



April 28, 2022

The BSE Limited,
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 540173

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

Dear Sir(s),

Sub: Press Release for the Quarter and Financial Year ended March 31, 2022.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Press Release of the Company for the Quarter and Financial Year ended March 31, 2022.

A copy of the same is placed on the website of the Company www.pnbhousing.com

You are requested to take note of the above and arrange to bring this to the notice of all concerned.

Thanking You,

For PNB Housing Finance Limited


Sanjay Jain
Company Secretary & Head Compliance
Membership No.: F2642

Press Release

For Immediate Release

28th April 2022, New Delhi

Consolidated Audited Financial Results for Q4 & FY2021-22 Ended 31st March 2022

The Board of Directors of PNB Housing Finance Limited today approved the Consolidated Audited Financial Results for the quarter and financial year ended 31st March 2022. The financial numbers are based on IndAS.

Key Highlights (Q4 FY21-22)

- Disbursements grew by 31% QoQ to INR 3,698 crore
- Loan Asset grew to INR 56,889 crore as on 31st March 2022 compared to INR 56,798 crore as on 31st December 2021
 - Retail Loan Asset increased by INR 693 crore to INR 49,730 crore
 - Corporate Loan Asset reduced by INR 602 crore to INR 7,159 crore
- Retail Gross NPA declined by 27% QoQ to INR 1,771 crore
- Gearing as on 31st March 2022 improved by 20 bps QoQ to 5.4x
- Capital Risk Adequacy Ratio, based on IndAS, stood at 23.4% as on 31st March 2022, of which Tier I capital was 20.7%.
- ICRA revised the outlook of credit rating for Non-Convertible Debentures to Stable from Negative on 12th April 2022

Financial performance (Q4 FY21-22 vs Q4 FY20-21)

- Net Interest Income stood at INR 377 crore compared to INR 593 crore registering a decline of 37%. During Q4 FY21-22, there is a net income reversal of INR 58 crore on derecognized loans due to unwinding impact of Spread contraction and run offs whereas during Q4 FY20-21, there was a net positive impact of INR 58 crore on derecognized loans due to fall in assignees' MCLR in Q4FY21-22, there is an IndAS adjustment resulting in net interest income reversal of ~INR 70 crore.
- Operating expenditure decreased by 13% to INR 126 crore vs INR 144 crore.
- Pre provision Operating Profit declined by 31% to INR 369 crore vs INR 539 crore.
- Profit after Tax increased by 33% to INR 170 crore vs INR 127 crore.
- Net Interest Margin stood at 2.3% as compared to 3.3%.
- Gross Margin, net of acquisition cost, stood at 3.0% compared to 3.7%.

Financial performance (FY21-22 vs FY20-21)

- Net Interest Income stood at INR 1,869 crore compared to INR 2,322 crore registering a decline of 20%. During FY21-22, there is a net income reversal of INR 217 crore on derecognized loans due to

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CIN: L65922DL1988PLC033856

unwinding impact of Spread contraction and run off whereas during FY20-21, there was a net positive impact of INR 178 crore on derecognized loans due to fall in assignees' MCLR

- Operating Expenditure is at INR 476 crore vs INR 454 crore registering an increase of 5%.
- Pre provision Operating Profit decreased by 20% to INR 1,660 crore from INR 2,069 crore.
- The ECL provision (including write offs) for FY21-22 is INR 576 crore vs INR 862 crore for FY20-21
- Profit after Tax is at INR 836 crore vs INR 930 crore registering a decline of 10% YoY.
- The Spread on loans for FY21-22 stood at 2.1% compared to 2.8% for FY20-21. Excluding the net impact on securitization transactions, the Spread for FY21-22 is 2.5%.
- Net Interest Margin stood at 2.8% compared to 3.2% YoY. Excluding the net impact on securitization transactions and lower gearing, the Net Interest Margin for FY21-22 is 3.1%.
- Gross Margin, net of acquisition cost, is at 3.2% as compare to 3.3%.
- Return on Asset is at 1.2% during FY21-22, similar to FY20-21.
- Gearing as on 31st March 2022 is 5.4x compared to 6.7x as on 31st March 2021 with higher share of retail loan assets.
- Return on Equity of 8.9% for FY21-22 vis a vis 10.9% for FY20-21.

Business Operations

- The disbursements during FY21-22 stood at INR 11,246 crore compared to INR 10,445 crore in FY20-21 registering an increase of 8%. Retail disbursements were 97% of total disbursements in FY21-22.
- Asset under Management (AUM) is at INR 65,977 crore as on 31st March 2022 with Retail book at 89% of the AUM compared to 84% as on 31st March 2021. Corporate AUM declined by 39% YoY to INR 7,159 crore as on 31st March 2022 as compared to INR 11,786 crore as on 31st March 2021. The decline in Corporate AUM is primarily on account of sell down/accelerated payments and no new sanctions.
- Loan Assets as on 31st March 2022, registered growth despite sell down/accelerated prepayment of INR 370 crore in corporate book. The Loan Asset stood at INR 56,889 crore as on 31st March 2022 as compared to INR 56,798 crore as on 31st December 2021. Retail loans are at INR 49,730 crore as on 31st March 2022 compared to INR 49,036 crore as on 31st December 2021.

Distribution and Service Network

- The Company has 100 branches with presence in 70 cities, 40 outreach locations and 22 Hubs.
 - The Company opened 29 new Unnati locations in Tier 2 and 3 cities during FY21-22

Asset Quality

As per the RBI notification dated 12th November 2021 "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications", the account that has turned 90+DPD on any date should continue to be Gross NPA till such time all the overdue including principal

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and interest is paid. The Company has made the necessary changes and the reported GNPA undertakes the impact of RBI revised norms.

- Gross Non-Performing Assets (NPA) at an AUM level is at 6.99% while it is 7.61% at Loan Assets (as per IndAS gross stage 3 is 8.12%) as on 31st March 2022.
- Retail GNPA reduced by 140 bps QoQ to 3.56% as on 31st March 2022
- Net NPA stood at 4.49% of the Loan Assets (as per IndAS net stage 3 is 5.06%) as on 31st March 2022 as compared to 4.87% as on 31st December 2021.

Borrowings

- Total borrowings are at INR 53,221 crore as on 31st March 2022 as against INR 59,942 crore as on 31st March 2021.
- The Deposit portfolio stood at INR 17,807 crore as on 31st March 2022 as compared to INR 17,129 crore as on 31st March 2021.
- Total assigned loans outstanding as on 31st March 2022 is at INR 9,088 crore as compared to INR 12,214 crore as on 31st March 2021. No new loan assignment is done in FY22.

Capital to Risk Asset Ratio (CRAR)

- The Company's CRAR based on IndAS stood at 23.4% as on 31st March 2022, of which Tier I capital was 20.7%.
- The risk-weighted assets as on 31st March 2022 stood at INR 40,604 crore.

Capital Raise

- The Board of Directors of the Company approved capital raise of up to INR 2,500 crore via. issue of equity share on right issue on March 9, 2022.

Covid-19 Update

As advised by various State and Central Government, PNB Housing has complied with all the directives issued with respect to Covid-19. All the offices of the Company continues to follow the directives issued by various state and central government. Over 85% of our employees are fully vaccinated while around 100% have been vaccinated with atleast one dose.

As on 31st March 2022, INR 2,420 crore (4.3% of Loan Asset) has been restructured under the RBI's resolution framework for Covid19 related stress. Upto 31st March 2022, disbursed INR 498 crore under Emergency Credit Line Guarantee Scheme (ECLGS).

As a socially responsible corporate, we supported towards aiding the government efforts to control the pandemic by setting up 70 bedded ICU Facility, provide oxygen concentrators, establish PSA based oxygen plant and provide ambulances for emergency pre-hospital care.

Commenting on the performance Mr. Hardayal Prasad, Managing Director & CEO said:

With the broader improvement in real estate sector demand, the Company registered robust disbursement growth at 31% QoQ. The focus on retail segment led to the growth in the loan asset despite decline in the corporate loan asset during the quarter. Further, the concentrated efforts on recovery led to a decline of 27% in the retail segment GNPA. The Company would continue to focus on its asset growth while improving asset quality”

About PNB Housing Finance Limited

PNB Housing Finance Limited (NSE: PNBHOUSING, BSE: 540173) is promoted by Punjab National Bank and is a registered Housing Finance Company with National Housing Bank (NHB). The Company got listed on the Indian stock exchanges on 7th November 2016. The Company’s asset base comprises retail loans and corporate loans. The retail business focusses on organized mass housing segment financing for acquisition or construction of houses. In addition, it also provides loan against properties and loans for purchase & construction of non-residential premises. Corporate loans are mainly to developers for construction of residential / commercial properties, corporate term loans and lease rental discounting. PNB Housing Finance is a deposit taking Housing Finance Company.

Disclaimer

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