) (4%) together comprised 82% of AUM while the wholesale loan book constituting (Construction Finance – 12%, Corporate Term Loans- 4%, LRD – 2%) formed the remaining 18% of AUM. The on-balance sheet loan book was Rs.67,571 crore (down 8.7% Y-o-Y) and 81% of AUM as on March 31, 2020) and balance was in the form of assigned loan book (IHL and LAP). There has been a concerted effort by the management to reduce its corporate loan book (resulting in corporate book share reducing from 21% of AUM as on Mar-19 to 18% as on Mar-20). Also, during FY20, PNBHFL sold high risk weighted corporate finance book worth Rs.2,307 crore.

Diversified resource profile

PNBHFL has demonstrated strong resource raising capacity to fund business growth. It has raised funds through various market instruments, deposits, external commercial borrowings as well as loans from various banks and financial institutions including NHB, Asian Development Bank and International Finance Corporation. Recently, PNBHFL signed an agreement with Japan International Cooperation Agency (JICA) to raise USD 75 million with co-financing of USD 25 million by Citibank (Citi) to finance mortgage loans in affordable housing segment. During FY20, total borrowings of the PNBHFL de-grew 6% Y-o-Y to Rs.68,216 crore. As on March 31, 2020, PNBHFL's funding profile (borrowings) comprised of loans from banks (24.4%), NCDs (22.5%), deposits (19.6%), National Housing Bank (NHB) finance (7.4%), external commercial borrowings (ECBs; 6.7%) and Commercial Paper (0.5%). Besides, PNBHFL has also raised funds through off-balance sheet transactions (direct assignment)

which accounted for 18.8% of overall funding mix. Although going forward, the share of securitization volumes is expected to remain muted. The share of shorter tenure CP borrowings in the overall funding mix has come down to 0.5% as on Mar-20 as against 9.6% as on Mar-19. PNBHFL intends to maintain these at similar levels on an ongoing basis. Further, RBI announcement on TLTRO 2.0 and the special refinance facility via NHB is expected to provide support to PNBHF's resource and liquidity profile

Key Rating Weakness

Vulnerability owing to corporate book exposure to real estate sector with high credit concentration and deterioration in asset quality

The asset quality of PNBHFL deteriorated with absolute gross NPA and Net NPA at Rs.1,856 crore and Rs.1,184 crore respectively as on Mar-20 increased from Rs.1,213 crore and Rs.868 crore respectively as on Dec-19 and Rs.355 crore and Rs.281 crore respectively as on March 31, 2019. As a result, the asset quality ratios, GNPA and NNPA, rose to 2.75% and 1.75% respectively up from 1.75% and 1.25% respectively as on Dec-19 and 0.48% and 0.38% respectively as on March 31, 2019

The networth coverage for net NPA also weakened with Net NPA to CARE adjusted tangible net-worth ratio at around 16% as on Mar-20 up from 11% as on December 31, 2019 and 4% as on March 31, 2019. The increase in NPA (Stage 3 assets) during FY20 has been on account of slippages in both the retail as well as wholesale segment. The increase in NPA in wholesale segment was primarily on account of slippage of two large accounts. As on March 31, 2020, PNBHFL was carrying total provision of Rs.1,766 crore (2.6% of the on-book loan portfolio). The wholesale loan book (i.e. construction finance and corporate loans to builders excluding LRDs) stood at Rs.13,408 crore as on Mar-20 (16% of AUM or 20% of on-book loan portfolio as on March 31, 2020). The vulnerability of wholesale loan book of the HFCs including PNBHFL has increased given weakness in real estate sector and deteriorating credit profile of real estate developers following the prolonged tight liquidity environment. Consequently, NPA (Stage 3 assets) for the wholesale loan book increased to 8.18% as on March-20 from 4.17% as on Dec-19 from 0.17% as on March-19.

As per management, PNBHF has adopted "opt-in" route for extending moratorium to its customers and under phase 1 of moratorium (till May 31, 2020) with about 56% of company's AUM under moratorium as of June 5, 2020. Retail Loans under phase 1 of moratorium accounted for 49% of the retail AUM while the corporate loans accounted for 86% of corporate AUM as on same date. Under, phase 2, about 31% of company's AUM is under moratorium and the share of retail loans under phase 2 of moratorium came down to 20% of retail AUM while the share of corporate loans remained at same level as that of phase-1.

Subsequently any further elongation of liquidity crisis amid current covid outbreak could particularly impact company's wholesale portfolio by reducing the ability of real estate players to complete projects on time and generate adequate cash flows to service the debt which could result in additional slippages and provisioning requirement, thus impacting the asset quality, profitability and capitalization levels of PNBHFL. Also, risk of retail loan against property (LAP and NRPL; 20% and 4% of AUM respectively as on Mar-20) portfolio of HFCs including PNBHFL is expected to be higher than retail housing finance business given the exposure to largely self-employed segment who are more vulnerable to economic cycles.

CARE takes note of the fact that extension of date of commencement of commercial operations (DCCO) of project loans for commercial real estate by one year and NPA classification relaxation during the three month moratorium period for accounts that have availed moratorium is expected to provide some relief to PNBHFL on the asset front. However the improvement of the asset quality performance in these segments in medium term will be critical for the credit profile of the company going ahead.

High credit concentration in wholesale lending book; albeit intent to reduce the share of corporate book and ticket size of exposures

There is high credit concentration in the wholesale loan book of PNBHFL with top 20 groups contributing to nearly 64% of the overall wholesale AUM of Rs.14,614 crore (CF, CTL and LRD) as on March 31, 2020. However, with corporate real estate sector in prolonged slowdown, PNBHFL has shifted its focus away from corporate loans as reflected in its disbursement pattern wherein nearly 92% disbursements in FY20 being in retail segment. Consequently, there has been a net reduction in wholesale loan book to Rs.14,614 crore (down 18% Y-o-Y or 18% of AUM) as on Mar-20. PNBHFL intends to bring down its share of overall wholesale book down and during FY20, PNBHFL sold of corporate finance book worth Rs.2,307 crore. Also, PNBHFL has revised its policy to restrict the ticket size of its exposures to much lower levels from the current norms that allow exposure to a single entity and group to the extent of 15% and 25% of the tangible net-worth respectively (in line with NHB guidelines).

Need to raise substantial capital to improve capital structure, cushion for any impact on asset quality due to corporate book exposure and sustain growth

PNBHFL had raised capital of Rs.3,000 crore from the IPO issue in November 2016. Since then there has been a substantial growth in loan book of PNBHFL and consequently the CARE adjusted on-book leverage levels of the company (overall debt/tangible net worth) have stood at a high of 9.3 as on Mar-20 (down from 10.53 times as on March 31, 2019). Although there has been some improvement in gearing levels in the recent quarters with an increase in CARE adjusted tangible net worth from Rs.6,874 crore as on March-19 to Rs.7,324 crore as on Mar-20 on account of positive internal accruals coupled with decrease in borrowings to Rs.68,216 crore as on Mar-20 from Rs.72,362 crore as on March-19 with slower pace of business growth.

While the gearing levels are high, they are well within the regulatory maximum of 16 times. Also the company's capital adequacy has improved with Tier 1 and CRAR and 15.18% and 17.98% respectively as on Mar-20, improved from 11.0% and 13.98% respectively as on March 31, 2019 due to accrual of profits, increase in share of assigned portfolio and sale of higher risk weighted corporate LRD loans. In fiscal 2020, the company sold off high risk weighted corporate finance portfolio to the tune of Rs 2307 crore to help conserve capital and shore up capital adequacy. Per management, the company is looking at further sell-down of its corporate finance portfolio. (CRAR has been computed basis Net-worth stated as per IGAAP which is lower than the Net-worth as per BS; computed as per INDAS).

PNBHFL is required to raise substantial capital to fund its growth plans and reduce its leverage to provide cushion in view of the increased vulnerability of the corporate loan book and rising funding costs for housing finance sector in general. PNBHFL has stated its intent to reduce the share of corporate book and raise capital of upto Rs.1,700 crore in near term via rights issue and if required, resort to assignment of loans to reduce its gearing levels within reasonable limits of around 7x-7.5x. Given, weak market sentiment, the ability of PNBHFL to raise capital in a timely manner and thereby sustain the growth would be crucial for its credit profile.

Moderation in profitability in FY20 owing to higher provisioning

During FY20, PNBHFL reported Profit after tax (PAT) of Rs.646 crore on total income (net of interest expense) of Rs.2,615 crore as against PAT of Rs.1,191 crore on total income (net of interest expense) of Rs.2,517 crore. The overall net profits were down 46% Y-o-Y and company's adjusted RoTA² (annualized) moderated to 0.69% as against 1.47% end FY19 on the back of higher provisioning costs. For FY20, the provisioning expenses stood at Rs 1,251 crore (including provisions of Rs 471 crore related to Covid 19), as against Rs.189 crore during the corresponding period last year owing to rising asset quality concerns. The operating expenses of PNBHFL remain under control with Opex/ATA for FY20 at 0.59% as against 0.73% for FY19. Going forward, PNBHFL's ability to sustain its interest spreads by controlling its funding cost / pass on the increase in funding cost to the borrowers (given rising interest rate for HFCs) while continuing to be competitive and maintaining its asset quality and control its credit costs will be critical for its profitability profile.

Liquidity: Strong

As per Asset Liability Maturity statement dated March 31, 2020, the liquidity profile of PNBHFL is strong with no cumulative mismatches in short term buckets i.e. upto one 1 year. Although, given the predominantly housing finance portfolio that is longer tenured, mismatches are seen in greater than 5 year bucket. PNBHFL's liquidity remains supported by liquid cash and bank balance, fixed deposits and investments in liquid funds. PNBHFL also maintains long term investments (SLR investments) to the extent of 13% of the public deposits outstanding in the preceding quarter. Further, PNBHFL has rollover of deposits and avenue of securitization available to generate additional liquidity which critical in the current scenario.

As per the latest liquidity information shared by PNBHFL, the company had liquid cash and bank balance and investments of Rs.14,269 crore as on May 30, 2020 which are sufficient to take care of short term debt obligations of upto 3 months (till Sep-20). Also, scheduled inflows on advances, though affected by current situation would provide some cushion to the liquidity profile. But, with lower than expected scheduled inflows from loan book coupled be scheduled outflow of liabilities, the liquidity profile can moderate in the short to medium term.

Analytical approach: Consolidated; PNBHFL and its subsidiary PHFL Home Loans and Services Pvt. Ltd.

Applicable Criteria

[Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Short Term Instruments](#)

[Rating Methodology - Non Banking Finance Companies \(NBFCs\)](#)

² RoTA=PAT/CARE Adjusted Average Total Assets (adjusted for DTA, Intangible Assets, Unamortized expenses and off balance sheet book)

Financial Ratios – Financial Sector

Rating Methodology - Housing Finance Companies (HFCs)

Rating Methodology: Consolidation and Factoring Linkages in Ratings

About the Company

PNBHFL (CIN: L65922DL1988PLC033856), established in 1988, is a deposit- accepting housing finance company registered with National Housing Bank. It is engaged in Retail Loans (housing loans for construction, purchase, repair and up-gradation of houses, loan against property (LAP) and Non-Residential Premise loans and LRD loans to individuals) and wholesale loans viz. corporate term loans, construction finance and lease rental discounting (LRD). It is the fourth largest housing finance company in India and reported an outstanding Assets Under Management (AUM) of Rs.83,346 crore as on March 31, 2020. During FY18, PNBHFL has also floated a subsidiary PHFL Home Loans and Services Pvt Ltd which houses the sales / loan origination staff of PNBHFL. PNB is the promoter in PNBHFL with 32.65% holding in the company as on March 31, 2020 with QIH (Quality Investments Holdings) part of Carlyle Group being the largest investor in the company holding 32.23% stake. Foreign Portfolio Investors (FPIs) and Mutual Funds (MFs) hold 21.80% and 3.78% stake respectively in the company.

Brief Financials (Rs. crore)	FY19	FY20
	INDAS (A)	INDAS (A)
Total operating income	7,683	8,490
PAT	1,192	646
Interest coverage (times)	1.34	1.14
Total Assets [^]	83,199	78,256
Net NPA (%)	0.38	1.75
Adj. ROTA (%)*	1.48	0.69

A: Audited

[^]CARE adjusted Total assets (adjusted for intangible assets, deferred tax assets and unamortized expenses)

*Ratio has been computed based on average of annual opening and closing balances

**Adj. ratios computed based on incl. of securitized/assigned (off-book portfolio)

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Annexure-1: Details of Instruments/Facilities

S.no	Name of the instrument	ISIN Number	Issue Date	Maturity	Coupon Rate	Issue Size Amt (Rs. Cr)	Rating assigned along with Rating Outlook
1.	Fund-based – Long term bank facilities	-	-	24-May-2024	-	15600.00	CARE AA; Stable
2.	Fund-based-LT/ST bank facilities	-	-	-	-	16400.00	CARE AA; Stable/ CARE A1+
3.	Commercial Paper	-	-	< 1 year	-	25000.00	CARE A1+
4.	Fixed Deposit Programme	-	-	-	-	18500.00	CARE AA (FD); Stable
5.	Long Term Bonds	INE572E09080	16-Jan-2008	16-Jan-2021	9.20%	30.00	CARE AA; Stable
6.	Long Term Bonds	INE572E09098	16-Jan-2008	16-Jan-2022	9.20%	30.00	CARE AA; Stable
7.	Long Term Bonds	INE572E09106	16-Jan-2008	16-Jan-2023	9.20%	30.00	CARE AA; Stable
8.	Long Term Bonds	INE572E09148	26-Jul-2011	26-Jul-2021	9.50%	200.00	CARE AA; Stable
9.	Long Term Bonds	INE572E09155	12-Sep-2011	12-Sep-2021	9.55%	200.00	CARE AA; Stable
10.	Long Term Bonds	INE572E09163	29-Jun-2012	29-Jun-2022	9.25%	300.00	CARE AA; Stable
11.	Long Term Bonds	INE572E09171	14-Sep-2012	14-Sep-2022	9.15%	200.00	CARE AA; Stable
12.	Long Term Bonds	INE572E09189	21-Dec-2012	21-Dec-2022	9%	200.00	CARE AA; Stable

S.no	Name of the instrument	ISIN Number	Issue Date	Maturity	Coupon Rate	Issue Size Amt (Rs. Cr)	Rating assigned along with Rating Outlook
13.	Long Term Bonds – Tier-II	INE572E09197	21-Dec-2012	21-Dec-2022	9.10%	200.00	CARE AA; Stable
14.	Long Term Bonds	INE572E09205	16-May-2013	16-May-2023	8.58%	600.00	CARE AA; Stable
15.	Long Term Bonds	INE572E09270	17-Jun-2015	17-Jun-2020	8.59%	700.00	CARE AA; Stable
16.	Long Term Bonds	INE572E09288	28-Jul-2015	28-Jul-2020	8.56%	700.00	CARE AA; Stable
17.	Long Term Bonds	INE572E09304	9-Nov-2015	9-Nov-2020	8.19%	500.00	CARE AA; Stable
18.	Long Term Bonds – Tier-II	INE572E09320	18-Jan-2016	17-Jan-2026	8.42%	210.00	CARE AA; Stable
19.	Long Term Bonds	INE572E09338	3-Feb-2016	3-Jul-2021	8.33%	500.00	CARE AA; Stable
20.	Long Term Bonds – Tier-II	INE572E09346	28-Apr-2016	28-Apr-2026	8.39%	290.00	CARE AA; Stable
21.	Long Term Bonds	INE572E09353	1-Jun-2016	1-Sep-2021	8.33%	300.00	CARE AA; Stable
22.	Long Term Bonds	INE572E09361	1-Jul-2016	1-Jul-2021	8.47%	1,464.00	CARE AA; Stable
23.	Long Term Bonds – Tier-II	INE572E09387	26-Jul-2016	26-Jul-2023	8.57%	499.00	CARE AA; Stable
24.	Long Term Bonds	INE572E09403	29-Sep-2016	29-Mar-2022	7.91%	250.00	CARE AA; Stable
25.	Long Term Bonds	INE572E09411	31-Jan-2017	30-Apr-2020	7.46%	1,025.00	CARE AA; Stable
26.	Long Term Bonds	INE572E09429	8-May-2017	7-May-2021	7.80%	320.00	CARE AA; Stable
27.	Long Term Bonds	INE572E09437	26-May-2017	25-Sep-2020	7.77%	305.00	CARE AA; Stable
28.	Long Term Bonds	INE572E09452	15-Jun-2017	15-Dec-2020	7.63%	500.00	CARE AA; Stable
29.	Long Term Bonds	INE572E09460	14-Jul-2017	14-Jul-2020	7.63%	950.00	CARE AA; Stable
30.	Long Term Bonds	INE572E09478	27-Jul-2017	15-Sep-2020	7.50%	800.00	CARE AA; Stable
31.	Long Term Bonds	INE572E09478	27-Jul-2017	15-Sep-2020	7.50%	200.00	CARE AA; Stable
32.	Long Term Bonds	INE572E09486	27-Jul-2017	27-Jul-2022	7.59%	700.00	CARE AA; Stable
33.	Long Term Bonds	INE572E09494	27-Jul-2017	3-Aug-2020	7.50%	200.00	CARE AA; Stable
34.	Long Term Bonds	INE572E09551	31-Oct-2017	31-Dec-2020	7.53%	500.00	CARE AA; Stable
35.	Long Term Bonds	INE572E09569	15-Nov-2017	15-Mar-2021	7.58%	520.00	CARE AA; Stable
36.	Long Term Bonds	INE572E09585	31-Jan-2018	6-Apr-2021	8.12%	189.00	CARE AA; Stable
37.	Long Term Bonds	INE572E09593	5-Jun-2018	5-Jun-2020	8.60% (IRR-ZCB)	300.00	CARE AA; Stable
38.	Long Term Bonds	INE572E09288	25-Jul-2018	28-Jul-2020	8.56%	95.00	CARE AA; Stable
39.	Long Term Bonds	INE572E09288	8-Aug-2018	28-Jul-2020	8.56%	91.00	CARE AA; Stable
40.	Long Term Bonds	INE572E09288	20-Aug-18	28-Jul-20	8.56%	95.00	CARE AA; Stable
41.	Long Term Bonds	INE572E09601	30-Aug-18	30-Aug-21	8.75%	105.00	CARE AA; Stable
42.	Long Term Bonds	INE572E09619	30-Aug-18	30-Aug-22	9.00%	355.00	CARE AA; Stable
43.	Long Term Bonds – Tier-II	INE572E09627	7-Jan-19	5-Jan-29	9.40%	39.70	CARE AA; Stable
44.	Long Term Bonds	INE572E07050	28-Feb-19	28-May-20	8.77%	235.00	CARE AA; Stable
45.	Long Term Bonds	INE572E07068	7-Nov-19	5-Nov-25	8.75%	2500.00	CARE AA; Stable
46.	Proposed bonds					17,222.00	CARE AA; Stable

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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Bonds	LT	150.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)
2.	Debt-Subordinate Debt	LT	-	-	-	-	-	1)Withdrawn (18-Jul-17)
3.	Debt-Subordinate Debt	LT	200.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)
4.	Bonds	LT	125.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)
5.	Bonds	LT	-	-	-	-	-	1)Withdrawn (18-Jul-17)
6.	Bonds	LT	200.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)
7.	Bonds	LT	500.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)
8.	Bonds-Non Convertible	LT	1000.00	CARE	1)CARE	1)CARE AA+;	1)CARE AAA;	1)CARE AAA;

	Bonds			AA; Stable	AA+; Negative (24-Apr-20)	Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	Stable (06-Jul-18)	Stable (18-Jul-17)
9.	Bonds	LT	600.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)
10.	Commercial Paper	ST	25000.00	CARE A1+	1)CARE A1+ (24-Apr-20)	1)CARE A1+ (10-Sep-19) 2)CARE A1+ (05-Jul-19) 3)CARE A1+ (29-Apr-19)	1)CARE A1+ (06-Jul-18) 2)CARE A1+ (29-May-18)	1)CARE A1+ (29-Aug-17) 2)CARE A1+ (18-Jul-17)
11.	Fund-based-Long Term	LT	15600.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (10-Sep-19) 2)CARE AA+; Stable (05-Jul-19) 3)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (08-Jan-18) 2)CARE AAA; Stable (18-Jul-17)
12.	Bonds	LT	2875.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17) 2)CARE AAA; Stable (29-May-17)
13.	Fixed Deposit	LT	18500.00	CARE AA (FD); Stable	1)CARE AA+ (FD); Negative (24-Apr-20)	1)CARE AA+ (FD); Stable (05-Jul-19) 2)CARE AAA (FD) (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA (FD); Stable (06-Jul-18)	1)CARE AAA (FD); Stable (18-Jul-17)
14.	Bonds-Tier II Bonds	LT	500.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)

						(Under Credit watch with Developing Implications) (29-Apr-19)		
15.	Bonds-Non Convertible Bonds	LT	6501.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17) 2)CARE AAA; Stable (29-May-17)
16.	Bonds-Tier II Bonds	LT	499.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17) 2)CARE AAA; Stable (29-May-17)
17.	Bonds	LT	8500.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (29-Aug-17) 2)CARE AAA; Stable (18-Jul-17)
18.	Fund-based-LT/ST	LT/ST	16400.00	CARE AA; Stable / CARE A1+	1)CARE AA+; Negative / CARE A1+ (24-Apr-20)	1)CARE AA+; Stable / CARE A1+ (10-Sep-19) 2)CARE AA+; Stable / CARE A1+ (05-Jul-19) 3)CARE AAA / CARE A1+ (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable / CARE A1+ (06-Jul-18)	1)CARE AAA; Stable / CARE A1+ (08-Jan-18) 2)CARE AAA; Stable / CARE A1+ (18-Jul-17)
19.	Bonds	LT	7000.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (08-Jan-18)

20.	Bonds-Tier II Bonds	LT	1000.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	-
21.	Bonds	LT	-	-	-	-	1)Withdrawn (06-Jul-18)	-
22.	Debentures-Non Convertible Debentures	LT	5000.00	CARE AA; Stable	1)CARE AA+; Negative (24-Apr-20)	1)CARE AA+; Stable (05-Jul-19) 2)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	-
23.	Bonds-Non Convertible Bonds	LT	-	-	-	1)Withdrawn (05-Jul-19)	-	-

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