

Independent Auditor's Report on Standalone Annual Financial Results of Piramal Capital & Housing Finance Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

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

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of Piramal Capital & Housing Finance Limited ('the Company') for the year ended 31 March 20224, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including SEBI Circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021 (as amended).
2. In our opinion and to the best of our information and according to the explanations given to us the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 52 of the Listing Regulations; and
 - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the standalone net loss after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2024.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results 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 obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Principal Business Criteria

4. We draw attention to note 7 to the accompanying Statement, which describes that the Board of Directors has approved conversion of the Company from a Housing Finance Company (HFC) to Non-Banking Financial Company–Investment and Credit Company (NBFC-ICC) in its meeting held on 08 May 2024, consequent to the Company not meeting the regulatory requirement prescribed under paragraph 5.3 of Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('RBI Directions') with respect to the Principal Business Criteria ('PBC') for HFCs. The Company expects to submit the conversion application to the RBI along with necessary documents as required under the said RBI Directions in near future.

Our opinion is not modified in respect of this matter.



Emphasis of Matter – Business Combination – Presentation of specified financial assets

5. We draw attention to Note 5 (a) to the accompanying statement which states that the Company has disclosed Rs. 312,188 lakhs as fair value adjustment under 'Other non-financial liabilities' in line with the presentation prescribed in the National Company Law Tribunal ('NCLT') order dated 7 June 2021 in respect of assets and liabilities acquired by the Company through the Corporate Insolvency Resolution Process of Dewan Housing Finance Corporation Limited ('DHFL'), which is different from the presentation requirements of Ind AS 32, Financial Instruments Presentation, that requires such fair value adjustments to be netted off with the gross book value of corresponding assets.

Our opinion is not modified in respect of this matter.

Emphasis of Matter – Deferred Tax Assets

6. We draw attention to Note 5(b) and 6 to the accompanying statement with respect to deferred tax assets recognised on unadjusted tax losses and tax credits as at 31 March 2024 based on the assessment of availability of future taxable profits within the time period allowed under the applicable tax laws which is dependent upon achievement of business plans as considered in the underlying future business projections.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

7. This Statement, which is the responsibility of the management and has been approved by the Company's Board of Directors, has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income and other financial information of the Company in accordance with the Ind AS prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, RBI Guidelines and other accounting principles generally accepted in India, and in compliance with Regulation 52 of the Listing Regulations including SEBI Circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021(as amended). 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
8. In preparing the Statement, 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Statement

10. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing, specified under section 143(10) of the Act, 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 this Statement.
11. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, 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 in place adequate internal financial controls with reference to financial statements 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 the Board of Directors;
 - Conclude on the appropriateness of the 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 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 Statement 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; and
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.



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S B Marg, Prabhadevi (W)
Mumbai - 400 013

T R Chadha & Co LLP
Chartered Accountants
E 2001, 20th Floor, Lotus Corporate Park
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Other Matter

14. The Statement includes the financial results for the quarter ended 31 March 2024, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Rakesh Rathi
Partner
Membership No.: 045228

UDIN: 24045228BKGPLM6261

Place: Mumbai
Date: 8 May 2024



For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028



Hitesh Garg
Partner
Membership No.: 502955

UDIN: 24502955BKEHVL4070

Place: Mumbai
Date: 8 May 2024



Piramal Capital & Housing Finance Limited

Statement of audited standalone financial results for the quarter and year ended March 31, 2024

(Currency : Rs in lakhs)

Particulars	3 months ended (31/03/2024)	3 months ended (31/12/2023)	3 months ended (31/03/2023)	Year ended (31/03/2024)	Previous Year ended (31/03/2023)
	(Unaudited) *	(Unaudited)	(Unaudited) *	(Audited)	(Audited)
Revenue from operations					
Interest income	151,038	151,801	153,286	586,307	632,243
Rental income	25	24	26	98	118
Fees and commission income	19,224	15,707	9,358	56,699	26,817
Other operating Income	319	371	-	23,252	-
Total Revenue from operations (I)	170,606	167,903	162,670	666,356	659,178
Other income (II)	3,461	515	371	4,884	5,851
Total income (I+II)	174,067	168,418	163,041	671,240	665,029
Expenses					
Finance costs	97,772	91,336	83,446	360,369	345,333
Fees and commission expenses	2,178	1,111	1,136	5,136	2,988
Net (gain)/loss on fair value changes (Refer note 13)	58,323	(25,348)	(7,099)	26,248	77,211
Net loss on derecognition of financial instruments under amortised cost category	143,649	14,693	266,389	301,619	326,553
Impairment allowances/(reversals) on financial instruments (Refer note 12)	12,039	26,224	(222,414)	(66,632)	(15,928)
Employee benefits expenses	21,291	23,204	17,824	85,907	56,104
Depreciation, amortisation and impairment	4,583	3,874	3,255	15,511	9,497
Other expenses	39,126	32,046	38,325	132,194	118,202
Total expenses	378,961	167,140	180,862	860,352	919,960
Profit / (loss) before exceptional items and tax	(204,894)	1,278	(17,821)	(189,112)	(254,931)
Less: Exceptional items (Refer note 11)	(20,524)	186,292	1,025,681	165,768	1,025,681
Profit / (loss) before tax	(184,370)	(185,014)	(1,043,502)	(354,880)	(1,280,612)
Less: Current tax	-	-	(19,725)	-	-
Less: Reversal of tax expenses – Earlier years	(40,525)	(12,407)	-	(52,932)	(332,754)
Less: Deferred tax	(69,652)	(45,618)	(126,979)	(110,813)	(205,375)
Profit / (loss) for the quarter / year	(74,193)	(126,989)	(896,798)	(191,135)	(742,483)
Other comprehensive income					
<i>Items that will not be reclassified to Statement of profit or loss</i>					
Remeasurement of the defined benefit plan	(20)	-	128	(562)	130
Equity Instruments Measure through OCI	595	529	19	1,247	8,981
Income tax relating to items that will not be reclassified to Statement of profit or loss	(144)	(133)	(37)	(172)	(2,293)
<i>Items that will be reclassified to Statement of profit or loss</i>					
Gain/(loss) on Cash flow hedge	(256)	540	231	(289)	1,343
Debt Instruments Measure through OCI	1,049	241	422	1,706	(1,705)
Income tax relating to items that will be reclassified to Statement of profit or loss	(200)	(197)	(164)	(357)	91
Total comprehensive income / (loss) for the quarter / year	(73,169)	(126,009)	(896,199)	(189,562)	(735,936)
Paid up equity share capital (Face Value of Rs. 10 each)	2,336,469	2,136,469	2,136,469	2,336,469	2,136,469
Other Equity				(836,044)	(646,482)
Earning per equity share (Not Annualised) (Basic and diluted) (face value Rs. 10)	(0.35)	(0.59)	(4.20)	(0.89)	(3.47)

* (Refer note 14)



Piramal Capital & Housing Finance Limited

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Piramal Capital & Housing Finance Limited

Standalone Balance Sheet as at March 31, 2024

(Currency : Rs in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
	(Audited)	(Audited)
ASSETS		
Financial assets:		
Cash and cash equivalents	193,356	191,533
Bank balances other than cash and cash equivalents	98,144	68,145
Derivative financial instruments	5,398	9,811
Receivables		
(i) Other Receivables	5,365	1,179
Loans	4,842,591	4,183,582
Investments	864,748	1,317,495
Other financial assets	95,577	83,594
Non- financial assets:		
Current tax assets (net)	51,677	72,393
Deferred tax assets (net)	252,711	142,427
Property, Plant and Equipment	38,806	32,307
Right-of-use assets	29,600	23,945
Intangible assets under development	1,007	353
Other intangible assets	18,857	11,648
Other non-financial assets	40,129	36,385
Total Assets	6,537,966	6,174,797
LIABILITIES AND EQUITY		
Liabilities		
Financial liabilities:		
Payables		
Trade payables		
(i) Total outstanding dues of micro and small enterprises	2,945	243
(ii) Total outstanding dues of creditors other than micro and small enterprises	32,339	28,764
Debt securities	2,871,466	2,696,168
Borrowings (other than debt securities)	1,577,208	1,320,709
Deposits	45,000	31,552
Subordinated debt liabilities	12,723	12,688
Other financial liabilities	130,297	166,502
Non- financial liabilities:		
Current tax liabilities (net)	7,911	59,208
Provisions	6,118	6,099
Other non- financial liabilities	351,534	362,877
Equity		
Equity share capital	2,336,469	2,136,469
Other equity	(836,044)	(646,482)
Total Liabilities and Equity	6,537,966	6,174,797



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Piramal Capital & Housing Finance Limited

Standalone cash flow statement for the year ended March 31, 2024

(Currency : Rs in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	(Audited)	(Audited)
A. Cash flow from operating activities		
Profit / (loss) before tax	(354,880)	(1,280,612)
Gain on Sale of Investments	83,844	(8,374)
Interest income from fixed deposits	(7,000)	(4,837)
Provision for Doubtful Advances	-	13,399
Goodwill written off	-	1,025,681
(Gain)/Loss on fair valuation	(57,596)	85,585
Regulatory Provision on AIF	165,768	-
Impairment allowances/(reversals) on financial instruments	(66,632)	(15,928)
Interest on lease payment	3,373	1,972
Finance Costs	360,369	345,333
Net loss on derecognition of financial instruments	301,619	326,553
Gain on sale of property, plant and equipment & Other intangible assets	(67)	(262)
Depreciation and amortisation	15,511	9,497
Operating cash flow before working capital changes	444,309	498,007
Decrease / (Increase) in Loans	(905,067)	159,381
Decrease / (Increase) in Investments	288,835	(134,052)
Decrease / (Increase) in Other receivables	(4,186)	(1,179)
Decrease / (Increase) in Other financial assets	(11,983)	28,941
Decrease / (Increase) in Other Non financial assets	(3,744)	(3,529)
Increase / (Decrease) in Trade Payables	6,277	(3,002)
Increase / (Decrease) in Provisions	1,439	647
Increase / (Decrease) in Other financial liabilities	(44,380)	63,685
Increase / (Decrease) in Other non financial liabilities	22,267	6,978
Cash from operations	(206,233)	615,877
Less: Income taxes (paid) / refund	22,351	40,787
Net cash from / (used in) operating activities (a)	(183,882)	656,664
B Cash flow from investing activities		
Purchase of property, plant and equipment & Other intangible assets	(25,808)	(14,475)
Sale proceeds from property, plant and equipment & Other intangible assets	3,127	11,540
Investments in Subsidiaries	(14,585)	(9,613)
Purchase of Treasury Investments	(7,661,045)	(5,602,611)
Sale of Treasury Investments	7,625,958	5,622,066
Interest income from fixed deposits	7,000	4,837
Investment in fixed deposits	(122,326)	(104,208)
Redemption from fixed deposits	92,289	90,025
Net cash from / (used in) investing activities (b)	(95,390)	(2,439)
C Cash flow from financing activities		
Payment of Lease Liabilities	(7,940)	(5,972)
Borrowings taken during the year	2,541,500	810,925
Borrowings repaid during the year	(2,452,465)	(1,729,505)
Issue of equity shares	200,000	-
Net cash from / (used in) financing activities (c)	281,095	(924,552)
Net (decrease) in cash and cash equivalents (a+b+c)	1,823	(270,327)
Cash and cash equivalents as at beginning of the year	191,533	461,860
Cash and cash equivalents as at end of the year	193,356	191,533

Cash and Cash Equivalents Comprise of:

Cash on hand	-	-
Balances with banks in current accounts	193,356	191,533
Fixed deposits (with maturity less than 3 months)	-	-
	193,356	191,533



Notes:

- 1 The above standalone financial results for the quarter and year ended March 31, 2024 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on May 8, 2024.
- 2 The standalone financial results have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS, prescribed under section 133 of the Companies Act 2013 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

In compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, an audit of financial results for the year ended March 31, 2024 has been carried out by the Joint Statutory Auditors.

- 3 During the year ending March 31, 2024, the Company issued 2,000,000,000 equity shares through a rights issue at a face value of Rs. 10 each, aggregating to Rs. 200,000 lakhs to its holding company (i.e. Piramal Enterprises Limited). The allotment was made on March 26, 2024 and the paid up Equity share capital increased from Rs. 21,36,469 lakhs to Rs. 23,36,469 lakhs post rights issue. These proceeds are being directed towards the designated purposes of the issue and for general corporate utilization.
- 4 During the quarter, the Company has made an additional investment in equity shares of Piramal Agastya Offices Private Limited ('formerly known as PRL Agastya Private Limited'), its wholly owned subsidiary, of Rs. 14,580 lakhs through subscription of right issue.
- 5 (a) During financial year 2021-22, pursuant to the Resolution plan in respect of the Corporate Insolvency Resolution Process of Dewan Housing Finance Corporation Limited ("DHFL"), as approved by the Mumbai bench of the Hon'ble National Company Law Tribunal, the Company merged into DHFL and concluded acquisition on September 30, 2021 (Implementation Date). The aforementioned business combination was accounted as a reverse acquisition for financial reporting purposes in accordance with Ind AS 103. In accordance with the aforesaid resolution plan, the Company had recognized Group A assets (loans) at gross book value with provision for impairment being presented as a reduction from such gross book values as appearing in the financial statements of DHFL immediately prior to the implementation date. Difference between such carrying value (gross values as reduced by provision for impairment) and fair value on the acquisition date is separately presented as a liability under fair value adjustment which currently aggregates to Rs. 312,188 lakhs, which is different from the presentation requirements of Ind AS 32, Financial Instruments Presentation, that requires such adjustment to be netted off with the book value of corresponding assets.

(b) At the time of aforesaid merger, based on the expert opinion, net deferred tax assets potentially amounting to Rs. 620,900 lakhs relating to the fair value adjustments considered in aforementioned business combination had not been recognized due to uncertainty associated with allowability of such adjustments under the applicable tax laws.

Based on the tax position taken by the Company and assessment order received for assessment year 2022-23 from the income tax authorities and further based on the assessment of availability of future taxable profits against which these unadjusted tax losses and credits can be utilised within the time period allowed under Income Tax Act, 1961, the Company has recognised deferred tax assets amounting to Rs. 64,761 lakhs in the current quarter. (Also refer note 6)

- 6 As on March 31, 2024, based on the assessment of availability of future taxable profits against which these unadjusted tax losses and tax credits can be utilised within the time period allowed under Income Tax Act, 1961, the Company has recognised Deferred Tax Assets of Rs. 107,297 lakhs on such unadjusted tax losses.
- 7 (a) As per para 4.1.17 of Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('RBI Directions'), Piramal Capital & Housing Finance Limited (The Company) was required to comply with Principal Business Criteria ('PBC') for Housing Finance Companies (HFCs). However, the Company could not fulfill the PBC criteria as on March 31, 2024.

As per above referred RBI Directions, para 5.3, HFCs that are unable to fulfil the PBC criteria as on March 31, 2024 shall be required to approach the Reserve Bank of India (RBI) for conversion of their Certificate of Registration from HFC to NBFC – Investment and Credit Companies ('NBFC-ICC'). In line with the above, the Board of Directors has approved the conversion of its Certificate of Registration from HFC to NBFC-ICC in its meeting dated May 8, 2024 and the Company will submit the application to the RBI along with necessary documents as required under the said RBI Directions.

The Company has been advised by the National Housing Bank ('NHB'), to continue compliance with the Master Directions and other circulars issued by RBI as applicable to HFCs and submit all required returns to the National Housing Bank (NHB), till the receipt of new Certification of Registration as NBFC-ICC.

(b) The Board of Directors of the Company, in its meeting dated May 8, 2024, has approved a Composite Scheme of Arrangement ("Scheme") under sections 230 to 232 read with section 66 and section 52 and other applicable provisions of the Companies Act, 2013 for amalgamation of Piramal Enterprises Limited ("PEL") with the Company as a reverse merger. This amalgamation is set to take effect from appointed date i.e. April 1, 2024, by way of reverse merger by absorption pursuant to a scheme of arrangement under the provisions of Sections 230 – 232 read with section 66 and section 52 and other relevant provisions of the Companies Act, 2013 (including the rules thereunder).

The proposed scheme is subject to various approvals, including the approval from shareholders, lenders, regulators, the National Company Law Tribunal ("NCLT") and other regulatory/statutory approvals, as may be required. The proposed amalgamation aims to simplify group structure including the regulatory developments and reforms including higher regulatory standards for NBFCs, optimize capital, strengthen the balance sheet, and enhance operational and financial effectiveness.



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8 Details of resolution plan implemented under the Resolution Framework for COVID-19 pandemic related stress, as per RBI Circular dated August 6, 2020 (Resolution Framework 1.0) and May 5, 2021 (Resolution Framework 2.0) as at March 31, 2024 are given below:

(Rs. In Lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half year i.e. September 30, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year ^	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. March 31, 2024
Personal Loans	8,429	-	-	2,657	5,881
Corporate persons*	3,181	-	-	460	2,864
Of which MSMEs	3,164	-	-	451	2,854
Others	6,147	-	-	1,810	4,578
Total	17,757	-	-	4,927	13,323

* As defined in section 3(7) of the Insolvency and Bankruptcy Code, 2016

^ Represents actual repayment from customers excluding repayments received from other parties on account of transfer/sale/ settlement of loans.

The above disclosure reflects Company's share of loans in case of securitised and assigned pool.

The numbers in the above table represents gross values of loans excluding fair value adjustments on loans acquired/purchased

9 Details of loans not in default and stressed loans transferred during the year ended March 31, 2024 under the RBI Master Direction RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 on Transfer of Loan Exposures are given below:

i. Details of loan accounts not in default transferred during the year through direct assignment (including co-lending):

(Rs. in lakhs)

No. of Accounts	64,852
Aggregate principal outstanding of loans*	799,588
Aggregate consideration	809,799
Weighted average maturity (in months)	149
Weighted average holding period (in months)	17
Retention of beneficial economic interest**	5% to 20%
Coverage of tangible security coverage***	100%
Rating-wise distribution of rated loans	See Note 1 below
Number of instances where the transferor has agreed to replace the transferred loans	Nil
Number of transferred loans replaced	Nil

Note 1:

(Rs. in lakhs)

Rating	Rating Agency	Amount transferred
[ICRA]AAA(SO)	ICRA	193,392
CARE AAA (SO)	CARE	98,815
Unrated		507,381
Grand Total		799,588

*Represents book value of fair valued loans on the date of transfer in the books of the Company

**Represents share of Company only in case of eleven pools where economic interest was retained during the year ended March 31, 2024.

***Represents tangible security coverage of only secured loans transferred

ii. Details of loan accounts not in default acquired during the year through direct assignment:

(Rs. in lakhs)

Amount of loans acquired through assignment	Rs. 93,357
Retention of beneficial economic interest (by originator)	10%
Weighted average residual maturity	69 months
Weighted average holding period	8 months
Coverage of tangible security	Refer note below*
Rating-wise distribution of rated loans	Nil

*For Secured Loans - 100% cover, for other Unsecured Loans - NIL



iii. Details of stressed loans transferred during the year ended March 31, 2024:

Particulars	To ARCs****		(Rs. in lakhs)	
	NPA	SMA	To permitted transferees	To other transferees
No. of Accounts	4,014	15	-	-
Aggregate principal outstanding of loans transferred	999,711*	276,320	-	-
Weighted average residual tenor of the loans transferred (in months)	9	18	-	-
Net book value of loans transferred (at the time of transfer)	19,117	277,608	-	-
Aggregate consideration	111,405**	200,488	-	-
Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil	-	-
Excess provision reversed***	Nil	Nil	-	-

*Represents book value of fair valued loans on the date of transfer in the books of the Company

**Includes amount of Rs. 7,351 lakhs payable to third parties.

***Excludes loans accounted under fair valuation gain / impairment gain on Purchased Originated Credit Impaired (POCI) loans accounted at pool level

****Loan under NPA and SMA are sold together as a pool of assets

iv. Details of ratings on Security Receipts outstanding as on March 31, 2024 are given below:

Rating	Rating Agency	Recovery Rating	(Rs. in lakhs)
			Gross Value of Outstanding SRs
RR1	India Ratings & Research Private Limited	100% - 150%	327,850
RR2	India Ratings & Research Private Limited	75%-100%	4,406
RR1	Infomerics Valuation and Rating Pvt Ltd	100% - 150%	39,822
RR2	Infomerics Valuation and Rating Pvt Ltd	75%-100%	14,425
RR1	Infomerics Valuation and Rating Pvt Ltd	>150%	495
NA*	NA*	NA*	50,687
Grand Total			437,685

* Pursuant to the Reserve Bank of India circular RBI/2021-22/154 DOR.SIG.FIN.REC 84/26.03.001/2021-22 dated February 10, 2022, the security receipts issued to the Company by the Asset Reconstruction Company (ARC) towards consideration for transfer of stressed loans have not been rated by the ARC since the prescribed time period of six months has not elapsed from the date of acquisition of loans by the ARC.

- 10 The Company's business activity falls under one business segment (i.e. lending and investing) 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.
- 11 i) During the quarter ended December 31, 2023, the Company has made regulatory provision of Rs. 186,292 lakhs in respect of its investments in Alternative Investment Funds (AIFs) pursuant to the RBI Circular dated December 19, 2023 and the same has been disclosed under 'exceptional items'. Subsequently, such exceptional losses has been reduced during the current quarter amounting to Rs. 20,524 Lakhs basis actual receipts/recovery resulting into regulatory provision of Rs. 165,788 lakhs for the year.
ii) During the financial year 2022-23, the Company had impaired goodwill amounting to Rs 1,025,681 lakhs and the same was considered as an exceptional item.
- 12 During previous year, pursuant to review by the Risk Management Committee (RMC) of geopolitical situation and macro-economic uncertainties, the management had identified certain assets wherein there could have been an impact of such uncertainties and had created an additional provision of Rs. 55,977 lakhs, of which Rs. 50,563 lakhs was continuing as on March 31, 2023. This provision now stand at Rs. 19,400 lakhs as on March 31, 2024.

During the quarter ended March 31, 2024, to accommodate any possible market impact of the management's decision to reduce the legacy wholesale portfolio in the near future basis available market opportunities, the Company has created additional provision of Rs. 42,900 lakhs by way of management overlay on such legacy wholesale portfolio. These have been duly approved by RMC and the Board of Directors. Total management overlay as on March 31, 2024 is Rs. 62,300 lakhs.
- 13 During the current financial year, by way of orders dated March 28, 2024, National Company Law Appellate Tribunal, New Delhi, has deleted name of the certain entities from the Avoidance Applications from whom recovery was made during previous year. Based on NCLAT order dated March 28, 2024, an amount of Rs. 22,751 lakhs has been recognised as income during the current financial year as an "Net (gain)/loss on fair value changes".
- 14 The figures for the March quarter in each of the financial year are the balancing figures between the year-to-date figures of the respective financial year and figures for the nine months period.
- 15 Figures for the previous period/ year have been regrouped wherever necessary, in order to make them comparable.

For Piramal Capital & Housing Finance Limited




Jairam Sridharan
Managing Director

Disclosures in terms of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and year ended March 31, 2024

- 1 The Company has paid interest and principal on Non-Convertible Debentures on due dates.
- 2 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.
- 3 The secured listed non-convertible debentures of the Company aggregating to Rs. 2,579,213 lakhs outstanding as on March 31, 2024. The unsecured listed non-convertible debentures outstanding as on March 31, 2024 of the Company are aggregating to Rs. 12,723 lakhs.
The Asset cover on the secured listed non-convertible debentures of the Company exceeds hundred percent of the principal amount of the said debentures.
- 4 There are no material deviations from use of proceeds of issue of NCD.
- 5 Outstanding redeemable preference shares: Not Applicable.

Particulars	3 months ended (31/03/2024)	Year ended (31/03/2024)
a) Debt-Equity ratio (i.e., Total borrowings / Shareholders' funds) as on March 31, 2024	3.00	3.00
b) Net worth (as defined in section 2(57) of the Companies Act, 2013)	1,164,622	1,164,622
c) Earnings per share for the quarter/year ended March 31, 2024		
- Basic	(0.35)	(0.89)
- Diluted	(0.35)	(0.89)
d) Total debts to total assets (i.e., Total borrowings/ Total Assets) as on March 31, 2024	0.69	0.69
e) Net profit after tax for the quarter/year ended March 31, 2024 (Rs. In lakhs)	(74,193)	(191,135)
f) Net profit margin (%) (i.e., Net profit after tax / Total Income) for the quarter/year ended March 31, 2024	-42.62%	-28.47%
g) Capital Redemption Reserve	Nil	Nil
h) Debenture Redemption Reserve	Nil	Nil
i) Sector specific equivalent ratio as applicable*:		
I. Gross NPA (Stage 3 assets gross) ratio	2.36%	2.36%
II. Net NPA (Stage 3 assets net) ratio	1.00%	1.00%

* basis regulatory reporting

- 7 The Company is registered under the National Housing Bank Act, 1987 as Housing Financial Company, hence the following ratios are not applicable.
 - i) Current Ratio
 - ii) Long term debt to working capital
 - iii) Bad debts to Account receivable ratio
 - iv) Current liability ratio
 - v) Debtors' turnover
 - vi) Inventory turnover
 - vii) Operating margin (%)
 - viii) Debt service coverage ratio
 - ix) Interest service coverage ratio



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Independent Auditor's Report on Consolidated Annual Financial Results of Piramal Capital & Housing Finance Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

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

Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') of Piramal Capital & Housing Finance Limited ('the Company' or 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and joint venture (refer Annexure 1 for the list of subsidiaries, associate and joint venture included in the Statement) for the year ended 31 March 2024, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including SEBI Circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021 (as amended).
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries, associate, and joint venture as referred to in paragraph 14 below, the Statement:
 - (i) includes the annual financial results of the entities listed in Annexure 1;
 - (ii) presents financial results in accordance with the requirements of Regulation 52 of the Listing Regulations; and
 - (iii) gives a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the consolidated net loss after tax and other comprehensive income and other financial information of the Group, its associate and joint venture, for the year ended 31 March 2024.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group, its associate and joint venture, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results 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 obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 14 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Principal Business Criteria

4. We draw attention to note 6(a) to the accompanying Statement, which describes that the Board of Directors of Holding Company has approved conversion of the Holding Company from a Housing Finance Company (HFC) to Non-Banking Financial Company–Investment and Credit Company (NBFC-ICC) in its meeting held on 08 May 2024, consequent to the Holding Company not meeting the regulatory requirement prescribed under paragraph 5.3 of Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('RBI Directions') with respect to the Principal Business Criteria ('PBC') for HFCs. The Company expects to submit the conversion application to the RBI along with necessary documents as required under the said RBI Directions in near future.

Our opinion is not modified in respect of this matter.



Emphasis of Matter – Business Combination – Presentation of specified financial assets

5. We draw attention to Note 4 (a) to the accompanying statement which states that the Company has disclosed Rs. 312,188 lakhs as fair value adjustment under 'Other non-financial liabilities' in line with the presentation prescribed in the National Company Law Tribunal ('NCLT') order dated 7 June 2021 in respect of assets and liabilities acquired by the Company through the Corporate Insolvency Resolution Process of Dewan Housing Finance Corporation Limited ('DHFL'), which is different from the presentation requirements of Ind AS 32, Financial Instruments Presentation, that requires such fair value adjustments to be netted off with the gross book value of corresponding assets.

Our opinion is not modified in respect of this matter.

Emphasis of Matter – Deferred Tax Assets

6. We draw attention to Note 4(b) and 5 to the accompanying statement with respect to deferred tax assets recognised on unadjusted tax losses and tax credits as at 31 March 2024 based on the assessment of availability of future taxable profits within the time period allowed under the applicable tax laws which is dependent upon achievement of business plans as considered in the underlying future business projections.

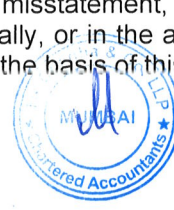
Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

7. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net loss and other comprehensive income, and other financial information of the Group including its associate and joint venture in accordance with the Ind AS prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, RBI Guidelines and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations including SEBI Circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021 (as amended). The respective Board of Directors of the companies included in the Group and its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group, and its associate and joint venture, 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 results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
8. In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associate and joint venture, are responsible for assessing the ability of the Group and of its associate and joint venture, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors, are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the Statement

10. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing specified under section 143(10) of the Act 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 this Statement



11. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, 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 Holding Company has adequate internal financial controls with reference to 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 made by the Board of Directors;
- Conclude on the appropriateness of 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 ability of the Group and its associate and joint venture, 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 Statement 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 Group and its associate and joint venture to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, and its associate and joint venture, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company, 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.

13. 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.

Other Matters

14. We did not audit the annual financial statements of six subsidiaries included in the Statement whose financial information reflects total assets of ₹ 179,477 lakhs as at 31 March 2024, total revenues of ₹ 41,526 lakhs, total net profit after tax of ₹ 361 lakhs, and cash flows (net) of ₹ 1,143 lakhs for the year ended on that date, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of ₹ 7,183 lakhs for the year ended 31 March 2024, in respect of one joint venture, whose annual financial statements have not been audited by us. These annual financial results have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture is based solely on the audit reports of such other auditors.



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Chartered Accountants
E 2001, 20th Floor, Lotus Corporate Park
Ram Mandir Station Road, Goregaon East
Mumbai - 400 063

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

15. The Statement also includes the Group's share of net loss after tax of ₹ 0 lakhs for the year ended 31 March 2024, in respect of one associate, based on their financial information, which have not been reviewed/audited by their auditors. These financial information have been furnished to us by the Holding Company's management. Our opinion on the Statement, and our report in terms of Regulation 52 of the Listing Regulations, in so far as it relates to the aforesaid associate is based solely on such unreviewed /unaudited financial information. In our opinion, and according to the information and explanations given to us by the management, these financial information are not material to the Group.

Our opinion is not modified in respect of this matter with respect to our reliance on the financial results certified by the Board of Directors.

16. The following other matter paragraph has been given by the joint auditors of Pramerica Life Insurance Limited ('PLIL') vide their report dated 30 April 2024 on the financial results of PLIL, the Joint Venture of a subsidiary company of the Holding Company, which is reproduced by us as under:

"The actuarial valuation of liabilities for life policies in force is the responsibility of the Company's appointed actuary ("the Appointed Actuary"). The actuarial valuation of liabilities for policies in force as at 31 March 2024 has been duly certified by the Appointed Actuary. The Appointed Actuary has also certified that the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India (IRDAI) and the Institute of Actuaries of India in concurrence with IRDAI. We have relied upon the Appointed Actuary's certificate in this regard.

The valuation of liability of embedded derivatives in insurance contracts as at 31 March 2024 has been duly certified by the Appointed Actuary. We have relied upon the Appointed Actuary's certificate in this regard."

Our opinion is not modified in respect of these matters.

17. The Statement includes the consolidated financial results for the quarter ended 31 March 2024, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rakesh Rathi
Partner
Membership No.: 045228

UDIN: 24045228BKGPLO7225

Place: Mumbai
Date: 8 May 2024



For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Hitesh Garg
Partner
Membership No.: 502955

UDIN: 24502955BKEHVM9364

Place: Mumbai
Date: 8 May 2024



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Annexure 1

List of entities included in the Statement

- a. Subsidiary Company
 - i. DHFL Investments Limited
 - ii. DHFL Holdings Limited
 - iii. DHFL Advisory & Investments Private Limited
 - iv. Piramal Payments Services Limited (w.e.f 29 April 2022)
 - v. Piramal Finance Sales & Services Private Limited (w.e.f 28 September 2022)
 - vi. Piramal Agastya Offices Private Limited (formerly PRL Agastya Private Limited) (w.e.f. 12 December 2022)
- b. Associate
 - i. DHFL Venture Trustee Company Limited
- c. Joint Venture
 - i. Pramerica Life Insurance Limited



Piramal Capital & Housing Finance Limited

Statement of audited consolidated financial results for the quarter and year ended March 31, 2024

(Currency : Rs in lakhs)

Particulars	3 months ended (31/03/2024)	3 months ended (31/12/2023)	3 months ended (31/03/2023)	Year ended (31/03/2024)	Previous Year ended (31/03/2023)
	(Unaudited) *	(Unaudited)	(Unaudited) *	(Audited)	(Audited)
Revenue from operations					
Interest income	150,465	151,175	152,643	583,863	631,419
Rental income	1,658	1,639	2,048	6,510	2,395
Fees and commission income	19,224	15,707	9,358	56,699	26,817
Other operating Income	319	371	-	23,252	-
Total Revenue from operations (I)	171,666	168,892	164,049	670,324	660,631
Other income (II)	4,352	789	717	6,602	6,284
Total income (I+II)	176,018	169,681	164,766	676,926	666,915
Expenses					
Finance costs	98,976	92,834	84,817	365,944	346,997
Fees and commission expenses	2,264	906	1,059	4,598	2,877
Net loss on fair value changes (Refer note 10)	58,313	(25,196)	(7,172)	26,237	77,117
Net loss on derecognition of financial instruments under amortised cost category	143,649	14,693	266,389	301,619	326,553
Impairment allowances/(reversals) on financial instruments (Refer note 9)	12,039	26,224	(222,414)	(66,632)	(15,928)
Employee benefits expenses	28,482	29,888	25,855	114,640	71,171
Depreciation, amortisation and impairment	4,514	3,808	3,742	15,242	9,725
Other expenses	32,031	25,043	31,724	103,890	104,170
Total expenses	380,268	168,200	184,000	865,538	922,682
Profit / (Loss) before share of net profit / (Loss) of associates and joint ventures, exceptional items and tax	(204,250)	1,481	(19,234)	(188,612)	(255,767)
Share of net profit / (Loss) of joint ventures	(2,058)	(1,346)	(1,180)	(7,183)	2,096
Profit / (Loss) after share of net profit / (Loss) of of associates and joint ventures before exceptional items and tax	(206,308)	135	(20,414)	(195,795)	(253,671)
Less: Exceptional items (Refer note 8)	(20,524)	186,292	1,025,681	165,768	1,025,681
Profit / (Loss) before tax	(185,784)	(186,157)	(1,046,095)	(361,563)	(1,279,352)
Less: Current tax	(170)	144	(19,789)	213	91
Less: Reversal of tax expenses – Earlier years	(40,620)	(12,407)	-	(53,027)	(332,754)
Less: Deferred tax	(69,758)	(45,702)	(128,109)	(111,221)	(206,553)
Profit / (Loss) for the period / year	(75,236)	(128,192)	(898,197)	(197,528)	(740,136)
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurement of the defined benefit plan	(16)	-	149	(558)	151
Equity Instruments Measure through OCI	595	529	19	1,247	8,981
Income tax relating to items that will not be reclassified to profit or loss	(145)	(133)	(42)	(173)	(2,298)
<i>Items that will be reclassified to profit or loss</i>					
Share of other comprehensive income of joint ventures accounted for using the equity method	7,364	(554)	275	7,320	(7,089)
Gain/(loss) on Cash flow hedge	(256)	540	231	(289)	1,343
Debt Instruments Measure through OCI	1,049	241	422	1,706	(1,705)
Income tax relating to items that will be reclassified to profit or loss	(200)	(197)	(164)	(357)	91
Total comprehensive income / (Loss) for the period / year	(66,845)	(127,766)	(897,307)	(188,632)	(740,662)
Paid up equity share capital (Face Value of Rs. 10 each)	2,336,469	2,136,469	2,136,469	2,136,469	2,136,469
Other Equity				(846,999)	(658,365)
Earning per equity share (Not Annualised) (Basic and diluted) (face value Rs. 10 each)	(0.35)	0.00	(4.20)	(0.92)	(3.46)

*(Refer note 11)


Piramal Capital & Housing Finance Limited

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Piramal Capital & Housing Finance Limited

Consolidated Balance Sheet as at March 31, 2024

(Currency : Rs in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
	(Audited)	(Audited)
ASSETS		
Financial assets:		
Cash and cash equivalents	195,706	192,802
Bank balances other than cash and cash equivalents	99,252	69,191
Derivative financial instruments	5,398	9,811
Receivables		
(i) Trade Receivables	234	451
(ii) Other Receivables	5,358	1,179
Loans	4,827,591	4,156,482
Investments	830,728	1,296,565
Other financial assets	94,381	82,641
Non- financial assets:		
Current tax assets (net)	54,048	73,841
Deferred tax assets (net)	253,829	143,138
Property, Plant and Equipment	38,820	32,312
Right-of-use assets	22,889	19,988
Investment property	96,038	97,495
Intangible assets under development	1,007	353
Goodwill	200	200
Other intangible assets	18,857	11,648
Other non-financial assets	41,481	38,552
Total Assets	6,585,817	6,226,649
LIABILITIES AND EQUITY		
Liabilities		
Financial liabilities:		
Payables		
Trade payables		
(i) Total outstanding dues to micro and small enterprises	2,980	277
(ii) Total outstanding dues to creditors other than micro and small enterprises	32,621	29,057
Debt securities	2,871,466	2,696,168
Borrowings (other than debt securities)	1,638,832	1,382,848
Deposits	45,000	31,552
Subordinated debt liabilities	12,723	12,688
Other financial liabilities	125,965	166,613
Non- financial liabilities:		
Current tax liabilities (net)	7,911	59,208
Provisions	6,271	6,345
Other non- financial liabilities	352,578	363,789
Equity		
Equity share capital	2,336,469	2,136,469
Other equity	(846,999)	(658,365)
Total Liabilities and Equity	6,585,817	6,226,649



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Piramal Capital & Housing Finance Limited
Consolidated cash flow statement for the year ended March 31, 2024

(Currency : Rs in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	(Audited)	(Audited)
A. Cash flow from operating activities		
Profit / (Loss) before tax	(361,563)	(1,279,352)
Adjustments:		
Gain on Sale of Investments	83,832	(8,374)
Share of net profit of joint ventures	7,183	(2,096)
Interest income from fixed deposits	(7,071)	(4,829)
Provision for Doubtful Advance	-	13,399
Goodwill written off	-	1,025,681
(Gain)/Loss on fair valuation	(57,596)	85,585
Lease rent payment	-	(969)
Regulatory Provision on AIF	165,768	-
Impairment allowances/(reversals) on financial instruments	(66,632)	(15,928)
Interest cost on lease payment	2,510	1,972
Finance Cost	365,944	348,559
Net loss on derecognition of financial instruments	301,619	326,553
Bad debts written off	-	2
Loss on sale of property, plant and equipment & Other intangible assets	(825)	(262)
Depreciation and amortisation	15,242	10,011
Operating cash flow before working capital changes	448,411	499,952
Decrease / (Increase) in Trade Receivables	217	1,489
Decrease / (Increase) in Loans	(917,167)	186,482
Decrease / (Increase) in Investments	288,825	(143,666)
Decrease / (Increase) in other non current assets	(4,179)	(1,179)
Decrease / (Increase) in Other financials assets	(11,740)	29,858
Decrease / (Increase) in Other Non financials assets	(2,929)	(2,883)
(Decrease) / Increase in Trade Payables	6,267	(3,924)
(Decrease) / Increase in Provisions	1,352	797
(Decrease) / Increase in Other financials liabilities	(45,489)	58,361
(Decrease) / Increase in Other non financials liabilities	22,346	6,723
Cash from operations	(214,086)	632,010
Less: Income taxes paid	21,310	40,303
Net cash from / (used in) operating activities (a)	(192,776)	672,313
B Cash flow from investing activities		
Purchase of property, plant and equipment & Other intangible assets	(25,300)	(14,475)
Sale proceeds from property, plant and equipment & Other intangible assets	3,127	11,541
Purchase of Treasury Investments	(7,663,495)	(5,602,611)
Sale of Treasury Investments	7,627,059	5,622,067
Payment of consideration for business acquisition	-	(200)
Interest income from fixed deposits	7,071	4,873
Investment in fixed deposits	(122,326)	(104,208)
Redemption from fixed deposits	92,289	90,170
Net cash from / (used in) investing activities (b)	(81,575)	7,157
C Cash flow from financing activities		
Payment of Lease Liabilities	(5,688)	(2,015)
Borrowings taken during the year	2,541,500	782,806
Borrowings repaid during the year	(2,458,556)	(1,729,453)
Issue of equity shares	200,000	-
Net cash from / (used in) financing activities (c)	277,256	(948,662)
Net (decrease) / increase in cash and cash equivalents (a+b+c)	2,904	(269,192)
Cash and cash equivalents as at beginning of the year	192,802	461,925
Add: Cash and cash equivalent transferred due to acquisition during the year	-	69
Cash and cash equivalents as at end of the year	195,706	192,802

Cash and Cash Equivalents Comprise of:

Cash on hand
Balances with banks in current accounts
Fixed deposits (with maturity less than 3 months)



	-	-
	195,706	192,802
	-	-
	195,706	192,802

Notes:

- 1 The above Consolidated financial results for quarter and the year ended March 31, 2024 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meetings held on May 8, 2024. An audit of consolidated financial results for the year ended March 31, 2024 has been carried out by the Joint Statutory Auditors.
- 2 The Consolidated financial results have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34, prescribed under section 133 of the Companies Act 2013 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India and in compliance with format prescribed in Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 During the year ending March 31, 2024, the Company issued 2,000,000,000 equity shares through a rights issue at a face value of Rs. 10 each, aggregating to Rs. 200,000 lakhs to its holding company (i.e. Piramal Enterprises Limited). The allotment was made on March 26, 2024 and the paid up Equity share capital increased from Rs. 21,36,469 lakhs to Rs. 23,36,469 lakhs post rights issue. These proceeds are being directed towards the designated purposes of the issue and for general corporate utilization.
- 4 (a) During financial year 2021-22, pursuant to the Resolution plan in respect of the Corporate Insolvency Resolution Process of Dewan Housing Finance Corporation Limited ("DHFL"), as approved by the Mumbai bench of the Hon'ble National Company Law Tribunal, the Company merged into DHFL and concluded acquisition on September 30, 2021 (Implementation Date). The aforementioned business combination was accounted as a reverse acquisition for financial reporting purposes in accordance with Ind AS 103. In accordance with the aforesaid resolution plan, the Company had recognized Group A assets (loans) at gross book value with provision for impairment being presented as a reduction from such gross book values as appearing in the financial statements of DHFL immediately prior to the implementation date. Difference between such carrying value (gross values as reduced by provision for impairment) and fair value on the acquisition date is separately presented as a liability under fair value adjustment which currently aggregates to Rs. 312,188 lakhs, which is different from the presentation requirements of Ind AS 32, Financial Instruments Presentation, that requires such adjustment to be netted off with the book value of corresponding assets.

(b) At the time of aforesaid merger, based on the expert opinion, net deferred tax assets potentially amounting to Rs. 620,900 lakhs relating to the fair value adjustments considered in aforementioned business combination had not been recognized due to uncertainty associated with allowability of such adjustments under the applicable tax laws.
Based on the tax position taken by the Company and assessment order received for assessment year 2022-23 from the income tax authorities and further based on the assessment of availability of future taxable profits against which these unadjusted tax losses and credits can be utilised within the time period allowed under Income Tax Act, 1961, the Company has recognised deferred tax assets amounting to Rs. 64,761 lakhs in the current quarter. (Also refer note 5)
- 5 As on March 31, 2024, based on the assessment of availability of future taxable profits against which these unadjusted tax losses and tax credits can be utilised within the time period allowed under Income Tax Act, 1961, the Company has recognised Deferred Tax Assets of Rs. 107,297 lakhs on such unadjusted tax losses.
- 6 (a) As per para 4.1.17 of Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('RBI Directions'), Piramal Capital & Housing Finance Limited (The Company) was required to comply with Principal Business Criteria ('PBC') for Housing Finance Companies (HFCs). However, the Company could not fulfill the PBC criteria as on March 31, 2024.

As per above referred RBI Directions, para 5.3, HFCs that are unable to fulfil the PBC criteria as on March 31, 2024 shall be required to approach the Reserve Bank of India (RBI) for conversion of their Certificate of Registration from HFC to NBFC – Investment and Credit Companies ('NBFC-ICC'). In line with the above, the Board of Directors has approved the conversion of its Certificate of Registration from HFC to NBFC-ICC in its meeting dated May 8, 2024 and the Company will submit the application to the RBI along with necessary documents as required under the said RBI Directions.

The Company has been advised by the National Housing Bank ('NHB'), to continue compliance with the Master Directions and other circulars issued by RBI as applicable to HFCs and submit all required returns to the National Housing Bank (NHB), till the receipt of new Certification of Registration as NBFC-ICC.

(b) The Board of Directors of the Company, in its meeting dated May 8, 2024, has approved a Composite Scheme of Arrangement ("Scheme") under sections 230 to 232 read with section 66 and section 52 and other applicable provisions of the Companies Act, 2013 for amalgamation of Piramal Enterprises Limited ("PEL") with the Company as a reverse merger. This amalgamation is set to take effect from appointed date i.e. April 1, 2024, by way of reverse merger by absorption pursuant to a scheme of arrangement under the provisions of Sections 230 – 232 read with section 66 and section 52 and other relevant provisions of the Companies Act, 2013 (including the rules thereunder).

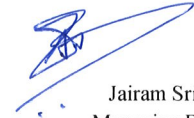
The proposed scheme is subject to various approvals, including the approval from shareholders, lenders, regulators, the National Company Law Tribunal ("NCLT") and other regulatory/statutory approvals, as may be required. The proposed amalgamation aims to simplify group structure including the regulatory developments and reforms including higher regulatory standards for NBFCs, optimize capital, strengthen the balance sheet, and enhance operational and financial effectiveness.
- 7 The Group's business activity falls under one business segment (i.e. lending and investing) 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.



- 8 i) During the quarter ended December 31, 2023, the Company has made regulatory provision of Rs. 186,292 lakhs in respect of its investments in Alternative Investment Funds (AIFs) pursuant to the RBI Circular dated December 19, 2023 and the same has been disclosed under 'exceptional items'. Subsequently, such exceptional losses has been reduced during the current quarter amounting to Rs. 20,524 Lakhs basis actual receipts/recovery resulting into regulatory provision of Rs. 165,788 lakhs for the year.
- ii) During the financial year 2022-23, the Company had impaired goodwill amounting to Rs 1,025,681 lakhs and the same was considered as an exceptional item.
- 9 During previous year, pursuant to review by the Risk Management Committee (RMC) of geopolitical situation and macro-economic uncertainties, the management had identified certain assets wherein there could have been an impact of such uncertainties and had created an additional provision of Rs. 55,977 lakhs, of which Rs. 50,563 lakhs was continuing as on March 31, 2023. This provision now stand at Rs. 19,400 lakhs as on March 31, 2024.
- During the quarter ended March 31, 2024, to accommodate any possible market impact of the management's decision to reduce the legacy wholesale portfolio in the near future basis available market opportunities, the Company has created additional provision of Rs. 42,900 lakhs by way of management overlay on such legacy wholesale portfolio. These have been duly approved by RMC and the Board of Directors. Total management overlay as on March 31, 2024 is Rs. 62,300 lakhs.
- 10 During the current financial year, by way of orders dated March 28, 2024, National Company Law Appellate Tribunal, New Delhi, has deleted name of the certain entities from the Avoidance Applications from whom recovery was made during previous year. Based on NCLAT order dated March 28, 2024, an amount of Rs. 22,751 lakhs has been recognised as income during the current financial year as an "Net (gain)/loss on fair value changes".
- 11 The figures for the March quarter in each of the financial year are the balancing figures between the year-to-date figures of the respective financial year and figures for the nine months period.
- 12 Figures for the previous period/ year have been regrouped wherever necessary, in order to make them comparable.

For Piramal Capital & Housing Finance Limited

Mumbai, May 8, 2024



Jairam Sridharan
Managing Director