23 April, 2025

To,
BSE Limited
Corporate Relationship Department
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001

Company Code- 10828

Subject: Intimation under Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Dear Sir/Madam,

Pursuant to the provisions of Regulation 51 read with Schedule III of the SEBI Listing Regulations, we wish to inform you that at the request of the Company, CARE Ratings Limited **("CARE")** has withdrawn/ reaffirmed the credit ratings for the facilities/instruments of the Company as per the following details:

Facilities/Instrument	Amount (in Rs. Crore)	Rating	Rating Action
Long Term Bank Facilities	1,500* (Reduced from 5,200)	CARE AA-; Stable	Reaffirmed
Non-Convertible Debentures	500^ (Reduced from 1,220)	CARE AA-; Stable	Reaffirmed
Commercial Paper	- (Reduced from 600)	-	Withdrawn

* Limit withdrawn for Rs.3,700 Crore
^ Limit withdrawn for Rs.720 Crore

The rationale of CARE is enclosed and available at the following link: Rating Rationale (www.careratings.com)

This is for your information and records.

Thanking you,

Yours faithfully,

For **Grihum Housing Finance Limited**
(Formerly, Poonawalla Housing Finance Limited)

Pankaj Mahesh Kumar Rathi
Digitally signed by Pankaj Mahesh Kumar Rathi
Date: 2025.04.23 16:48:42 +05'30'

Pankaj Rathi
Chief Financial Officer

Enclosed: as above

Grihum Housing Finance Limited

April 22, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	1,500.00 (Reduced from 4,686.15)	CARE AA-; Stable	Reaffirmed
Long-term bank facilities	- (Reduced from 513.85)	-	Withdrawn
Non-convertible debentures	500.00 (Reduced from 1,220.00)	CARE AA-; Stable	Reaffirmed
Commercial paper	- (Reduced from 600.00)	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of ratings for bank facilities and debt instruments of Grihum Housing Finance Limited (GHFL) continues to factor in its parentage (GHFL is 98.31% held by TPG Global LLC [TPG]) as of February 28, 2025), articulation of capital support from TPG and its intent to continue to hold majority stake in the company in the medium term. Ratings also factor in its strong capitalisation, experienced management, robust business model, diversified resource profile, and the company's pan-India geographical presence.

However, these rating strengths are partially offset by the company's moderate scale of operations and profitability, and low portfolio seasoning.

CARE Ratings Limited (CARE Ratings) has withdrawn ratings of non-convertible debentures (NCDs), long-term bank facilities and proposed commercial paper considering full redemption of instruments, as confirmed by the trustee/ NOCs received from bankers that have extended the facility rated by CARE Ratings and management's request.

Rating sensitivities: Factors likely to lead to rating actions

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

- Growth in scale of operations and augmentation of market share in affordable housing finance business
- Ability to maintain profitability with return on total assets (ROTA) > 3% on a sustained basis.

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

- Material dilution in the ownership by, expected support from, and strategic importance to TPG.
- Increase in gearing level above 5x on a sustained basis.
- Inability to scale up the business at the projected run rate and/or ROTA below 2.0% on a sustained basis.

Analytical approach:

Standalone, factoring in support from majority shareholder, TPG given the expectation of need-based capital support.

Outlook: Stable

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

The outlook is 'Stable' considering expectation of healthy growth in overall portfolio and continued support from the promoter, when required.

Detailed description of key rating drivers:

Key strengths

Strong capitalisation levels backed by support from TPG

Capitalisation levels of GHFL are strong supported by capital infusion; TPG has so far infused ₹1,038 crore into the company (company was acquired by Perseus SG Pte. Limited in July 2023, an entity affiliated to TPG which holds 98.31% stake in the company). Apart from the infused growth capital, the company also has access to a contingent capital pool of the fund (of ~US$ 40 million) for funding future growth/risk capital requirements. As of December 31, 2024, GHFL's tangible net worth stood at ₹2,523 crore (March 2024: ₹2,382 crore) with capital adequacy ratio (CAR) of 48.49% (March 2024: 47.31%). The company's adjusted gearing[2] stood at 2.91x as of December 31, 2024 (March 2024: 2.89x).

GHFL also benefits from synergies arising from its association with TPG in the areas of knowledge sharing, process improvement and lead generation from within the TPG ecosystem. CARE Ratings expects the company's capitalisation structure to continue to derive support in the form of access to need based capital from TPG in the near-to-medium term with a gearing expectation of below 5x. This comfort is driven by TPG's articulation to continue holding majority stake in the company in the medium term.

Experienced management

GHFL is governed by distinguished Board comprising qualified and experienced professionals with considerable experience in functional areas. The company's board has two representatives from TPG comprising Puneet Bhatia (Co-Managing Partner of TPG Capital Asia) and Sanjeev Mehra (Managing Director, TPG Capital Asia), having over two decades of experience in financial service industry and are supporting to strategise the company's future growth. In FY24, three independent directors namely, Prem Manjooran, Richa Arora and Nitin Gupta, were appointed to the board.

GHFL continues to be headed by Manish Jaiswal (MD & CEO), having over three decades of industry experience, with vintage of seven years in the company. Pankaj Rathi is the Chief Financial Officer, with over a decade of industry experience. GHFL having onboarded several senior management executives with over two decades of individual industry experience and possessing extensive and comprehensive background in their respective functional domains, has deepened its leadership across all functions. The board is supported by a strong and seasoned management with relevant and significant experience in retail financing, having previously worked at reputed banks and NBFCs/HFCs.

Diversified resource profile

GHFL's resource profile is well-diversified in terms of source of borrowings and lenders. As of December 31, 2024, GHFL's resource profile consisted of bank term loans of 60% (March 2024: 57%), refinancing from National Housing Bank (NHB) of 29% (March 2024: 24%), non-convertible debentures (NCDs) of 8% (March 2024: 16%) and subordinate debt and pass-through certificate (PTC) of 3% (March 2024: 3%). The company' lenders base expanded with public sector banks accounting for 45% of the total borrowings as of December 31, 2024 (March 2024: 40), private banks accounting for 18% (March 2024: 22%), mutual funds accounting for 8% (March 2024: 13%) and NHB refinance accounted for 29% (March 2024: 24%).

[2] Adjusted gearing = (off book AUM + debt)/ Net-worth

While borrowings rates have been on rising trend in FY24 and 9MFY25, the company continued to demonstrate its ability to raise incremental funds at competitive rates compared to similar-sized peers. Increased share of NHB refinancing in the overall borrowings mix also curtailed impact of general rising cost of funds for the company to an extent. In 9MFY25, cost of borrowings[3] (CoB) remained stable at 8.56%.

Comfortable asset quality metrics with moderate seasoning

In 9MFY25, the company's asset quality metrics moderated following an uptick in housing and loan against property (LAP) delinquencies and slower pace of portfolio accretion. The company's gross non-performing assets (GNPA) and net NPA (NNPA) as on December 31, 2024, increased to 1.54% (March 2024: 0.95%) and 0.95% (March 2024: 0.56%) respectively. As of December 31, 2024, the 1+ dpd portfolio increased to around 7.73% (March 2024: 4.83%). Despite moderate uptick in NPA levels in 9MFY25, the company's asset quality metrics continue to be comfortable marked by Stage 3 provision coverage ratio (PCR) of 38.71% (March 2024: 41.16%) and NNPA/ net worth of 2.91% as of December 31, 2024.

GHFL's customers a mix of self-employed, 67% of asset under management (AUM) as on December 31, 2024, and the remaining 33% as salaried borrowers with majority of them in Tier-2 and below cities, exposing it to the relatively economically vulnerable borrower segment. Since this segment is highly susceptible to the impact of economic downturn, maintaining sound asset quality while increasing scale of operations remains a key monitorable.

Geographically diversified with pan-India presence

GHFL is a geographically diversified affordable housing finance company with presence in 18 States/UTs across India with no single state accounting to over 20% of the total portfolio as of December 31, 2024, with top state Madhya Pradesh contributing 19% of the total portfolio. As on December 31, 2024, company had 210 branches (March 2024: 210) and catered to over 84,000 customers with an average ticket size of ~₹10 Lakhs while maintaining an AUM compound annual growth rate (CAGR) of over ~28% for the last five years (2019-2024).

GHFL is one of the well-diversified affordable housing finance players with no single state accounting to over 20% of the total portfolio as of December 31, 2024.

Top three states (includes Madhya Pradesh, Uttar Pradesh and Maharashtra) accounted for 40% of the total portfolio 2024(March 2024: 45%). The company is geographically diversified with northern India contributing 39% in the total on-book portfolio, western India contributing 35%, southern India contributing 22% and remaining 4% is contributed by eastern India.

In the last two years, GHFL has significantly invested on capacity building and capability enhancements with a view to enhance focus on sourcing through direct sales distribution against direct selling agents (DSAs), higher share of home loans and penetration into deeper geographies. Since FY24, 100% of the fresh disbursements have been through direct sourcing compared to ~73% in FY23.

The company is primarily servicing the "Self-Employed and Self-Constructed Homes" category with self-employed customer forming 67% of the loan portfolio as on December 31, 2024. The company has no wholesale exposure to builder/developer financing making its loan portfolio 100% secured, retail and granular with over 98% of its portfolio backed by residential properties.

Key weaknesses

Moderate size and portfolio seasoning

[3] Cost of borrowings = Interest cost / Annual Average borrowings

While CARE Ratings notes significant growth in disbursal volumes in the last three years, the company continues to have moderate size and scale of operations. GHFL's disbursement witnessed three-year CAGR of 33% with disbursement increasing to ₹2,914 crore for FY24 (PY: ₹2585 crore). Consequently, AUM has grown to ₹8,277 crore as of March 31, 2024 (PY: ₹6,289 crore), with a three-year CAGR of 28% and further stood at ₹9,206 crore as on December 31, 202024 The company's product portfolio consists of housing loans (67% of the total AUM) and loan against property (LAP – 33%) as of December 31, 2024

Considering the company's rapid growth in recent years and an average loan term of ~8 years, the portfolio has limited seasoning. This exposure to vulnerable borrower segment exposes the company to asset quality risks.

Moderate profitability metrics

While GHFL witnessed healthy earnings growth marked by portfolio expansion and improved portfolio margins, profitability metrics continued to be impacted by high opex due to branch expansion and system improvement. In FY24, spread[4] increased to 6.24% (PY: 5.60%) as company passed on the rate hikes to customer per industry practice. However, net interest margin[5] (NIM) marginally declined to 6.82% in FY24 (PY: 6.90%) primarily due to negative carry on excess liquidity due to fresh capital infusion of ₹500 crore in the last week of March 2024. In FY24, opex increased to 5.32% (PY: 4.75) as company added 41 branches and incurred expenses on technological improvements. Credit cost reduced to 0.53% in FY24 (PY: 0.70%) due to improvement in softer delinquency buckets. Consequently, ROTA decreased to 1.96% in FY24 (PY: 2.23%) while return on managed assets (ROMA) decreased to 1.72% (PY: 1.93%).

In 9MFY25, disbursements decreased by 15% to ₹1,838 crore against 9MFY24 of ₹2,167 crore. This was considering company's implementation of new front-end system which impacted disbursement rate. Despite this, ROTA improved to 2.35% in 9MFY25 (FY24: 1.96%) primarily due to operational efficiencies, higher margins and fee income offsetting impact on higher credit costs. ROMA improved to 2.04% in 9MFY25 (March 2024: 1.73%). Led by rising delinquencies, credit cost increased to 0.98% in 9MFY25 (FY24: 0.53%).

CARE Ratings expects the company's operational costs to stabilise, leading to improvement in profitability metrics in the near-to-medium term.

Liquidity: Strong

As of December 31, 2024, GHFL's liquidity position was strong with ALM having positive cumulative mismatches in all time buckets. The company had cash and cash equivalents of ₹305 crore and receivable from loan book (including interest) in the next one year of ₹1,835 crore against debt repayments obligations (including interest) of ₹2,003 crore in the next one year. Undrawn sanctioned lines stood at ₹1,685 crore, which provides comfort.

Assumptions/Covenants

Not applicable

Environment, social, and governance (ESG) risks

Not applicable

Applicable criteria

[Policy on Default Recognition]

[4] Spread = yield on advances (Interest on loans/ average loan book) – CoB
[5] NIMs = Net interest income / average total assets

[Assigning 'Outlook' or 'Rating Watch' to Credit Ratings]
[Financial Ratios - Financial Sector]
[Housing Finance Companies]
[Rating of Short-Term Instruments]
[Withdrawal Policy]

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Housing finance company

GHFL (formerly Poonawalla Housing Finance Limited - PHFL) is a non-deposit taking housing finance company registered with the Reserve Bank of India. In July 2023, Perseus SG Pte. Limited, an entity affiliated to TPG acquired 99.02% stake in PHFL for valuation of ₹3900 crore. TPG infused growth capital of ₹1038 Crore in FY2024 GHFL is an affordable housing finance company catering to self-employed & self-construction category of home buyers in low & mid--income segment mainly in tier 2 and tier 3 cities.

As on December 31, 2024, the company's AUM stood at ₹9,206 crore consisting of housing loans (67%) and LAP (33%). GHFL has pan-India presence via branch network of 210 in 18 states/UTs, catering to 84,000+ borrowers.

Brief Financials (₹ Crores)	March 31, 2023 (A)	March 31, 2024 (A)	9MFY25 (UA)
Total Income	716.05	1,045.65	942.58
PAT	115.22	139.96	149.80
Total Assets*	5,966.44	8,338.99	8,664.72
Net NPA (%)	0.40	0.56	0.95
ROTA (%)	2.23	1.96	2.35
ROMA (%)	1.93	1.73	2.04

A: Audited UA: Unaudited; Note: these are latest available financial results
*Adjusted to intangible assets and deferred tax assets

Status of non-cooperation with previous CRA:
Not applicable

Any other information:
Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Commercial Paper-Commercial Paper (Proposed)	Not Applicable	-	-	-	0.00	Withdrawn
Non-Convertible debentures	INE055I07131	31-May-2023	8.60	29-Nov-2024	--	Withdrawn
Non-Convertible debentures	INE055I07149	16-Jun-2023	8.5	16-Sep-2024	--	Withdrawn
Non-Convertible debentures	INE055I07172	06-Jul-2023	8.65	31-Dec-2024	--	Withdrawn
Debentures-Non Convertible Debentures	INE055I07180	27-Sep-2023	8.45	27-Sep-2028	85.00	CARE AA-; Stable
Debentures-Non Convertible Debentures	INE055I07156	16-Jun-2023	8.65	16-Sep-2025	200.00	CARE AA-; Stable
Debentures-Non Convertible Debentures	INE055I07164	26-Jun-2023	8.65	26-Jun-2025	200.00	CARE AA-; Stable
Debentures-Non Convertible Debentures (Proposed)	Not Applicable	-	-	-	15.00	CARE AA-; Stable
Fund-based - LT-Cash Credit	Not Applicable	-	-	-	0.00	Withdrawn
Fund-based - LT-Proposed fund based limits	Not Applicable	-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan	Not Applicable	-	-	31-Mar-2030	1500.00	CARE AA-; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	-
2	Short Term Instruments-STD	ST	-	-	-	-	-	-
3	Fund-based - LT-Term Loan	LT	1500.00	CARE AA-; Stable	-	1)CARE AA-; Stable (14-Aug-24)	1)CARE AA-; Stable (18-Aug-23)	1)CARE AAA (RWN) (23-Dec-22) 2)CARE AAA; Stable (30-Sep-22) 3)CARE AA+; Stable (24-Aug-22)
4	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE AA-; Stable (14-Aug-24)	1)CARE AA-; Stable (18-Aug-23)	1)CARE AAA (RWN) (23-Dec-22) 2)CARE AAA; Stable (30-Sep-22) 3)CARE AA+; Stable (24-Aug-22)
5	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (18-Aug-23)	1)CARE AAA (RWN) (23-Dec-22) 2)CARE AAA; Stable (30-Sep-22) 3)CARE AA+; Stable (24-Aug-22)
6	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (24-Aug-22)
7	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (24-Aug-22)
8	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (24-Aug-22)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
9	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (18-Aug-23)	1)CARE AAA (RWN) (23-Dec-22) 2)CARE AAA; Stable (30-Sep-22) 3)CARE AA+; Stable (24-Aug-22)
10	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (18-Aug-23)	1)CARE AAA (RWN) (23-Dec-22) 2)CARE AAA; Stable (30-Sep-22) 3)CARE AA+; Stable (24-Aug-22)
11	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (18-Aug-23)	1)CARE AAA (RWN) (23-Dec-22) 2)CARE AAA; Stable (30-Sep-22) 3)CARE AA+; Stable (24-Aug-22)
12	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (18-Aug-23)	1)CARE AAA (RWN) (23-Dec-22) 2)CARE AAA; Stable (30-Sep-22) 3)CARE AA+; Stable (24-Aug-22)
13	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (18-Aug-23)	1)CARE AAA (RWN) (23-Dec-22)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
								2)CARE AAA; Stable (30-Sep-22) 3)CARE AA+; Stable (24-Aug-22)
14	Debentures-Non Convertible Debentures	LT	500.00	CARE AA-; Stable	-	1)CARE AA-; Stable (14-Aug-24)	1)CARE AA-; Stable (18-Aug-23)	1)CARE AAA (RWN) (23-Dec-22) 2)CARE AAA; Stable (30-Sep-22) 3)CARE AA+; Stable (24-Aug-22)
15	Commercial Paper-Commercial Paper (Standalone)	ST	-	-	-	1)CARE A1+ (14-Aug-24)	1)CARE A1+ (18-Aug-23)	1)CARE A1+ (23-Dec-22) 2)CARE A1+ (30-Sep-22) 3)CARE A1+ (24-Aug-22)
16	Fund-based - LT-Proposed fund based limits	LT	-	-	-	1)CARE AA-; Stable (14-Aug-24)	1)CARE AA-; Stable (18-Aug-23)	1)CARE AAA (RWN) (23-Dec-22) 2)CARE AAA; Stable (30-Sep-22) 3)CARE AA+; Stable (24-Aug-22)
17	Debentures-Non Convertible Debentures	LT	-	-	-	1)CARE AA-; Stable (14-Aug-24)	1)CARE AA-; Stable (18-Aug-23)	-

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Commercial Paper-Commercial Paper (Standalone)	Simple
2	Debentures-Non-Convertible Debentures	Simple
3	Fund-based - LT-Cash Credit	Simple
4	Fund-based - LT-Proposed fund based limits	Simple
5	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

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

Contact us

Media Contact	Analytical Contacts
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in **Relationship Contact** Pradeep Kumar V Senior Director **CARE Ratings Limited** Phone: 044-28501001 E-mail: pradeep.kumar@careedge.in	Sanjay Agarwal Senior Director **CARE Ratings Limited** Phone: +91-22-675543582 E-mail: Sanjay.agarwal@careedge.in Priyesh Ruparelia Director **CARE Ratings Limited** Phone: +91-22-6754 3593 E-mail: Priyesh.ruparelia@careedge.in Geeta Chainani Associate Director **CARE Ratings Limited** Phone: +91-2267543447 E-mail: Geeta.Chainani@careedge.in

About us:
Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

For detailed Rationale Report and subscription information, please visit www.careedge.in