

# B S R & Co. LLP

Chartered Accountants

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## Review report

### To the Board of Directors of Piramal Capital & Housing Finance Limited

*(formerly known as Piramal Housing Finance Limited)*

We have reviewed the accompanying statement of unaudited financial results of Piramal Capital & Housing Finance Limited *(formerly known as Piramal Housing Finance Limited)* ('the Company') for the quarter ended and year to date results for the period from 1 April 2019 to 30 September 2019 ('the Statement').

This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

We draw your attention to note 9 of the Statement 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 conclusion is not modified in respect of this matter.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Venkataramanan Vishwanath

Partner

Membership No: 113156

ICAI UDIN: 19113156AAAED6235

Mumbai  
21 October 2019

## Piramal Capital & Housing Finance Limited

(formerly known as Piramal Housing Finance Limited)

Statement of unaudited standalone financial results for the quarter and half year ended September 30, 2019

(Currency : Rs in lakhs)

Particulars	6 months ended / Year to date 30 September 2019	6 months ended / Year to date 30 September 2018	Previous year ended (31/03/2019)
	(Unaudited)	(Unaudited)	(Audited)
<b>Revenue from operations</b>			
Interest income	2,82,605	2,53,293	5,46,465
Rental income	84	-	74
Fees and commission income	1,704	1,777	4,372
Net gain on fair value changes	632	-	-
Others	494	1,092	2,032
<b>Total Revenue from operations-I</b>	<b>2,85,519</b>	<b>2,56,162</b>	<b>5,52,943</b>
<b>Other income-II</b>	<b>1,631</b>	<b>1,864</b>	<b>4,244</b>
<b>Total income (I+II)</b>	<b>2,87,150</b>	<b>2,58,026</b>	<b>5,57,187</b>
<b>Expenses</b>			
Finance Costs	1,52,889	1,22,689	2,76,081
Fees and commission expenses	6,498	1,330	7,714
Net loss on fair value changes	-	725	855
Impairment on financial instruments	(9,645)	10,147	12,977
Employee benefits expenses	10,386	8,460	19,571
Depreciation, amortisation and impairment	1,628	226	681
Other expenses	10,626	6,315	18,116
<b>Total expenses</b>	<b>1,72,382</b>	<b>1,49,892</b>	<b>3,35,995</b>
<b>Profit before tax</b>	<b>1,14,768</b>	<b>1,08,134</b>	<b>2,21,192</b>
Tax expense	40,327	36,613	76,933
<b>Profit for the period/ year</b>	<b>74,441</b>	<b>71,521</b>	<b>1,44,259</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of the defined benefit plan	(62)	(123)	(159)
Income tax relating to items that will not be reclassified to profit or loss	22	43	55
<i>Items that will be reclassified to profit or loss</i>			
Remeasurement gain/(loss) on hedge accounting	(1,030)	-	-
Income tax relating to items that will be reclassified to profit or loss	360	-	-
<b>Total comprehensive income for the period/year</b>	<b>73,731</b>	<b>71,441</b>	<b>1,44,155</b>
<b>Earning per equity share (basic and diluted) (face value INR10) ^</b>	<b>0.41</b>	<b>0.40</b>	<b>0.80</b>

^ Earning per equity share for the interim period is not annualised



**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

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pchf.in

1. The standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
2. In compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of financial results for the quarter and half year ended 30 September 2019 has been carried out by the Statutory Auditor.
3. The above standalone financial results for the quarter and half year ended 30 September 2019 has been reviewed by the Audit and Risk Management Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 21 October 2019.
4. Effective April 1, 2019 the Company has adopted Ind AS 116 - Leases, which requires any lease arrangement to be recognised in the balance sheet of the lessee as a 'right-of-use' asset with a corresponding lease liability. Accordingly depreciation has been charged on such assets as against lease rental expenses in the previous year. Similarly interest expense has been recognised on lease liabilities under finance costs. As permitted by the standard, the Company has applied this standard w.e.f. April 1, 2019 and comparatives for the previous period / year have not been restated. The effect of this adoption is insignificant on the unaudited financial results for the quarter and half year ended 30 September 2019.
5. The Company was converted into a public limited Company with effect from 28 September 2017, consequent to which the name of the company was changed to Piramal Housing Finance Limited, upon issuance of fresh certificate of incorporation dated 17 October 2017. The name of the Company was further changed from Piramal Housing Finance Limited to Piramal Capital & Housing Finance Limited effective 12 June 2018, in accordance with the Scheme of Amalgamation of Piramal Finance Limited, Piramal Capital Limited with Piramal Housing Finance Limited and their respective shareholders.
6. The Company's business activity falls under one business segment (i.e. investing and lending) and business operations are concentrated in India, hence there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
7. The secured listed non-convertible debentures of the Company aggregating to Rs. 589,965 lakhs as on 30 September 2019 are secured by way of first pari-passu charge by hypothecation over the movable assets and a first ranking pari passu mortgage over the specifically mortgaged property.

The Asset cover on the secured listed non-convertible debentures of the Company exceeds hundred percent of the principal amount of the said debentures.



8. The unsecured listed non-convertible debentures as on 30 September 2019 of the Company are aggregating to Rs.51,719 lakhs.
9. Amalgamation related notes:
- a) The Board of Directors of Piramal Finance Limited (PFL) and the Board of Directors of Piramal Capital Limited (PCL) had at their respective meetings held on 12 October 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 31 March 2018 (“Appointed date”). The National Company Law Tribunal, Mumbai Bench (“NCLT”) at its hearing held on 6 April 2018, had 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 which was received on 22 May 2018, was filed with the Registrar of Companies, Maharashtra, Mumbai on 23 May 2018 (the “Effective Date”).
- b) 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 standalone annual financial statements. All assets, liabilities, rights and obligations, income and expenditure of the Transferor Companies stand transferred to and vested in the Transferee Company.
- c) The purchase consideration of Rs 1,804,452 lakhs for acquisition of Transferor Companies was through issue of 18,044,517,320 equity shares of Rs 10/- each at par to the shareholder of PFL and PCL as per following share exchange ratio.
- 483 equity shares of face value of Rs. 10 each for every 100 equity shares of face value of Rs. 10 each held in Piramal Finance Limited pre-amalgamation
  - 1 equity shares of face value of Rs. 10 each for every 5 equity shares of face value of Rs. 2 each held in Piramal Capital Limited pre-amalgamation
- d) Consequent to the Scheme becoming effective, total assets of Transferor Companies aggregating to Rs. 3,359,324 lakhs and total liabilities aggregating to Rs 2,576,298 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 has been recorded as Capital reserve.
- e) 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.
10. During the quarter and half year ended 30 September 2019, the Company had purchased a portion of the lending portfolio comprising of assets of Rs. 189,708 lakhs and Rs. 297,053 lakhs from its holding Company, Piramal Enterprises Limited and its fellow subsidiary, PHL



Fininvest Private Limited respectively. Further, the Company had transferred a portion of the lending portfolio comprising of assets of Rs. Rs.103,460 lakhs and Rs. 79,370 Lakhs to its fellow subsidiaries, PHL Fininvest Private Limited and Piramal Fund Management Private Limited respectively.

11. There is capital infusion by the holding company on 29 July 2019, of Rs.50,000 lakhs. The Company has issued 45,45,45,454 number of equity share of Rs.10 each at a premium of Rs.1 per share, issue price being Rs.11 per share.
12. Figures for the previous period/ year have been regrouped wherever necessary, in order to make them comparable.



**Piramal Capital & Housing Finance Limited**  
 (formerly known as Piramal Housing Finance Limited)

Standalone unaudited Balance Sheet as at September 30, 2019

(Currency : Rs in lakhs)

Particulars	As at September 30, 2019	As at March 31, 2019
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Financial assets:</b>		
Cash and cash equivalents		
Bank balances other than cash and cash equivalents	92,174	41,231
Loans	95,114	2,405
Investments	30,15,571	30,83,732
Other financial assets	9,87,243	9,52,926
	44,690	80,537
<b>Non- financial assets:</b>		
Current tax assets (net)	12,881	6,325
Deferred tax assets (net)	-	3,359
Right to use assets	6,556	-
Property, Plant and Equipment	3,381	3,196
Intangible assets under development	2,849	2,330
Goodwill	10,25,681	10,25,681
Other intangible assets	90	69
Other non-financial assets	16,441	10,457
<b>Total Assets</b>	<b>53,02,672</b>	<b>52,12,248</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Financial liabilities:</b>		
<b>Payables</b>		
Trade payables		
(i) Total outstanding dues to micro and small enterprises	-	-
(ii) Total outstanding dues to creditors other than micro and small enterprises	4,179	8,026
Debt securities	5,89,965	5,90,594
Borrowings (other than debt securities)	23,92,133	24,40,954
Deposits	2,00,918	1,50,000
Subordinated debt liabilities	51,719	49,313
Other financial liabilities	10,923	5,369
<b>Non- financial liabilities:</b>		
Current tax liabilities	78	78
Provisions	6,657	10,271
Deferred tax liabilities (net)	17,764	-
Other non- financial liabilities	1,046	4,557
<b>Equity</b>		
Equity share capital	18,49,906	18,04,452
Other equity	1,77,383	1,48,634
<b>Total Liabilities and Equity</b>	<b>53,02,672</b>	<b>52,12,248</b>

For Piramal Capital & Housing Finance Limited

Date: 21 October 2019  
 Place: Mumbai



*K. Khushru Jijina*  
 Khushru Jijina  
 Managing Director

**Disclosures in terms of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half-year ended 30 September 2019**

**Annexure 1**

1. The Company has paid interest and principal on Non-Convertible Debentures on due dates. Details of payment of interest / principal required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in Annexure A.
2. Credit rating issued to Piramal Capital & Housing Finance Limited:

Nature of borrowings	Rating Agency	Rating Assigned
NCD	ICRA Limited	[ICRA]AA
NCD	CARE Ratings Limited	CARE AA
Commercial Paper	ICRA Limited	[ICRA]A1+
Commercial Paper	CRISIL Limited	CRISIL A1+
Commercial Paper	CARE Ratings Limited	CARE A1+
Tier II Bond	ICRA Limited	[ICRA]AA
Tier II Bond	CARE Ratings Limited	CARE AA
Inter Corporate Deposit	CARE Ratings Limited	CARE A1+
Long Term Fund Based Bank Lines	ICRA Limited	[ICRA]AA
Long Term Bank facility	CARE Ratings Limited	CARE AA

3. Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.
4. Debt-Equity ratio as on 30 September 2019 is 1.60
5. Net worth as on 30 September 2019 is Rs.998,669 lakhs
6. Earnings per share as on 30 September 2019: Basic Rs.0.41 and Diluted Rs.0.41.
7. Debt service coverage ratio is 0.09
8. Interest service coverage ratio is 1.72
9. Outstanding redeemable preference shares: Not Applicable



**Details of payment of interest / principal of the Non-Convertible Debentures in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Annexure A**

Sr. No	Issue Description / Particulars	ISIN	Previous Due Date (1st April, 2019 to 30 <sup>th</sup> Sept, 2019)		Next Due Date (1 <sup>st</sup> October 2019 to 31 <sup>st</sup> March 2020)	
			Principal	Interest	Principal	Interest
1	NCD	INE140A07245**	-	-	-	-
2	NCD	INE641O07136^^	09-Aug-19	09-Aug-19		
3	NCD	INE641O08035	-	-		09-Mar-20
4	NCD	INE641O07029	-	-	22-Nov-19	22-Nov-19
5	NCD	INE641O07037	-	-		10-Mar-20
6	NCD	INE641O07052	-	-		
7	NCD	INE641O07060	-	-		
8	NCD	INE641O07078	18-Apr-19	18-Apr-19		
9	NCD	INE641O07086	-	06-May-19		
10	NCD	INE641O07094	07-Jun-19	07-Jun-19		
11	NCD	INE641O07102	14-Jun-19	14-Jun-19		
12	NCD	INE641O07110	-	15-Jul-19		
13	NCD	INE641O07128	-	05-Aug-19		
14	NCD	INE641O07144	-	22-Apr-19 20-May-19 20-Jun-19 22-Jul-19 20-Aug-19 20-Sep-19		22-Oct-19 20-Nov-19 20-Dec-19 20-Jan-20 20-Feb-20 20-Mar-20
15	NCD	INE641O07151	-	25-Sep-19		
16	NCD	INE641O07169	-	30-Sep-19		
17	NCD	INE641O07177	-	-		08-Nov-19
18	NCD	INE641O07185	-	-		07-Oct-19
19	NCD	INE641O07193	-	-		04-Nov-19
20	NCD	INE516Y07014	-	22-Apr-19 20-May-19 19-Jun-19 19-Jul-19 19-Aug-19 19-Sep-19		22-Oct-19 19-Nov-19 19-Dec-19 20-Jan-20 19-Feb-20 19-Mar-20
21	NCD	INE516Y07105	-	15-Apr-19 15-May-19 17-Jun-19 15-Jul-19 16-Aug-19 16-Sep-19		15-Oct-19 15-Nov-19 16-Dec-19 15-Jan-20 17-Feb-20 16-Mar-20
22	NCD	INE516Y07097	-	15-Apr-19 15-May-19 17-Jun-19 15-Jul-19 16-Aug-19 16-Sep-19		15-Oct-19 15-Nov-19 16-Dec-19 15-Jan-20 17-Feb-20 16-Mar-20
23	NCD	INE516Y07089	-	22-Apr-19		22-Oct-19





				21-May-19		21-Nov-19
				21-Jun-19		23-Dec-19
				22-Jul-19		21-Jan-20
				21-Aug-19		21-Feb-20
				23-Sept-19		23-Mar-20
24	NCD	INE516Y07071		22-Apr-19		22-Oct-19
				21-May-19		21-Nov-19
				21-Jun-19		23-Dec-19
				22-Jul-19		21-Jan-20
				21-Aug-19		21-Feb-20
				23-Sept-19		23-Mar-20
25	NCD	INE516Y07063	-	-	-	11-Mar-20
26	NCD	INE516Y07121	-	-	-	-

- INE140A07245\*\* - Principal redemption was due on 19-Jul-19. However, the NCD was early redeemed on 15-Jan-2019
- INE641O07136^^ - Principal redemption of Rs. 1,500 crs was due on 9-Aug-2019 which was early redeemed. Out of Rs. 1,500 crs; Rs. 650 crs was early redeemed on 28-Mar-2019 and Rs. 550 crs was early redeemed on 29-Mar-2019 and Balance Rs. 300 crs was repaid on 09-Aug-2019.
- Please note for coupon payments which were due / are due on non-business convention day is to be paid on the next business working day
- Please note for principal repayment is due along-with coupon on non-business convention day the same is to be paid the preceding business working day



No. /ITSL/OPR/2019-20

21-October-2019

To,

**Piramal Capital & Housing Finance Limited**

4<sup>th</sup> Floor, Piramal Tower, Peninsula Corporate Park,  
Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400 013

Dear Sir,

**Certificate for receipt and noting of information**

**[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015]**

We, IDBI Trusteeship Services Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (“**Regulations**”), provided to us by Piramal Capital & Housing Finance Limited (the “**Company**”) for the half year ended September 30, 2019.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For **IDBI Trusteeship Services Limited**

A blue ink handwritten signature is written over a blue circular stamp. The stamp contains the text "IDBI TRUSTEESHIP SERVICES LTD." at the top and "AUTHORISED SIGNATORY" at the bottom.