

January 20, 2022

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

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

Scrip Code: 540173

Symbol: PNBHOUSING

Dear Sirs,

**Sub: Investor Presentation**

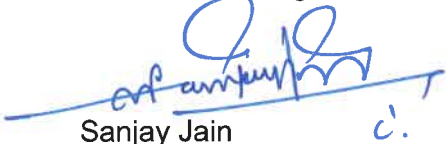
Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find attached herewith the Investor Presentation of the Company for the quarter and nine months ended December 31, 2021.

A copy of the same is placed on the website of the Company [www.pnbhousing.com](http://www.pnbhousing.com)

You are requested to take note of the above.

Thanking You.

For PNB Housing Finance Limited



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



# Investor Presentation

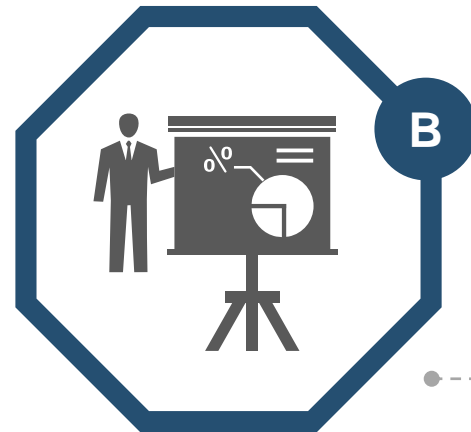
## Quarter Ended December 2021

20-January-2022





**Progress on the Agenda**  
**Strategy Monitorables**



**Business & Financial Performance**  
**Digital Drive & Branch Network**  
**Shareholding and ESG Snapshot**  
**Growth in Housing Finance Sector**  
**Key Takeaways**



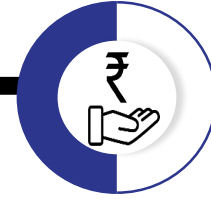
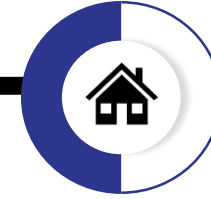
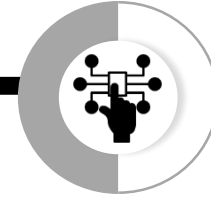
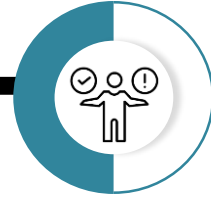
# Agenda envisaged in January 2021



## Strengthening the Core

## Drive Efficiency

## Accelerate Growth



### Management

- Strengthen leadership team with internal promotions & external hires
- On boarded senior talent in HR, Collections, Business Transformation, Information security, Affordable Housing and Internal Audit
- Augment Risk & data analytics team
- Introduced incentive plan to retain talent
- Focus on upgrading skill sets

### Capital Position

- Improve capital and gearing
- Build significant provision
- Option to raise capital across different modes

### Risk Management

- Leverage advance analytics and new age technologies
- Automate credit appraisal journey with human touch
- Strengthen EWS to improve collection efficiencies
- Remedial Management Group to focus on resolution of corporate book

### Cost Management

- Rationalize operating model with focus on profitability
- Optimize cost and productivity
- Improve accountability across organization
- Product and segment level monitoring

### Digital Drive

- Accelerate digital transformation across the value chain
- Increase use of AI, ML, RPAs to augment business, underwriting and accelerate efficiencies
- Advanced analytics for portfolio management, risk, collection

### Retail Focused Lending




- Leverage expertise in mass housing and merchant category
- Increase fee income through cross sell, upsell and co-lending
- Retail to be the engine of growth

### Grow Affordable Housing "Unnati"

- Building higher yielding Unnati portfolio
- Focus on Average ticket size of ~INR 15 lakh
- Strengthen distribution network with increased presence in Tier 2 and 3 cities

# Strengthening the Core – Key Monitorables



Pillars to Agenda	Monitorables	FY20	FY21	9MFY22	Remarks
 <b>Management Team</b>	Key roles hired at senior level <sup>^</sup>		5 hires and 2 promotion	6 hires and 3 promotions	Management team is being continuously strengthened
	Incentive plan to retain talent		RSU Allotment done		As a part of succession plan, senior level leadership roles filled through internal talent
 <b>Capital Position</b>	Leverage*	8.53x	6.72x	5.57x	Corporate Book reduced by 34% since Mar'21 and internal accruals
	CRAR*	17.98%**	18.73%#	21.59%	Company continues to focus on lower risk weight asset
	Tier 1 Ratio	15.18%**	15.53%	18.90%	Capital raise in process
	Total Provision to Total Asset*	2.61%	4.09%	4.39%^^	Continues to maintain healthy provision
 <b>Risk Management</b>	% of loans sanctioned within stipulated TAT	85%	84%	82%	Sanctioned TAT of 87% in Q3 FY22
	Collection Efficiencies	98.5%	96.8%	97.3%	Q3 FY22 to 98.5% from 98.3% in Q2 FY22

\* As on last day of the period

\*\*As per IGAAP



#Adjusted for deposit made with companies in same group, CRAR is 20.6%

^AGM and above

^^ Excluding the provisions utilized for write off

# Drive Efficiency – Key Monitorables



Pillars to Agenda	Monitorables	FY20	FY21	9MFY22	Remarks
 <p><b>Cost Management</b></p>	Cost to Income Ratio	16.9%	15.1%	19.6%	Higher on account of increased investments to enhance business activities and lower income
	Incremental Cost of Borrowing	8.5%	6.8%	5.8%	Supported by NHB
	Implement Transformation journey		Project 'IGNITE' initiated	Phase 2 started	Phase 2 of pilot and implementation started; INR 12 Crore expensed in 9M FY22
 <p><b>Digital Drive</b></p>	Digital sourcing	9%	19%	48%	Increased focus on digital sourcing; Ace 2.0 live resulting in higher customer convenience through enhanced C-KYC
	Automate underwriting		Vendors identified	Credit Appraisal Memo (CAM) Automation (web module) is live	Implementation of Rule management engine Phase 1 is likely to go live in Q1 FY23
	Advanced Analytics powered business intelligence framework across organisation		AA Process initiated; In advance stages of vendor identification	AA based model implemented for business	Technology solution shortlisted

# Accelerate Growth – Key Monitorables



## Pillars to Agenda



### Retail Focussed Lending



### Grow Affordable Housing "Unnati"

Monitorables	FY20	FY21	9MFY22	Remarks
Retail Loan Book (YoY)	-6%	-5%	-5%	Disbursements grew by 18% in 9M FY22 (YoY)
Building Granular book (Disbursement of upto INR 2 crore)	88.1%	93.0%	94.7%	Focus on lower ticket loans sourcing
Corporate book*	INR 14,614 Crore 18% of AUM	INR 11,786 Crore 16% of AUM	INR 7,761 Crore 12% of AUM	Sell down / accelerated payment of INR 2,294 Crore in 9M FY22
Create separate vertical and open lean branch infrastructure	Existing branches	Separate vertical created	13 locations opened	25 new locations to be operationalized by March 2022
Unnati AUM*	INR 2,607 Crore	INR 2,985 Crore	INR 3,089 Crore	Disbursement growth of 10% in 9M FY22 (YoY)

\* As on last day of the period

# Update on Project “IGNITE”



Focus on high-yielding affordable housing Unnati business: 13 new dedicated Unnati locations opened in Q3 FY 22. 25 new locations to be operationalized by March 2022



Focus on core capability of serving self-employed by creating new models backed by advanced analytics



Create differentiators to remain competitive in salaried segment: implementation of automated decisioning



Improve collections and recovery, leveraging digital and analytics: multiple projects undertaken to reduce bounce rate and forward flows



Enhance productivity to drive cost optimization: cost reduction achieved through various initiatives

## Key Structural Interventions





# Business and Financial Performance

# Performance Highlights



	Disbursement*	<b>INR 7,548 Crore</b> (+19% YoY)
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	Asset Under Management	<b>INR 66,539 Crore</b> (-14% YoY)
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	Retail Loans	<b>88% of the AUM</b> (83% of AUM as on 31-Dec-20)
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	Deposits	<b>INR 17,838 Crore</b> (+8% YoY)
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	Gross Margin*	<b>3.2%</b> (3.2% PY)
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	Cost to Income Ratio*	<b>19.6%</b> (14.9% PY)
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	GNPA	<b>7.16% on AUM</b> (includes 1.25% on account of RBI notification) <b>7.64% on Loan Assets</b> (2.64% PY)
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	Total Provision/ Total Assets	<b>4.4%</b> (3.5% PY)
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	Write-offs since Inception**	<b>15 bps</b> (12 bps PY)
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	Book Value Per Share	<b>INR 571</b> (INR 520 PY)
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	Gearing Ratio	<b>5.6x</b> (7.3x PY)
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	Capital to Risk Asset Ratio	<b>21.6%</b> (20.1% PY)
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Data as on 31-Dec-21

\*For 9M FY22

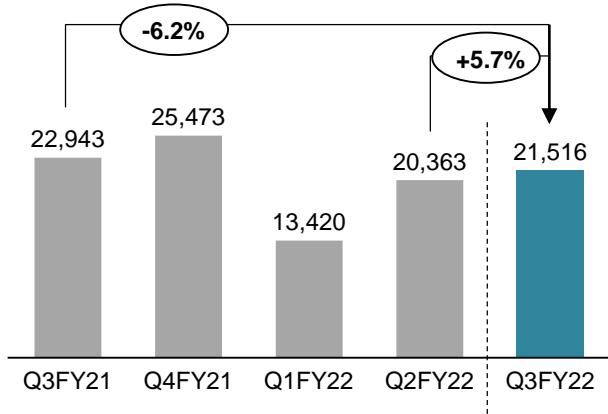
PY stands for same period Previous Year

\*\*On cumulative disbursements

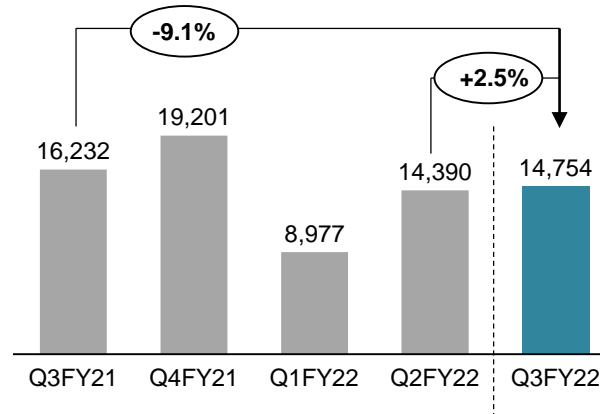
# Business Trends - Quarter on Quarter



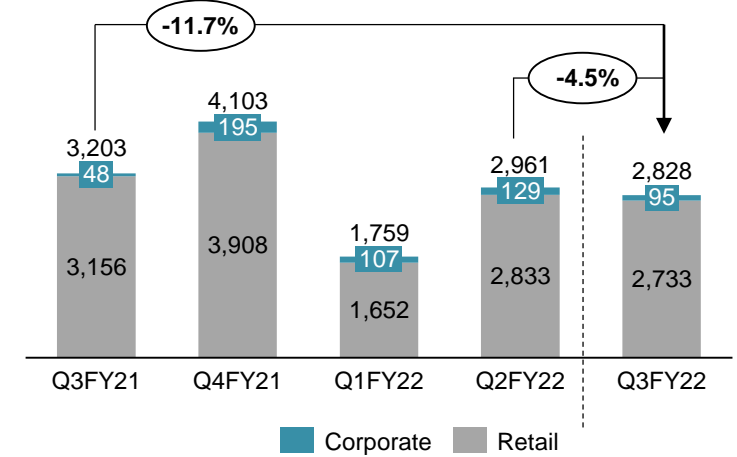
**No. of Logins**



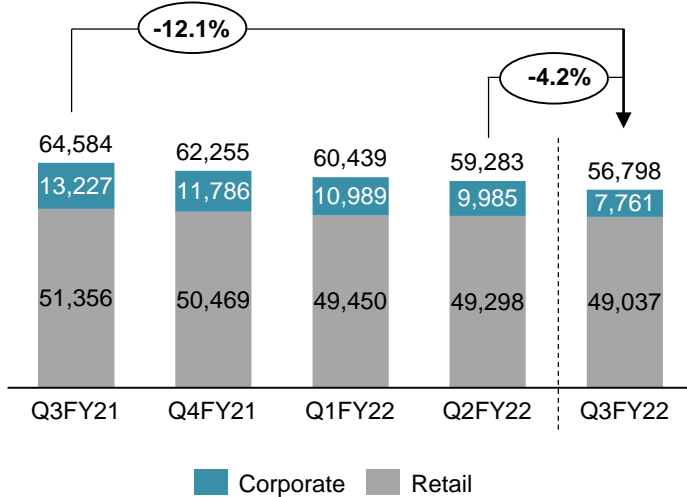
**No. of Sanctions**



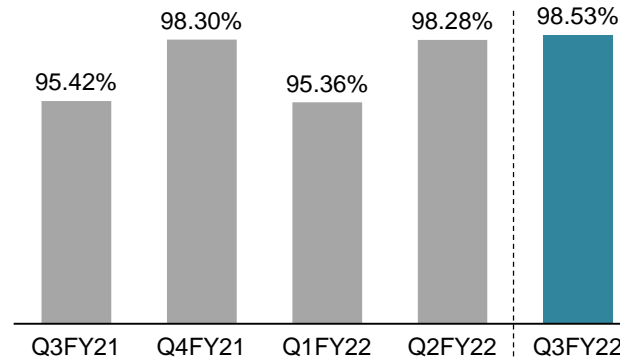
**Disbursement (INR Crore)**



**Loan Asset (INR Crore)**



**Collection Efficiency (Retail)**



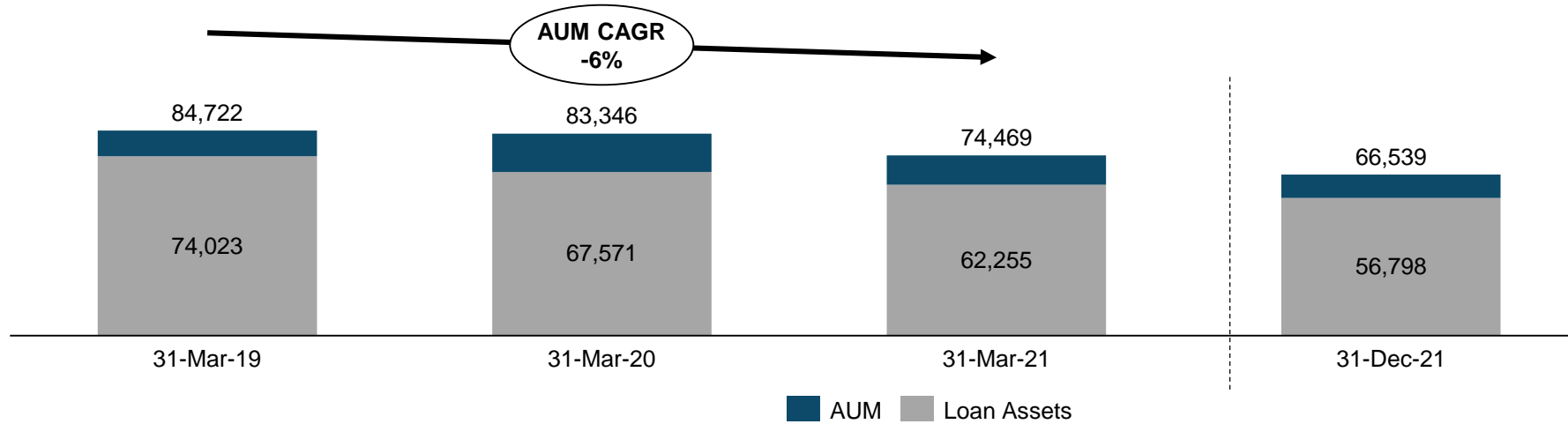
- Digital sourcing contributed 49% to total logins in Q3 FY22
- With focus on retail business, 97% of Q3 FY22 disbursements are in retail segment
- Collection Efficiency improved QoQ

# Business Update

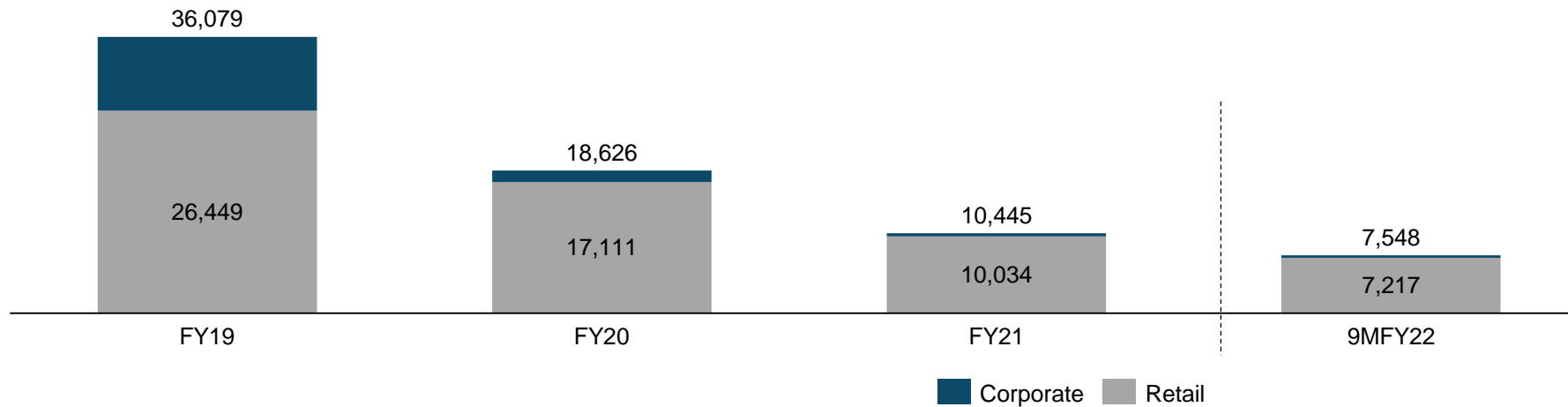


(INR Crore)

## Asset



## Disbursement



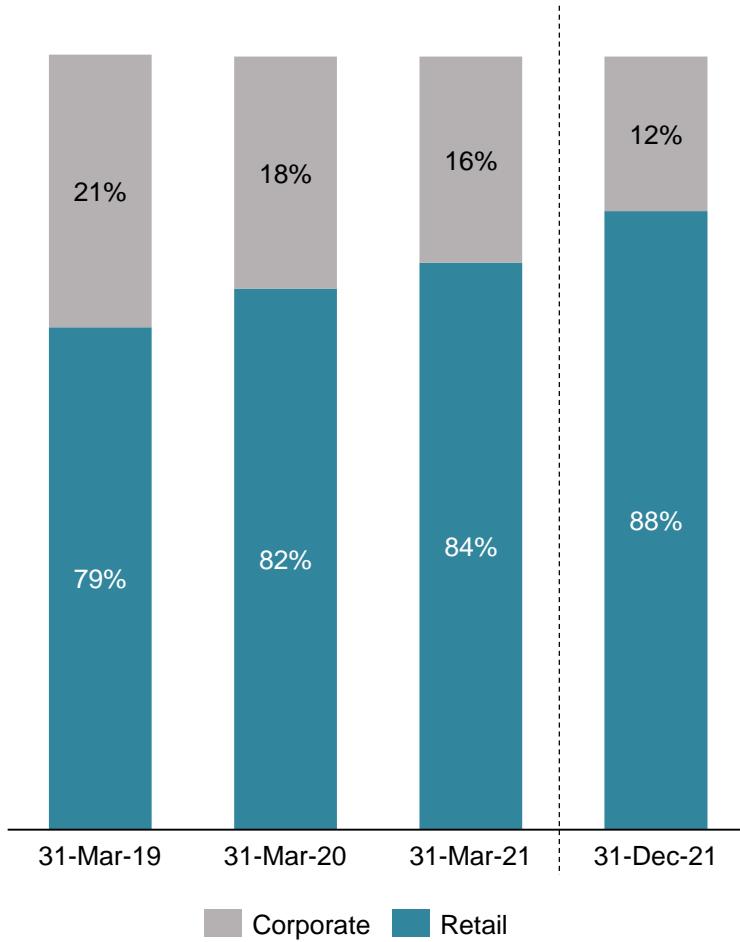
- As on 31-Dec-21, retail AUM is 88% of total AUM compared to 83% as on 31-Dec-20
- Covid Restructured loans of INR 2,483 Crore as on 31-Dec-21
- Disbursed INR 462 Crore under ECLGS scheme upto 31-Dec-21

Emergency Credit Line Guarantee Scheme, provided to mitigate the distress caused by Covid-19

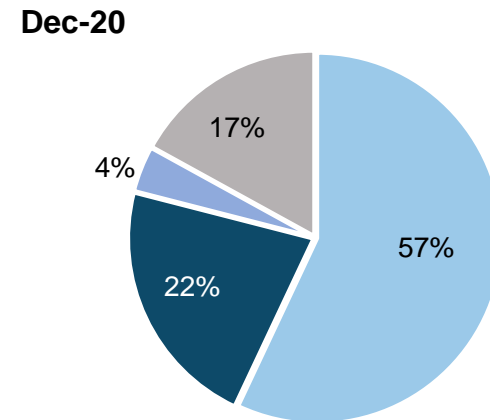
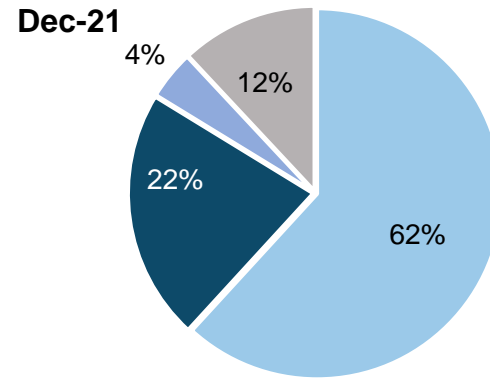
# Asset Under Management Mix



**AUM Mix**

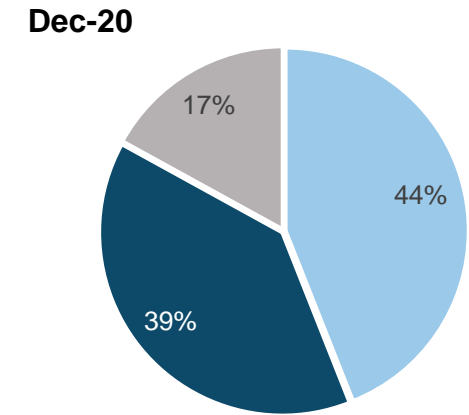
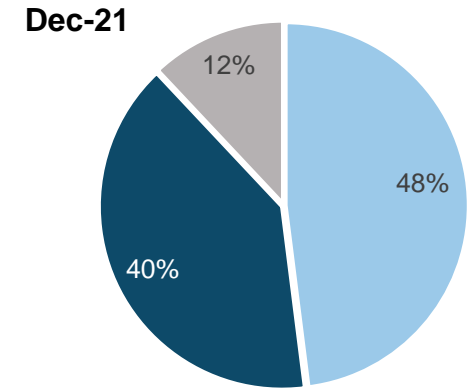


**Product-wise Break-up**



- Individual Housing Loan
- Retail Loan Against Property
- Retail Non-Residential Premises Loan
- Corporate Loan

**Segment-wise Breakup**

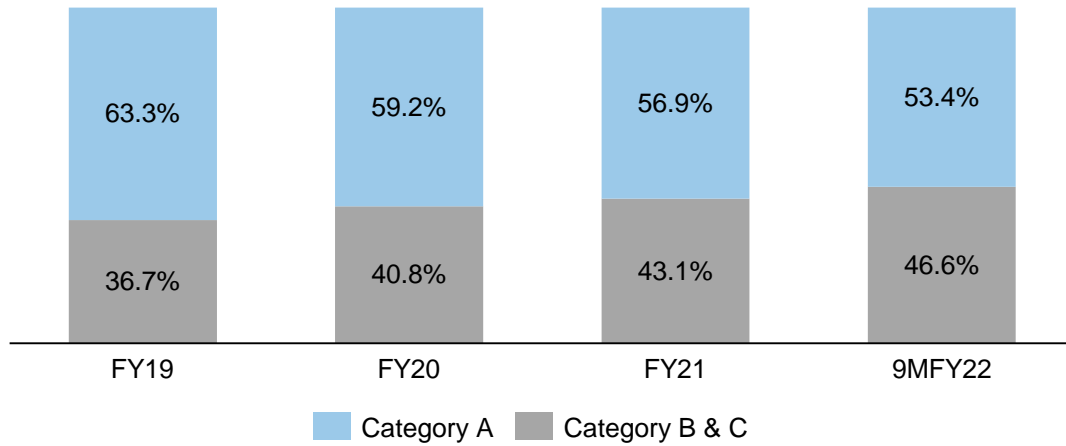


- Salaried
- Self –Employed
- Corporate Loan

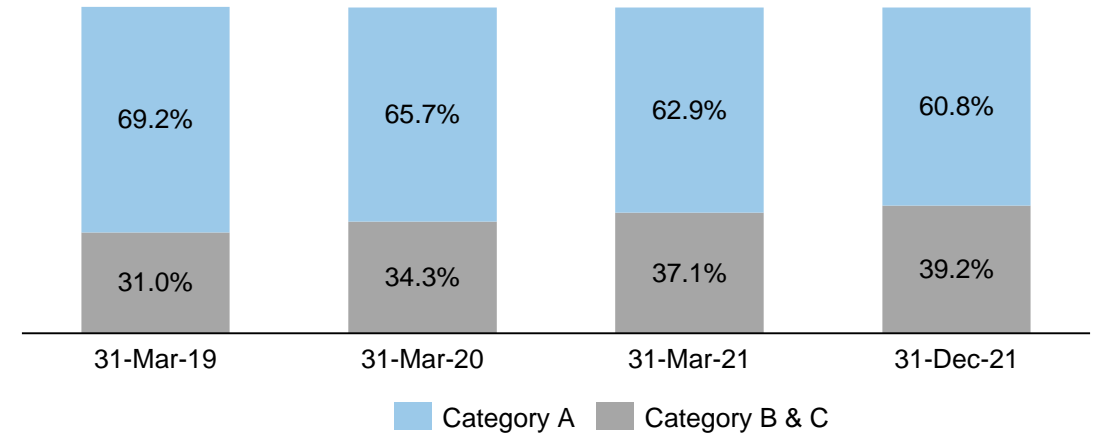
# Retail Segment Focus Areas



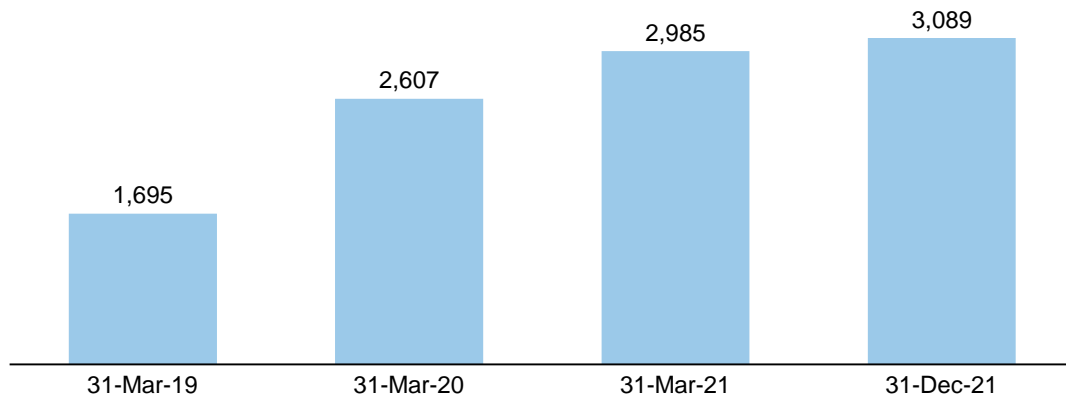
## Increasing Disbursement in Category B and C branches



## Increasing AUM from Category B & C branches



## Increasing Unnati Segment AUM (INR Crore)



- Higher focus on disbursements from category B & C resulting in increasing AUM from the respective branches
- Unnati AUM increased by 7% YoY in December 2021

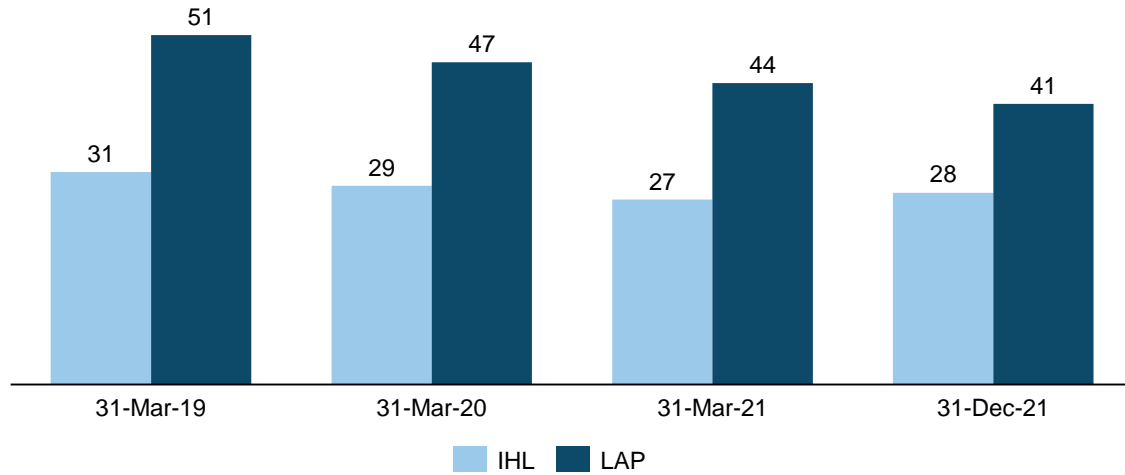
Category A refers to branches in Metro and Large cities

# Retail Loan Book – Key Attributes

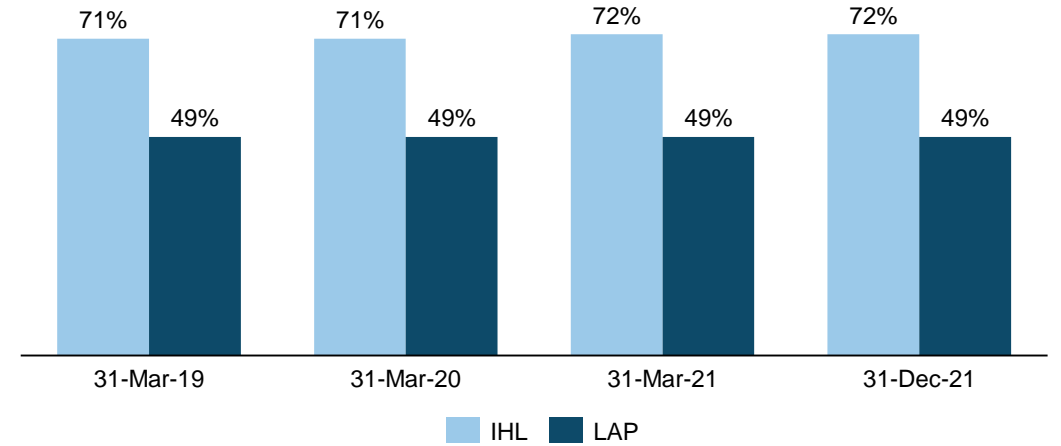


(INR Lakhs)

## Average Ticket Size



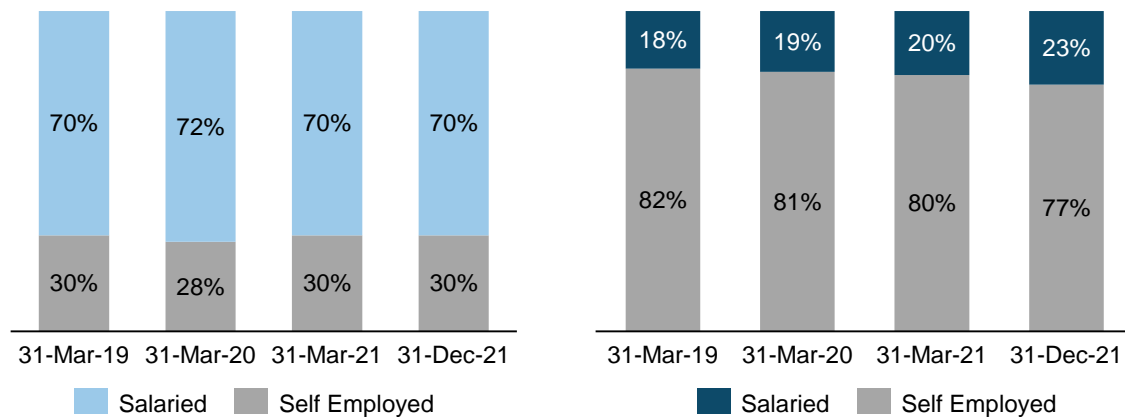
## Weighted Average Loan to Value



## Salaried vs Self-Employed

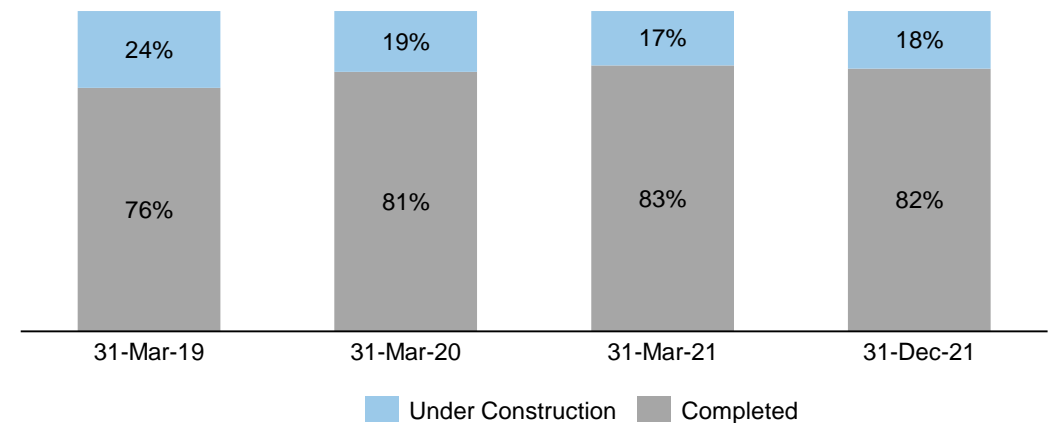
### Individual Housing Loan

### Loan Against Property



## Under construction vs Completed

### Individual Housing Loan

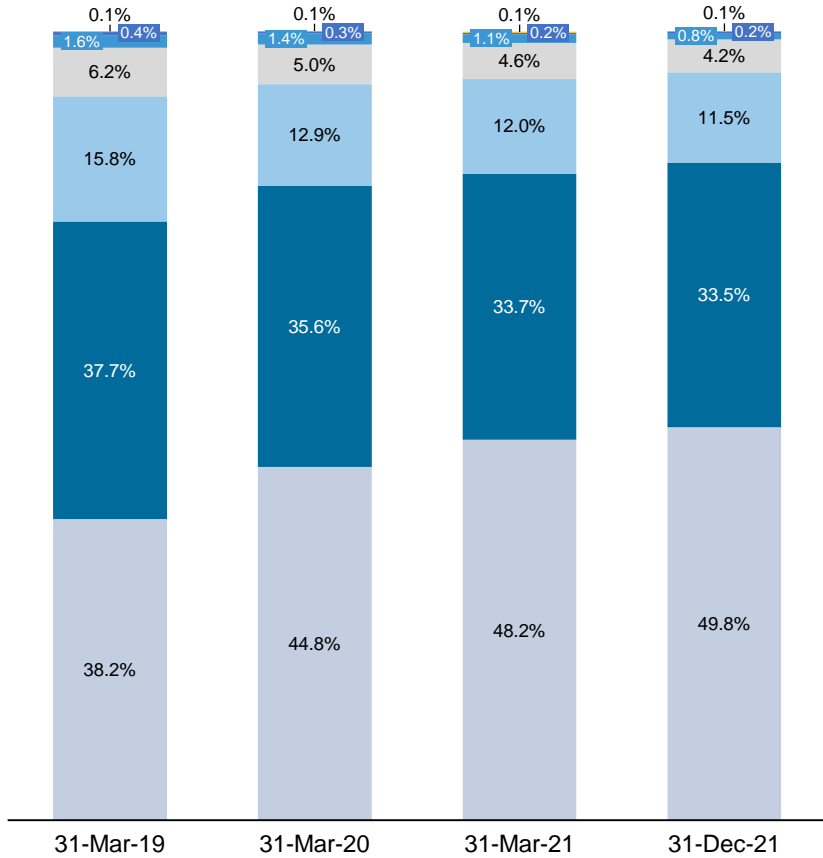


ATS and LTV at Origination

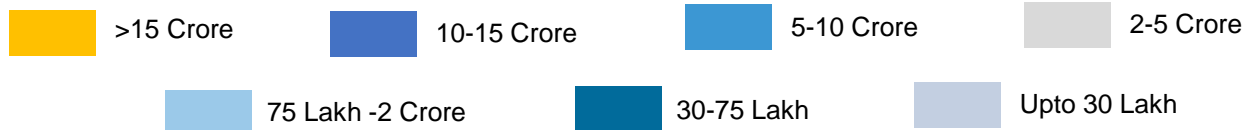
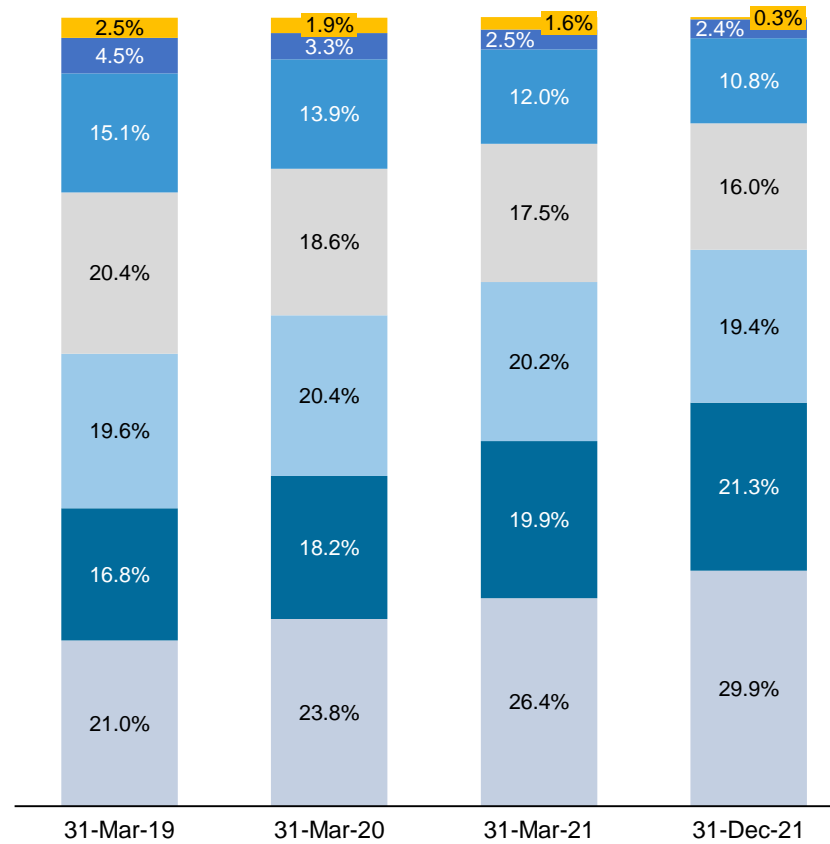
# Retail Loan Book – Average Ticket Size Range



### Individual Housing Loan



### Retail Loan Against Property

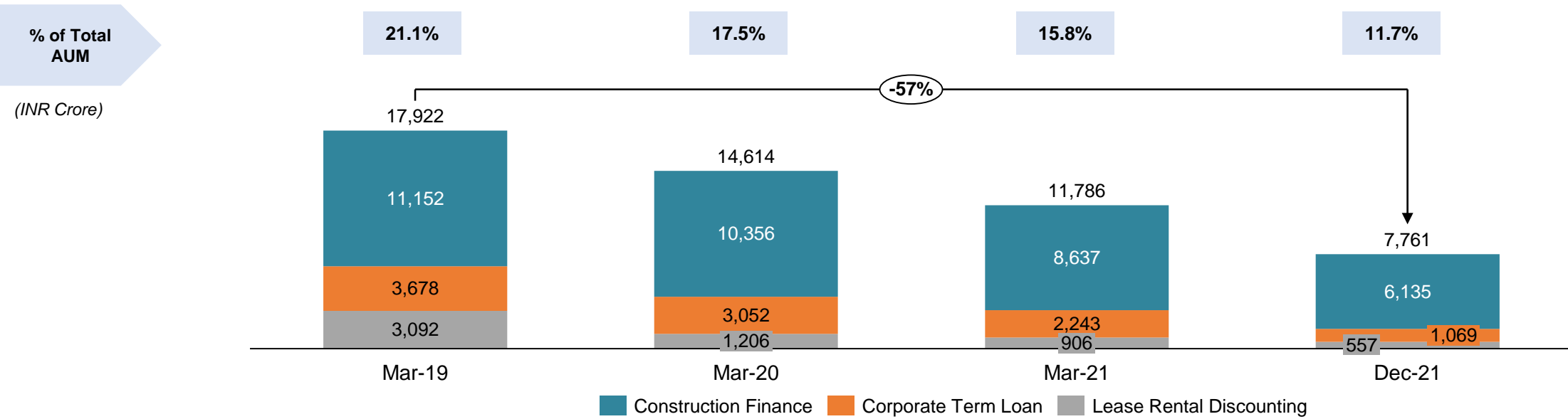


- Focus on granular book resulting in the increasing loan asset in lower ticket size loans
- LTV in LAP maintained below 50%

Data on Outstanding Loan Asset

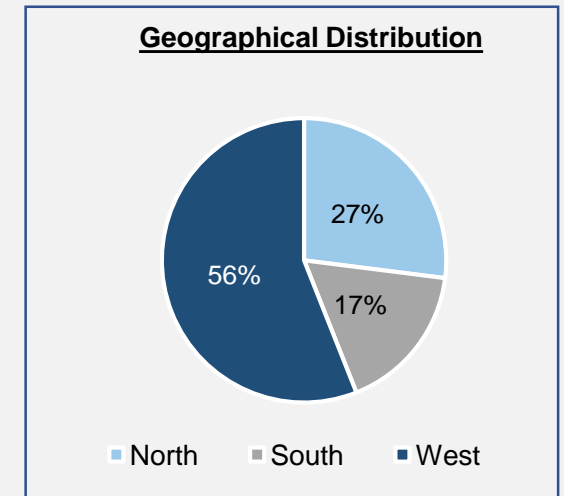
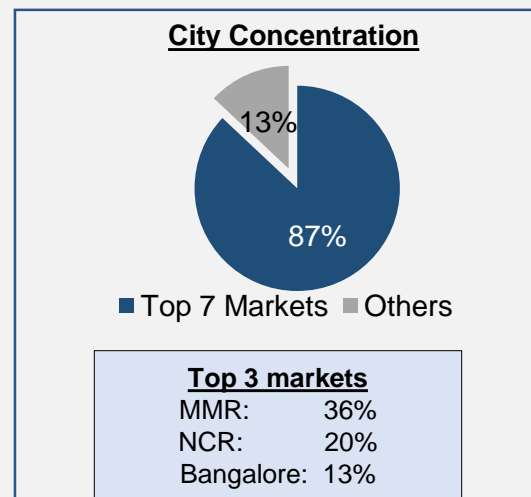


# Corporate Book Exposure



**Average Ticket Size (Unique Corporate Houses)**

Product Segment	ATS (INR Crore)
Construction Finance	189
Corporate Term Loan	88
Lease Rental Discounting	62



Data as on 31-Dec-21

# Corporate Book Performance



- 65% of the book is with Zero DPD on a declining base
- 66% of the book is in Stage 1; majority backed by Tier 1 Developers

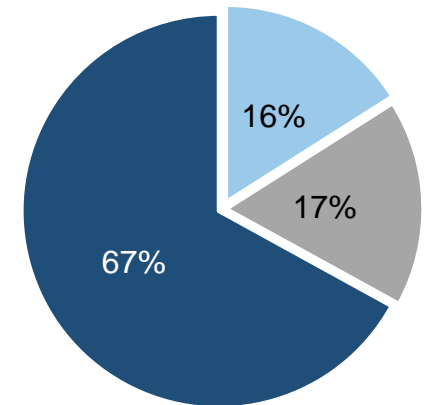
- Down Sell / Accelerated pre payment of INR 2,294 Crore in 9M FY22

- Deleveraged Top 20 developers' book; reduced by ~25% YoY

- Weighted average security coverage of the book is over 2.2x as on 31-Dec-21

- Stage 3 provision coverage ratio is 50%
- Overall provision coverage is 18.7% of Corporate book

**33% of the Construction Finance Book comprises completed and near completion projects**



- Completed
- Near Completion
- Under Construction

# Corporate Book Remedial Actions



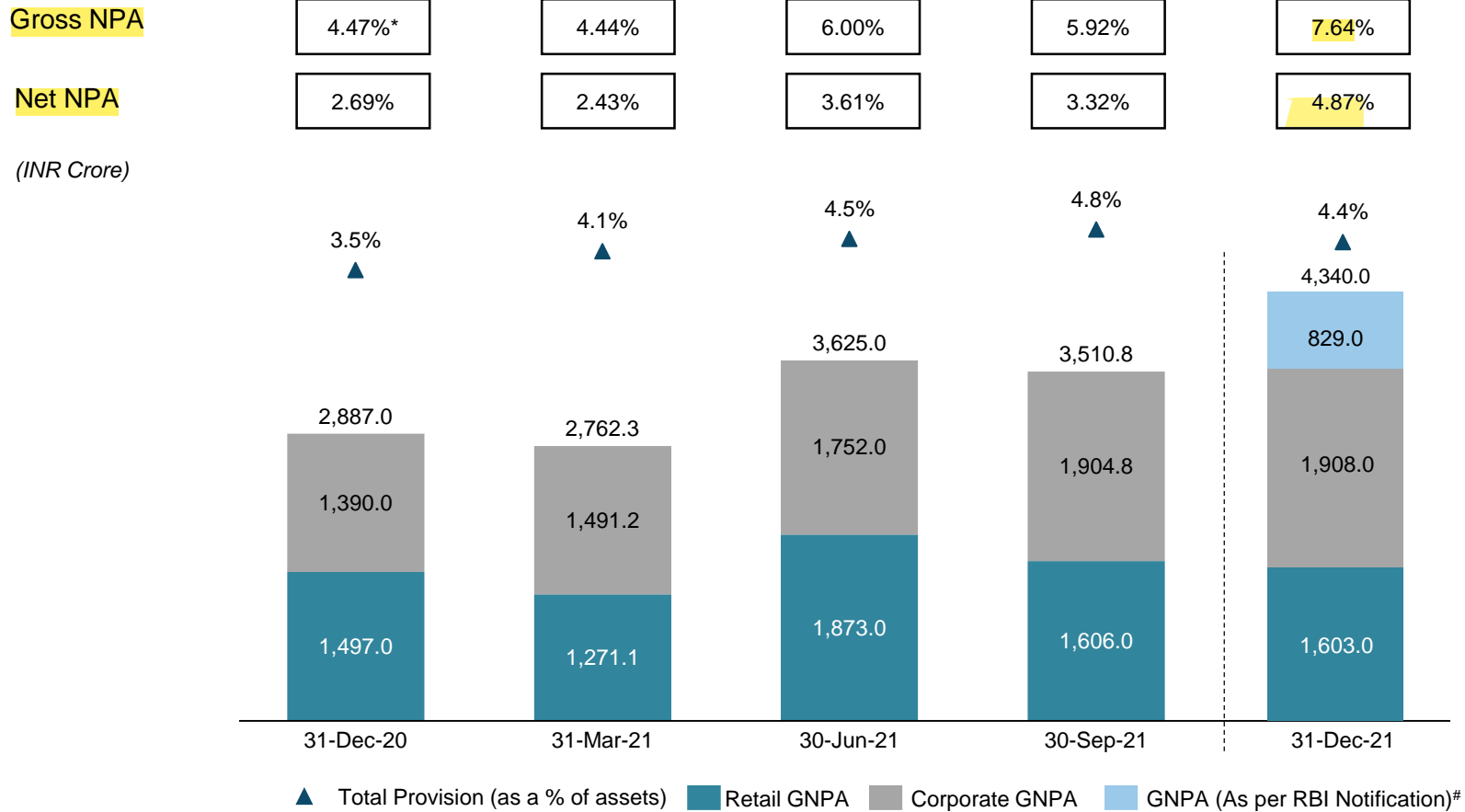
City Based Developers	Final Stages of Resolution	Resolutions Underway on few NPA Accounts
Mumbai	<ul style="list-style-type: none"> <li>• <b>Project with O/s of INR 181 crore</b> <ul style="list-style-type: none"> <li>✓ Resolution Plan finalized by the Committee of Creditors in NCLT. NCLT approval in process</li> <li>✓ Resolution achieved, however, account will continue as NPA with adequate provision</li> </ul> </li> </ul>	
Delhi, NCR	<ul style="list-style-type: none"> <li>• <b>Project with O/s of INR 353 crore</b> <ul style="list-style-type: none"> <li>✓ A principal builder in NCR to takeover the Project along with its liabilities</li> <li>✓ EDC payments to authority restructured and regularized, Project licence renewed, In-Principle transfer of Licence approval received, 2/3rd customer consent being sought post which final approvals shall be received for transfer of licence and Project takeover</li> </ul> </li> <li>• <b>Project with O/s of INR 187 crore</b> <ul style="list-style-type: none"> <li>✓ Final Resolution Plan received from 4 prominent developers; expected to be voted in CoC in Q4 FY 22</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Project with O/s of INR 244 crore</b> <ul style="list-style-type: none"> <li>✓ Negotiations underway with builders for development management</li> </ul> </li> </ul>

*11 accounts with O/s of INR 333 crore resolved through project collaborations, SWAMIH investment etc.*

# Gross Non-Performing Assets



% of Loan Asset



NPA of INR 4,340 Crore includes INR 829 Crore, which is less than 90 DPD but included due to asset classification norms as per RBI notification dated 12-Nov-2021

As on 31-Dec-21	INR Crore
Gross NPA	4,340
ECL Provision	2,494
Regulatory provision (as per NHB)	1,107

**The Company holds provision with total provision to total asset at 4.4%**

\*Proforma GNPA  
 Figures as on 31-Dec-21 unless mentioned  
 #As per RBI Circular dated 12-Nov-21

# Expected Credit Loss (ECL) Provisions



Classification of the Assets based on the ECL computation under Ind AS:

Particulars (INR Crore)	31-Dec-21	30-Sep-21	31-Dec-20
Gross Stage 1	49,706	52,080	56,379
Gross Stage 2	2,752	3,691	6,497
Gross Stage 3a (less than 90 DPD; as per RBI notification dated 12-Nov-2021)	829	-	-
Gross Stage 3b (GNPA)	3,511	3,511	1,708
Total Assets	56,798	59,283	64,584

Particulars (INR Crore)	31-Dec-21	30-Sep-21	31-Dec-20
Gross Stage 1	49,706	52,080	56,379
% portfolio in stage 1	87.5%	87.8%	87.3%
ECL Provision Stage 1	625	699	402
Net Stage 1	49,079	51,381	55,977
<b>ECL Provision % Stage 1</b>	<b>1.3%</b>	<b>1.3%</b>	<b>0.7%</b>
Gross Stage 2	2,752	3,692	6,497
% portfolio in stage 2	4.8%	6.2%	10.1%
ECL Provision Stage 2	292	585	1,041
Net Stage 2	2,460	3,107	5,456
<b>ECL Provision % Stage 2</b>	<b>10.6%</b>	<b>15.8%</b>	<b>16.0%</b>
Gross Stage 3	4,340 <sup>#</sup>	3,511	1,708
% portfolio in Stage 3	7.64%	5.9%	2.6%
ECL Provision Stage 3	1,577	1,544	799
Net Stage 3	2,764	1,967	908
<b>Coverage Ratio % Stage 3</b>	<b>36.3%*</b>	<b>44.0%</b>	<b>46.8%</b>
Total Assets	56,798	59,283	64,584
ECL Provision	2,494	2,828	2,243
Net Stage	54,302	56,455	62,341
<b>Total ECL Provision / Total Assets (%)</b>	<b>4.4%*</b>	<b>4.8%</b>	<b>3.5%</b>

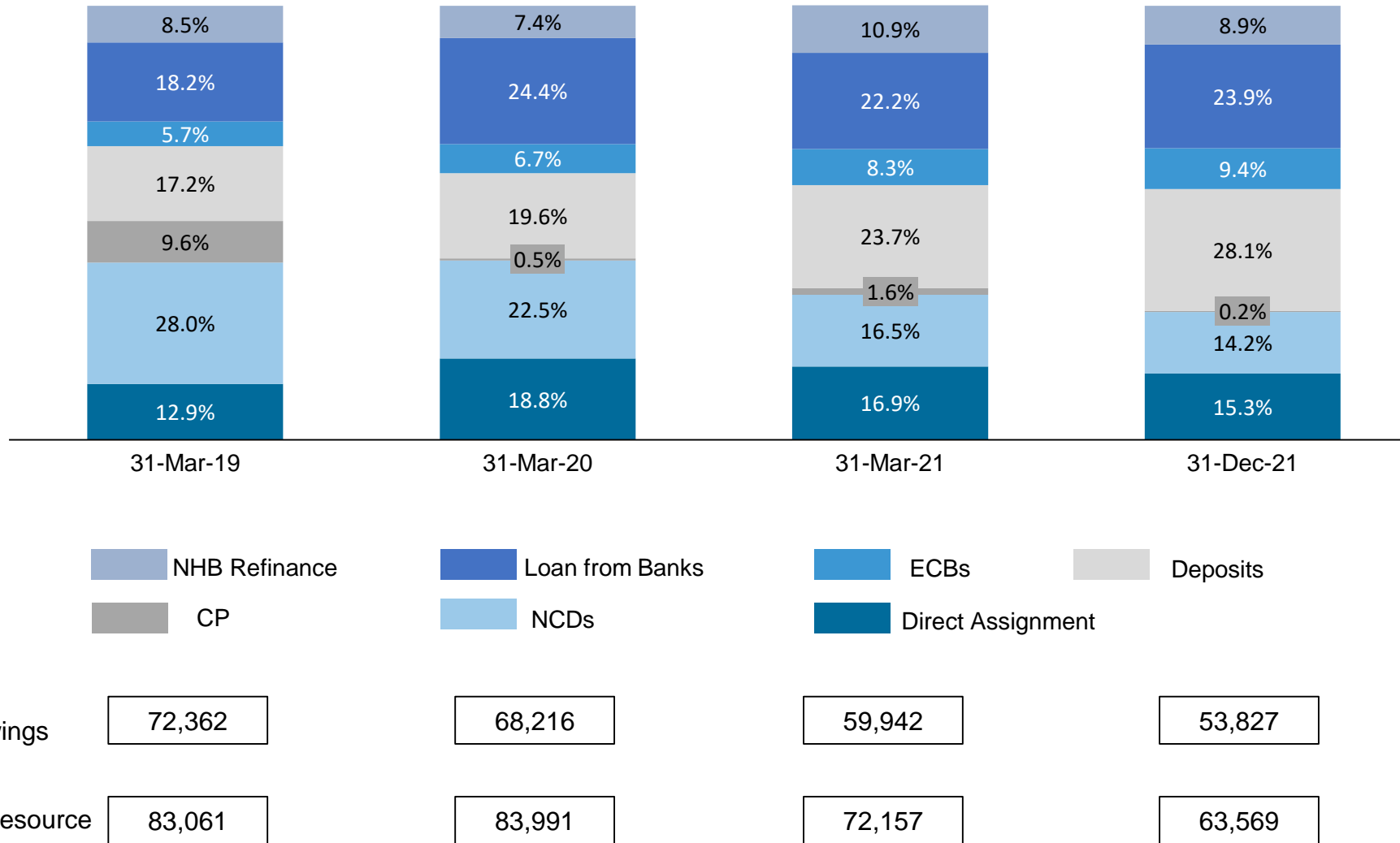
\*This excludes the provisions utilized for write off, including the same Stage 3 coverage ratio would have been 41% and total provision to total asset ~5%

# Includes INR 829 crore of assets re categorised as NPA due to November 12, 2021 circular

# Well Diversified Resource Profile



(INR Crore)



- ~71% of the total resource is floating; giving opportunity for replacement & repricing

**Credit Rating**

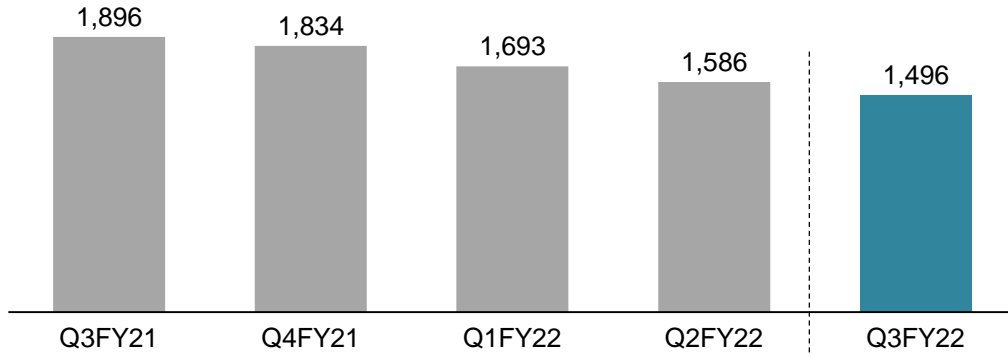
- Fixed Deposit: “FAA+” by CRISIL and “AA” by CARE.
- Commercial Paper: “A1(+)” by CARE & CRISIL
- Non-Convertible Debentures: “AA” by CARE, India Ratings, CRISIL and ICRA
- Bank Loans (Long Term): “AA” by CARE and CRISIL

# Financial Highlights – Quarter on Quarter

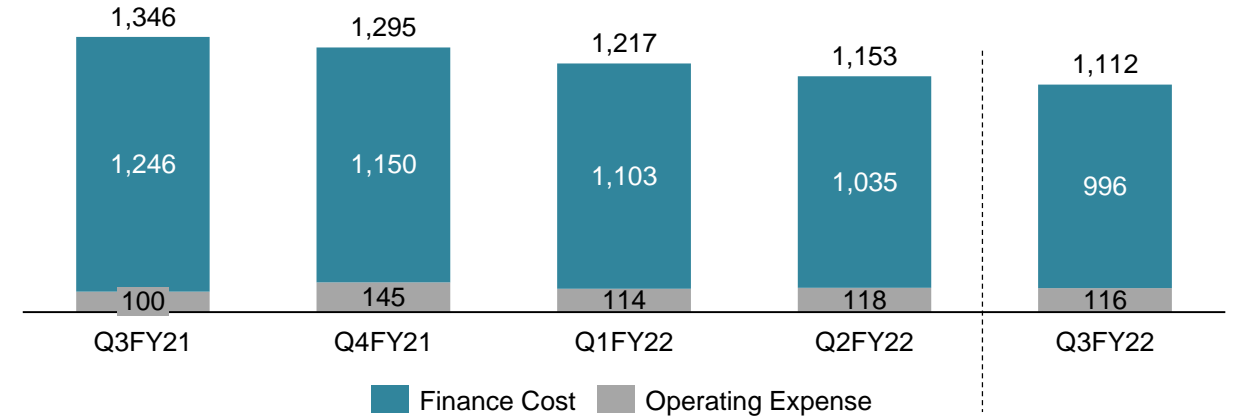


(INR Crore)

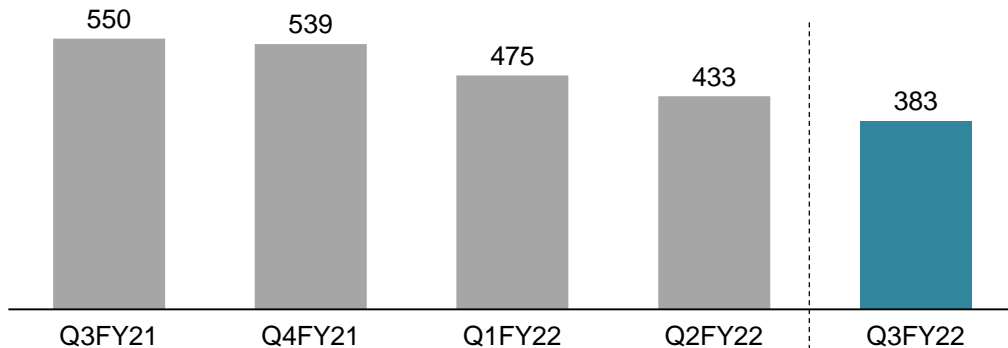
## Revenue



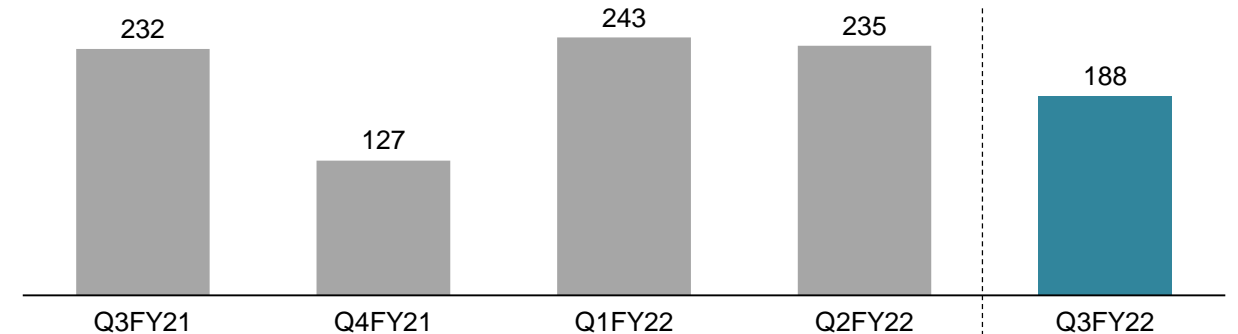
## Expense



## Pre-provision Operating Profit



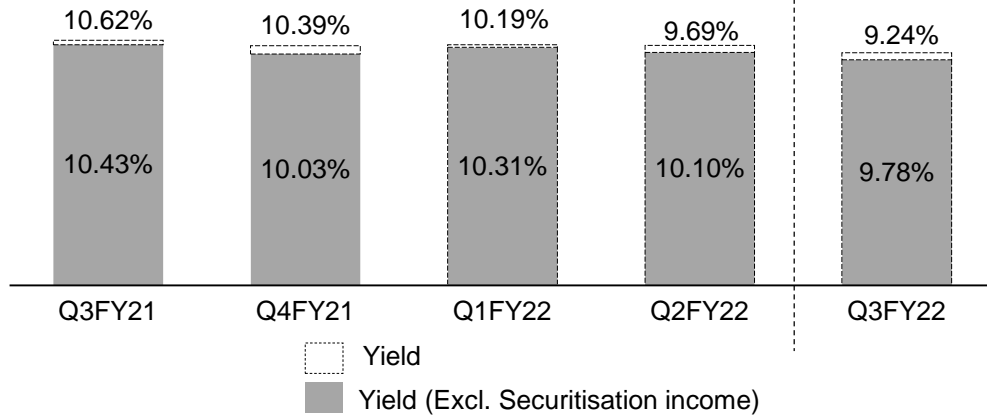
## Profit After Tax



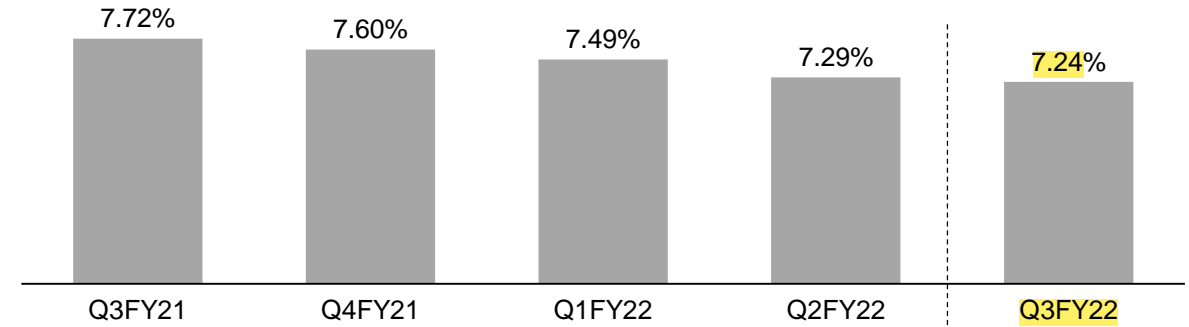
# Financial Ratio Highlights – Quarter on Quarter



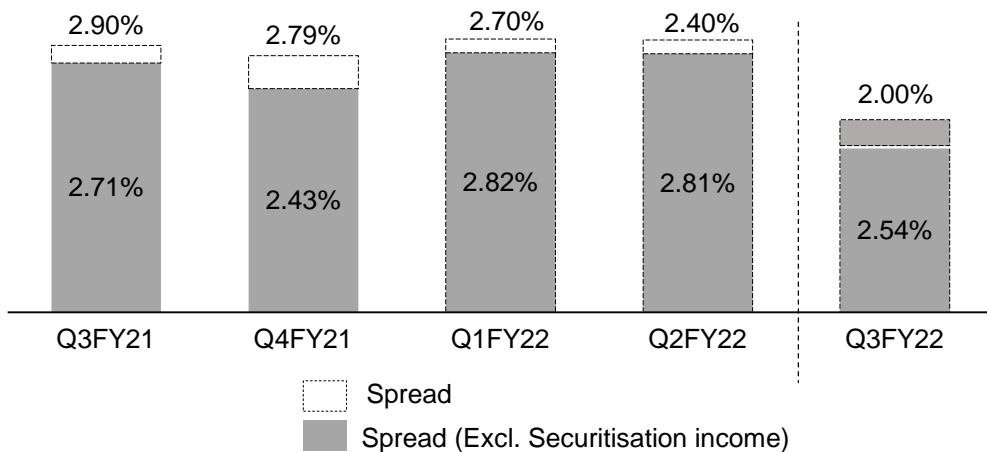
## Average Yield



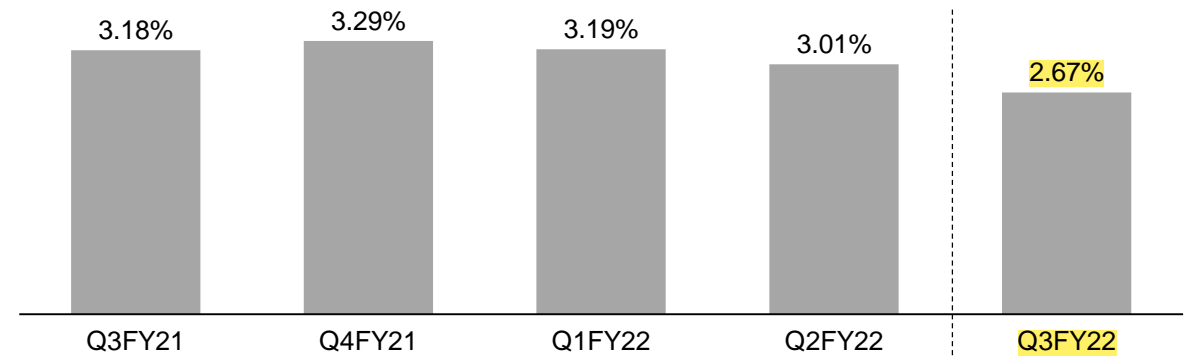
## Average Cost of Borrowing



## Spread



## Net Interest Margin



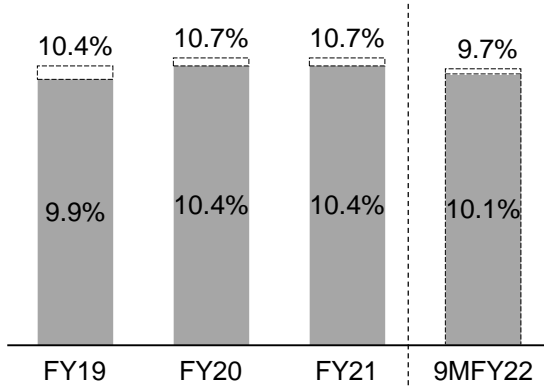
Ratios are calculated on Monthly Average



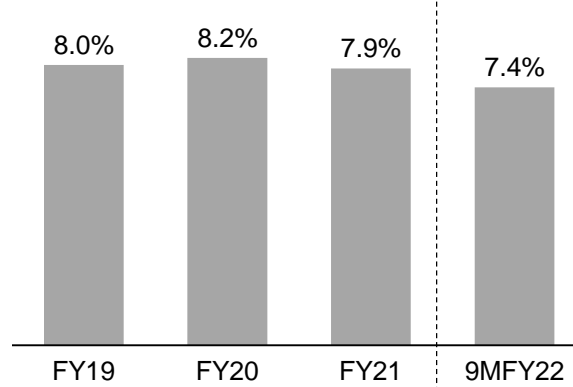
# Margin Analysis - Annual



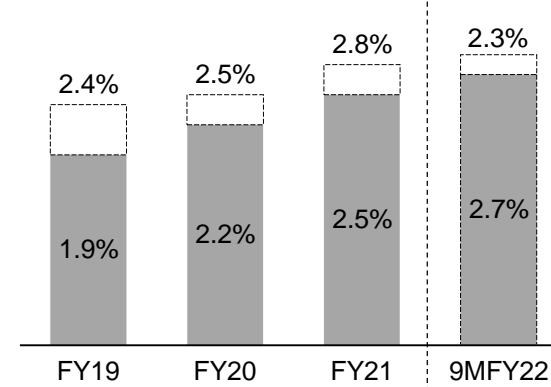
**Average Yield**



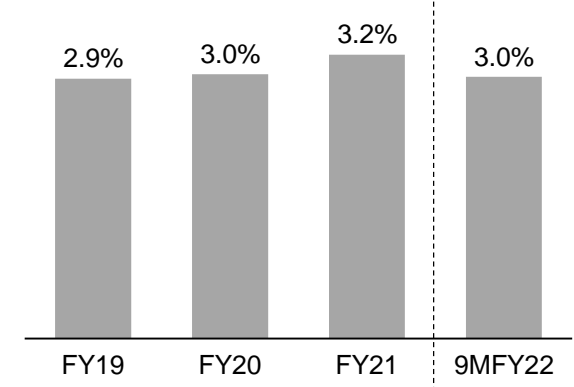
**Average Cost of Borrowings**



**Spread**



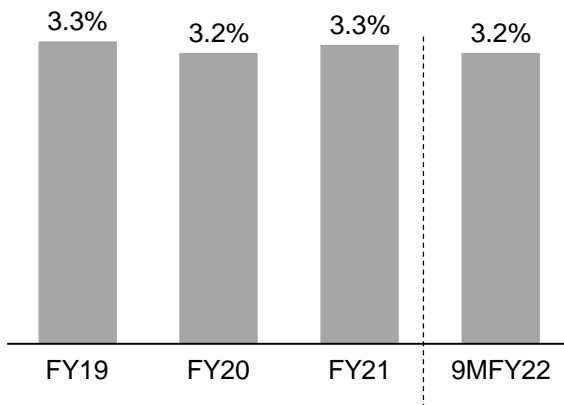
**Net Interest Margin**



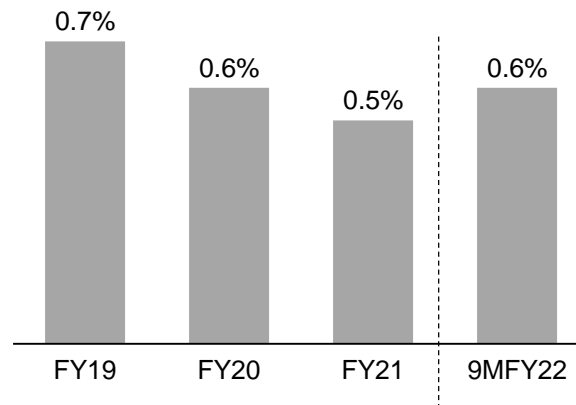
Yield  
 Yield (Excl. Securitisation income)

Spread  
 Spread (Excl. Securitisation income)

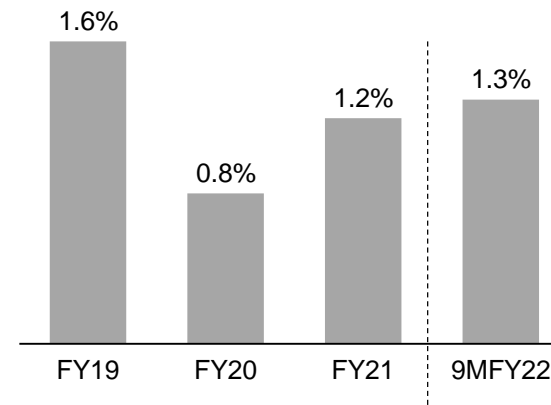
**Gross Interest Margin**



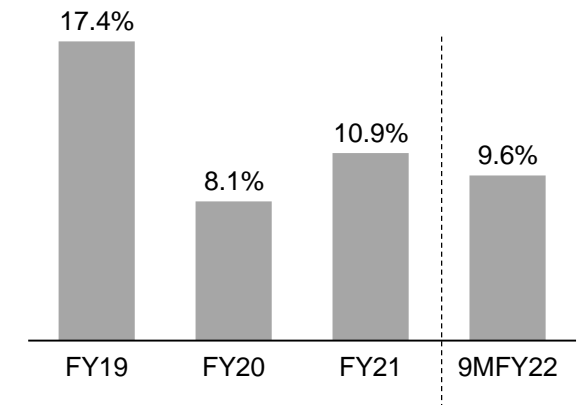
**Opex to ATA Ratio**



**Return on Asset**



**Return on Equity**



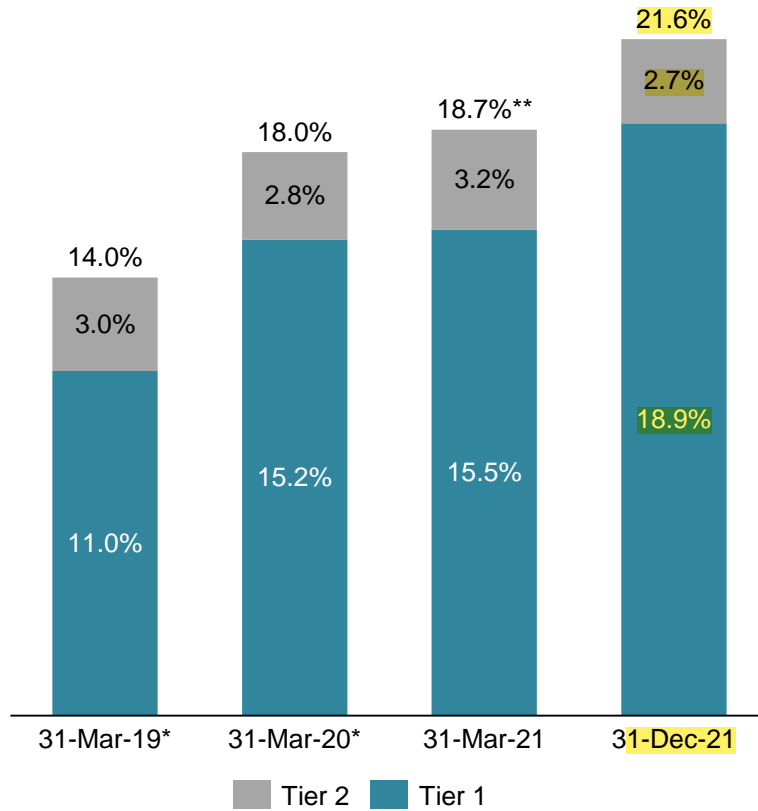
Ratios are calculated on Monthly Average  
Gross Interest Margin is net of acquisition cost

# Capital Position



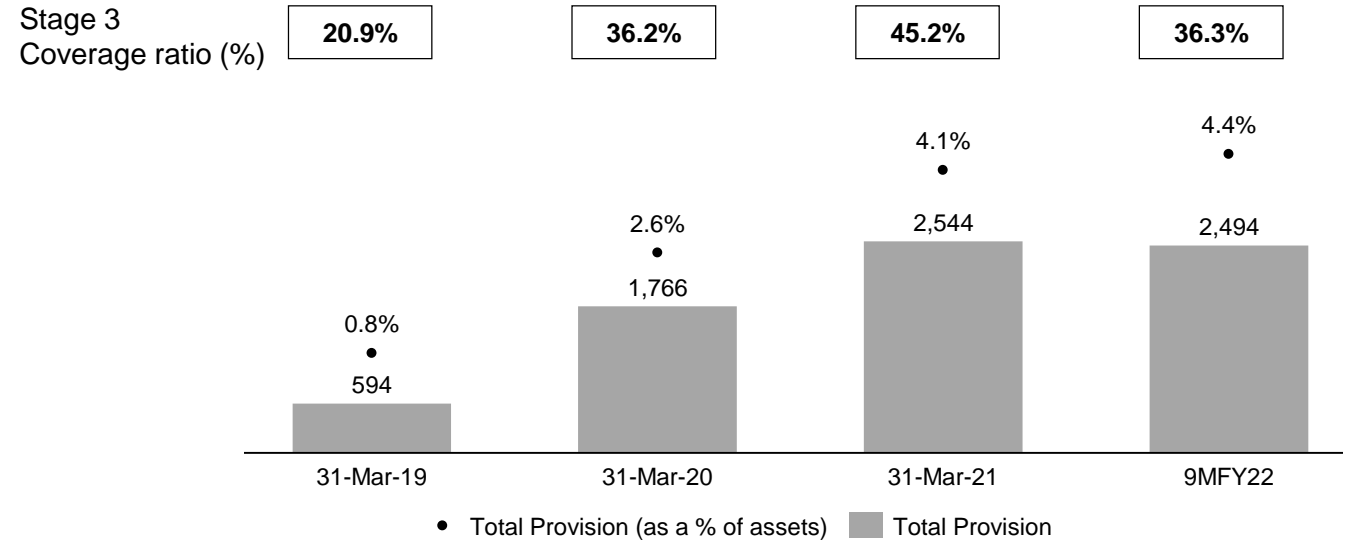
(INR Crore)

## Capital to Risk Asset Ratio

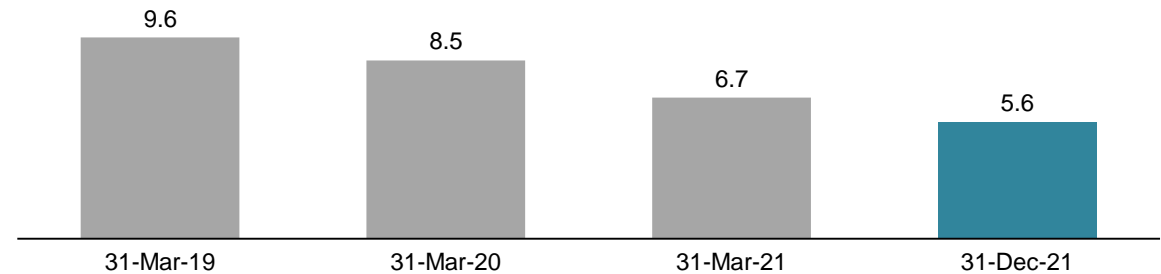


\*\*Adjusted for deposits with companies in same group, which gets deducted from Net owned Funds, the CRAR would have been 20.6%.

## Provisions



## Gearing (x)



**De-leveraged Balance Sheet with enhanced Provisions and reduced share of Corporate book**

Ratio is calculated on Monthly Average  
\*Based on IGAAP

# Consolidated Profit & Loss Statement



Particulars (INR Crore)	Q3 FY22	Q3 FY21	YoY	Q2 FY22	QoQ	9M FY22	9M FY21	YoY	FY21	FY20	FY19
Interest Income*	1,411	1,758		1,500		4,523	5,520		7,190	7,688	6,793
Add: Net gain on fair value changes	24	43		38		103	123		162	159	129
Add: Income on derecognized loans assigned during the period	0	35		0		0	35		71	336	308
Less: Finance Cost	996	1,246		1,035		3,134	3,949		5,100	5,875	5,166
<b>Net Interest Income</b>	<b>439</b>	<b>590</b>	<b>-25.6%</b>	<b>503</b>	<b>-12.7%</b>	<b>1,492</b>	<b>1,729</b>	<b>-13.7%</b>	<b>2,323</b>	<b>2,308</b>	<b>2,064</b>
Net Fees and other Income	57	59		48		143	109		190	298	399
<b>Gross Income</b>	<b>496</b>	<b>649</b>	<b>-23.5%</b>	<b>551</b>	<b>-9.9%</b>	<b>1,635</b>	<b>1,838</b>	<b>-11.0%</b>	<b>2,513</b>	<b>2,606</b>	<b>2,462</b>
Operating Expenses											
Less: Employee Benefit Expenses	50	43		56		162	159		211	233	304
Less: Other Expenses	50	42		48		143	104		173	245	204
Less: Depreciation and Amortisation	13	14		13		39	45		59	66	31
<b>Operating Profit</b>	<b>383</b>	<b>550</b>	<b>-30.4%</b>	<b>433</b>	<b>-11.5%</b>	<b>1,291</b>	<b>1,530</b>	<b>-15.6%</b>	<b>2,069</b>	<b>2,062</b>	<b>1,923</b>
Less: Impairment on financial instruments & Write-offs (Expected Credit Loss)	129	256		142		431	511		862	1,251	189
<b>Profit Before Tax</b>	<b>254</b>	<b>294</b>	<b>-13.7%</b>	<b>291</b>	<b>-12.9%</b>	<b>860</b>	<b>1,019</b>	<b>-15.6%</b>	<b>1,207</b>	<b>811</b>	<b>1,734</b>
Less: Tax Expense	65	62		56		193	216		277	165	543
<b>Net Profit after Tax</b>	<b>188</b>	<b>232</b>	<b>-18.9%</b>	<b>235</b>	<b>-19.9%</b>	<b>667</b>	<b>803</b>	<b>-16.9%</b>	<b>930</b>	<b>646</b>	<b>1,192</b>
Add: Other Comprehensive Income	25	6		12		26	-60		-21	-55	-102
<b>Total Comprehensive Income</b>	<b>213</b>	<b>239</b>	<b>-10.7%</b>	<b>247</b>	<b>-13.7%</b>	<b>693</b>	<b>743</b>	<b>-6.8%</b>	<b>909</b>	<b>591</b>	<b>1,089</b>
EPS (Basic)	11.2	13.8		14.0		39.6	47.7		55.3	38.5	71.2

\*Includes net income reversal of INR 79 crore on derecognized loans due to unwinding impact of Spread contraction in Q3 FY22 as compared to INR 61 crore in Q2 FY22 resulting in declining interest income. During Q3 FY21, there was a net positive impact of INR 31 crore on derecognized loans due to fall in buying Banks' MCLR. In 9M FY22 the net income reversal is of INR 159 crore vs income of INR 120 crore in 9M FY21

# Consolidated Balance Sheet



	Particulars (INR Crore)	30-Sep-21	31-Mar-21	31-Mar-20	31-Mar-19
	<b>LIABILITIES</b>				
<b>1</b>	<b>Financial Liabilities</b>				
(a)	Derivative financial instruments	-	51	-	211
(b)	Debt Securities	7,742	11,461	17,837	29,605
(c)	Borrowings (Other than Debt Securities)	29,002	29,746	32,328	26,793
(d)	Deposits	16,774	16,746	16,132	14,023
(e)	Subordinated Liabilities	1,439	1,439	1,439	1,438
(f)	Other financial liabilities	1,823	1,764	1,776	2,218
	<b>Sub Total - Financial Liabilities</b>	<b>56,780</b>	<b>61,208</b>	<b>69,512</b>	<b>74,288</b>
<b>2</b>	<b>Non-Financial Liabilities</b>				
(a)	Current Tax Liabilities	52	63	-	-
(b)	Provisions	25	18	19	25
(c)	Other non-financial liabilities	796	1,180	1,401	2,012
	<b>Sub Total - Non-Financial Liabilities</b>	<b>873</b>	<b>1,261</b>	<b>1,420</b>	<b>2,037</b>
<b>3</b>	<b>EQUITY</b>				
(a)	Equity Share capital	169	168	168	167
(b)	Other Equity	9,249	8,755	7,830	7,376
	<b>Sub Total - Equity</b>	<b>9,417</b>	<b>8,923</b>	<b>7,998</b>	<b>7,544</b>
	<b>TOTAL – EQUITY &amp; LIABILITIES</b>	<b>67,070</b>	<b>71,392</b>	<b>78,930</b>	<b>83,869</b>

	Particulars (INR Crore)	30-Sep-21	31-Mar-21	31-Mar-20	31-Mar-19
	<b>ASSETS</b>				
<b>1</b>	<b>Financial Assets</b>				
(a)	Cash and cash equivalents	5,693	6,969	8,514	4,034
(b)	Loans	57,515	60,645	66,628	74,288
(c)	Investments	2,201	2,045	2,076	4,561
(d)	Other Financial Assets	842	952	872	552
	<b>Sub Total - Financial Assets</b>	<b>66,251</b>	<b>70,610</b>	<b>78,090</b>	<b>83,434</b>
<b>2</b>	<b>Non - Financial Assets</b>				
(a)	Tax Assets (Net)	494	430	347	177
(b)	Property, Plant and Equipment	75	82	105	78
(c)	Right of use assets	71	78	120	-
(d)	Other Intangible assets	20	21	25	24
(e)	Other non-financial assets	35	35	35	24
(f)	Assets held for sale	124	136	207	131
	<b>Sub Total - Non - Financial Assets</b>	<b>819</b>	<b>782</b>	<b>839</b>	<b>435</b>
	<b>TOTAL - ASSETS</b>	<b>67,070</b>	<b>71,392</b>	<b>78,930</b>	<b>83,869</b>

# Digital Interventions across the Value Chain



## Tools & Collaborations



Fusion



Uconnect



Automated Mailing Machine



Email verification



Collection Tiger

TALISMA

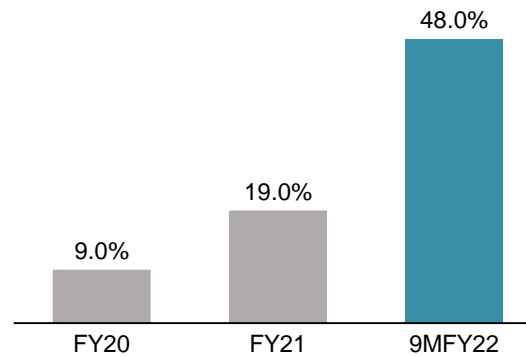


Payment collaborations with various Digital partners

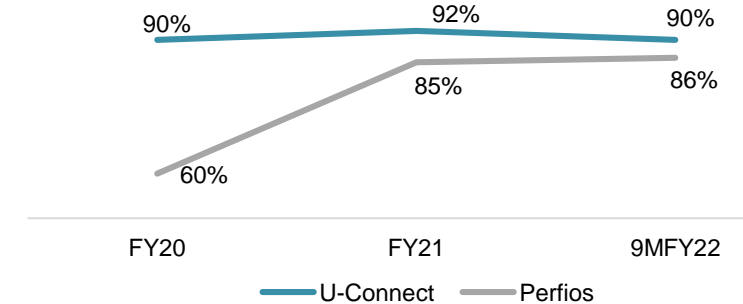
## Interventions

- Implemented cloud based Virtual System interface to ensure secure working from any location
- Integration of ACE (A Digital Onboarding Platform) with Loan Origination System (LOS) made live in Q1 for smooth flow of digital loan applications in business workflow without any human intervention.
- Part of NHB's "Automated Data Flow System (ADF)" project; pilot initiated
- Introduction of Robotic Process Automation (RPA) in Central Processing Center (CPC) to reduce human dependencies
- Introduced digital payment platform to support collections

## Digital Sourcing



## Digital Underwriting Tools



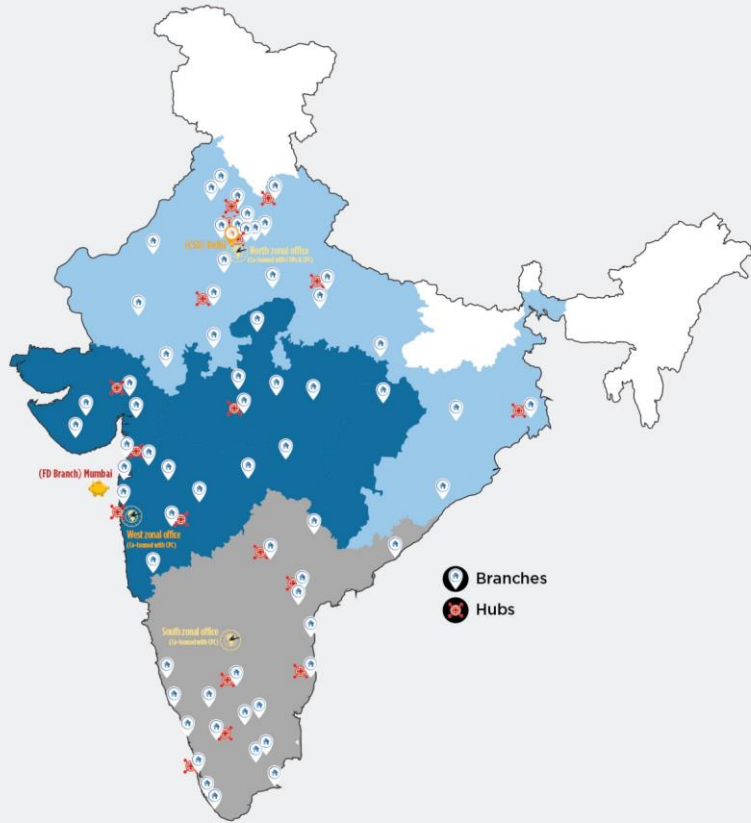
Accelerating Digital Journey

- Designing and Implementation under process to create smarter version of AI powered Chat Bot
- Automate credit decisioning for Salaried customers through STP
- Automate collection system with rule based engine and advance analytics

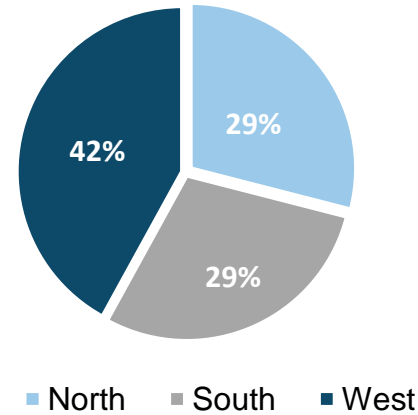
# Strong Distribution Network



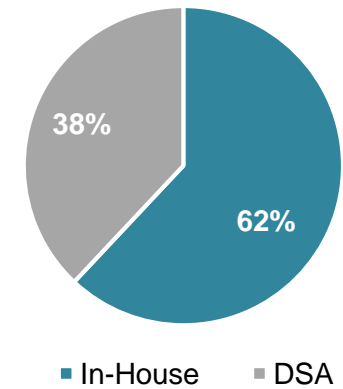
## OUR OFFICE NETWORK



## AUM – Geographical Breakup



## Disbursement Origination (9M FY22)



## Network

94 branches with presence in 64 unique cities	13 new Unnati locations	17 outreach centers	22 decision making hubs	Over 22,000 channel partners
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Central Support Office

Map not to scale. All data, information and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness.

Data as on 31-Dec-21



## Environment

- 99% EMI collections through digital mode
- Introduced ACE for digital customer onboarding; digital penetration increased to 48% in 9MFY22
- The Company through its CSR initiative supported
  - Water conservation in Rajasthan
  - Research and innovation in construction sector for environment friendly material
- Received the “Business Transformation Award 2021” by Mint (TECHCIRCLE) for its ACE technology platform



## Social

- Covid-19: Operationalized 70 bedded ICU Facility, provided oxygen concentrators, establish PSA based oxygen plant and provided ambulances for emergency pre-hospital care.
- Partnership with Madras Govt. Hospital Chennai, to set up a 3-D printing lab for their prosthetic department to provide free of cost digitally manufactured limbs to the disabled
- Strengthening of various education initiatives – refurbished infrastructure of seven government schools
- Enable access to healthcare:
  - Supported technology advancement in AIIMS Delhi and provided advanced equipment to PHCs in Karnataka
  - Infrastructure upgrade of the largest government facility in Pune
- Ensuring livelihood to women in EWS category through projects in Rajasthan and MP



## Human Capital

- Team of 1,421 employees as on 31<sup>st</sup> December 2021
  - Average employee age of 36 years
  - Average employee tenure is around 4 years
  - 16% women employees
- Learning & development (9M FY22):
  - 1,448 unique employees trained
  - 752 number of training programme conducted



## Governance

- Diversified & highly experienced Board of 12 members with 6 independent directors
- All committees except CCB headed by Independent directors
- Systems in place to address stakeholder’s grievances viz customers, shareholders’, vendors etc.
- Strong and experienced management team with extensive industry experience
- Over 90% of customer requests resolved within TAT

# Experienced Management Team



## MANAGING DIRECTOR & CEO

- Years of Experience: 36+
- Years with PNBHF: 1

## CHIEF FINANCIAL OFFICER

- Years of Experience: 24+
- Years in Mortgage: 11+
- Years with PNBHF: 3

## CHIEF CENTRALIZED OPERATIONS & TECHNOLOGY

- Years of Experience: 35+
- Years in Mortgage: 25+
- Years with PNBHF: 10

## COMPANY SECRETARY & COMPLIANCE HEAD

- Years of Experience: 30+
- Years in Mortgage: 25+
- Years with PNBHF: 26

## CHIEF PEOPLE OFFICER

- Years of Experience: 18+
- Years with PNBHF: <1

## BUSINESS HEAD – RETAIL

- Years of Experience: 25+
- Years in Mortgage: 21+
- Years with PNBHF: 10

## CREDIT HEAD – RETAIL

- Years of Experience: 19+
- Years in Mortgage: 18+
- Years With PNBHF: 8

## CHIEF RISK OFFICER

- Years of Experience: 17+
- Years in Mortgage: 17+
- Years with PNBHF: 8

## HEAD – COLLECTIONS

- Years of Experience: 22+
- Years in Mortgage: 15+
- Years with PNBHF: 1

## HEAD – REMEDIAL MANAGEMENT GROUP

- Years of Experience: 14+
- Years in Mortgage: 14+
- Years with PNBHF: 3

## HEAD – CUSTOMER SERVICE & OPERATIONS

- Years of Experience: 23+
- Years in Mortgage: 14+
- Years with PNBHF: 5

## HEAD – DEPOSIT AND CROSS SALES

- Years of Experience: 17+
- Years in Mortgage: 8+
- Years with PNBHF: 9

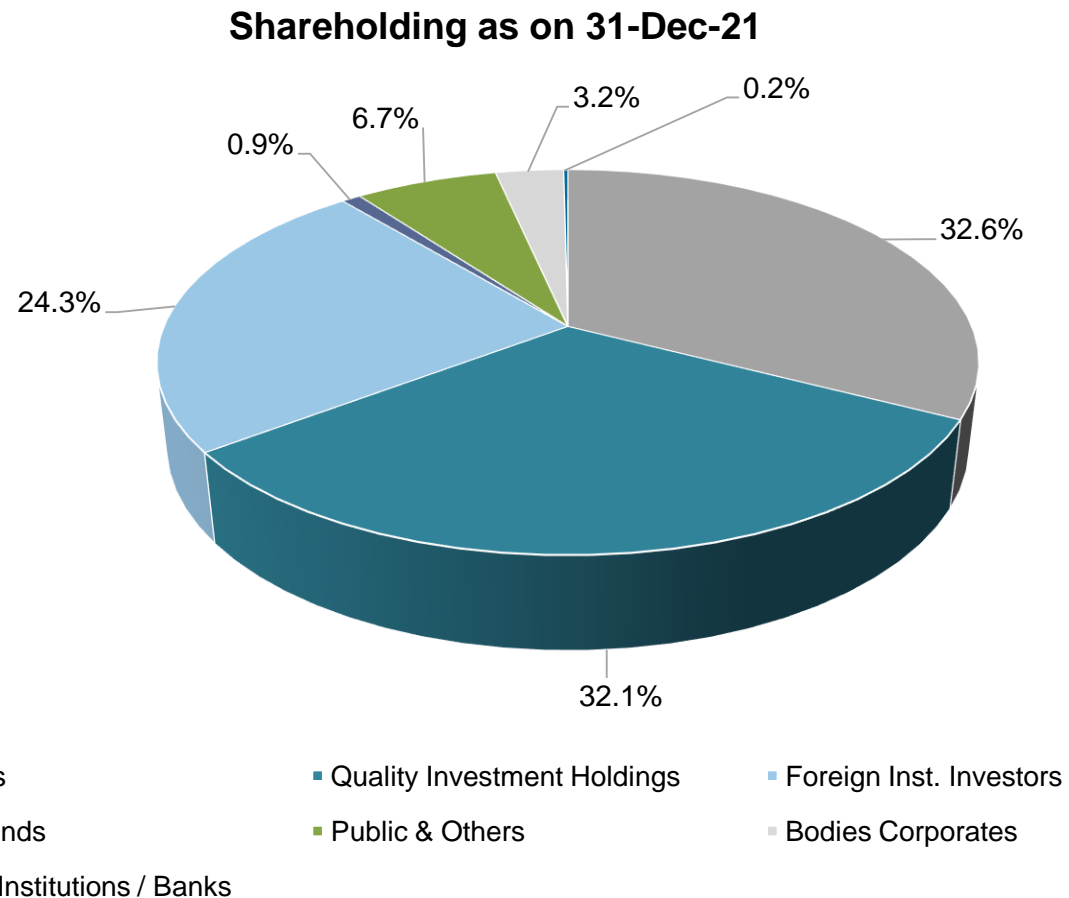
## HEAD – INVESTOR RELATIONS

- Years of Experience: 19+
- Years in Mortgage: 4+
- Years with PNBHF: 5

## HEAD – BUSINESS TRANSFORMATION PROJECT

- Years of Experience: 17+
- Years in Mortgage: 6+
- Years with PNBHF: <1





**Outstanding Shares – 16,85,86,055 shares**

### Top Shareholders

SSG Capital, General Atlantic Singapore Fund, Malabar Investments, Vanguard, Blackrock (ETFs), United India Insurance, Tata Mutual Fund, Bajaj Allianz Life Insurance, Dimensional Fund Advisors, Franklin Templeton MF

### Inclusions in MSCI Indices

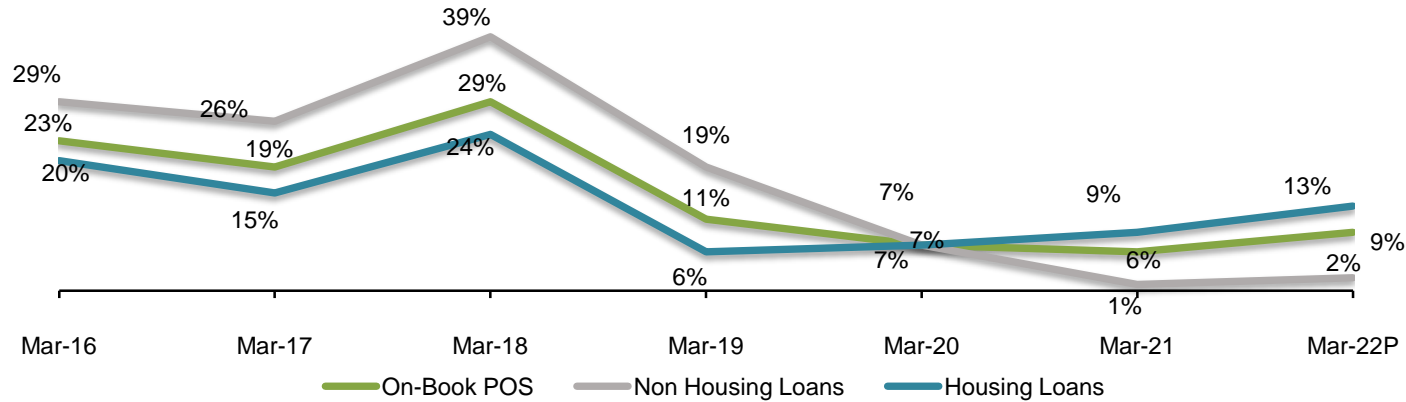


Index	Since
MSCI Emerging Markets IMI ESG Screened Index	Mar-21
MSCI ACWI IMI ex Controversial Weapons Index	Mar-21
MSCI ACWI IMI Climate Change Index	Mar-21
MSCI Global Small Cap Index	Nov-18

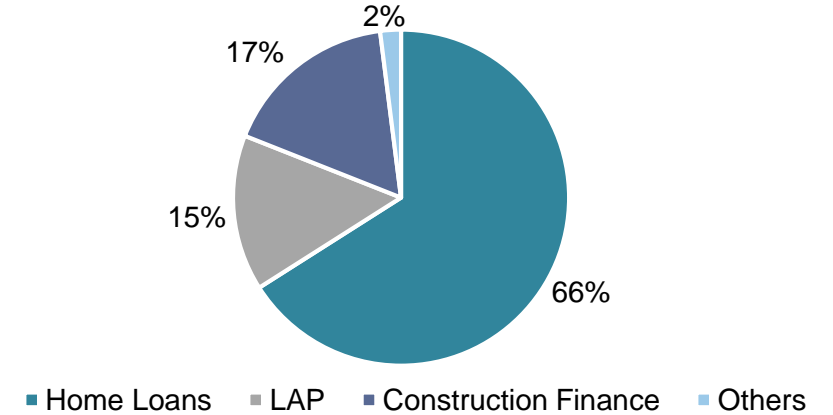
# Growth of Housing Finance Sector



**Portfolio Growth of HFCs**

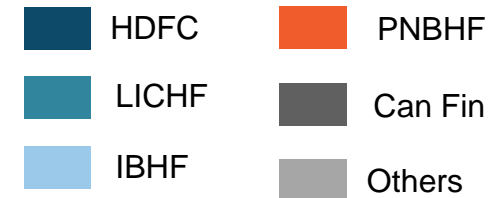
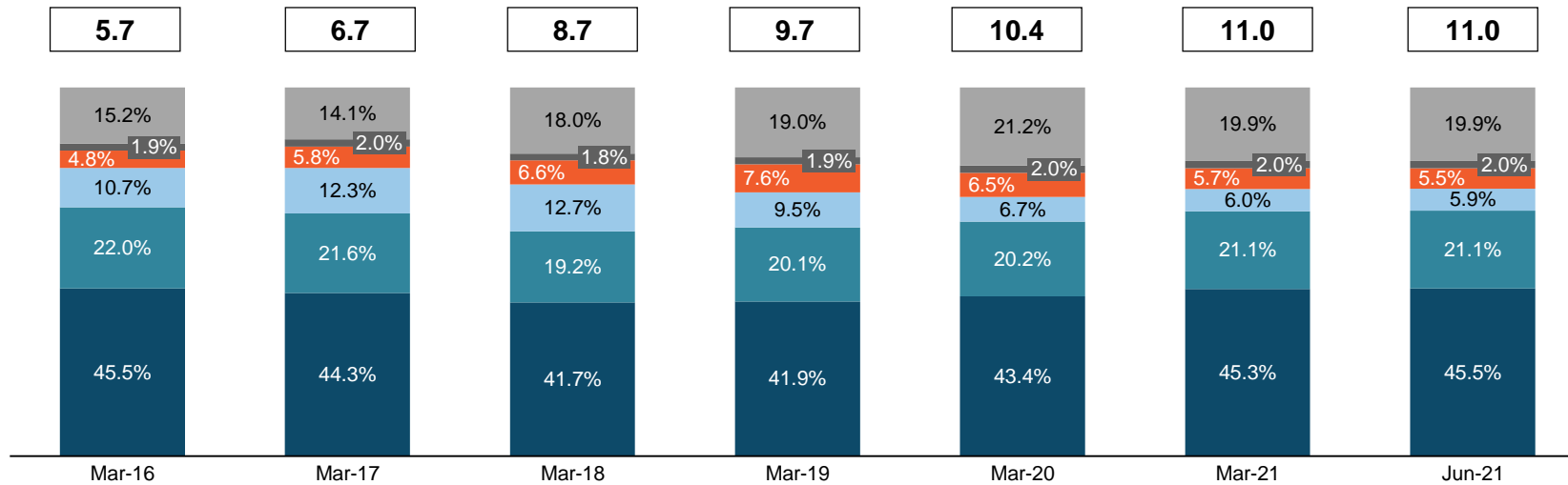


**Portfolio Composition of HFCs\***



**HFCs Share**

Total HFC Loans  
(INR trillion)



Source: ICRA Reports  
\*As on Jun-21  
% Change is YoY

# Key Takeaways



Robust and scalable  
Hub and Spoke model

Leverage advance  
analytics and digital  
tools to automate credit  
appraisal journey

**Robust Underwriting  
Processes**

Improve collection  
efficiencies through  
predictive analytics,  
automated workflow,  
digital tools etc

**Augment Collection  
efficiencies**

Remedial  
management  
Group to focus on  
resolution of  
corporate accounts

**Resolutions in Corporate  
Book**

Enhance productivity  
and right size  
infrastructure to  
drive cost  
optimization

**Cost-to-Income Ratio**

Strengthening digital  
presence across the  
value chain

**Strong Thrust on  
Digitization**

Continue to operate in  
mass housing and  
merchant segment

Focus on affordable  
housing including high  
yielding Unnati segment

**Focus on Retail Segment**

# Glossary



Ratios	Formulas Used
Average Yield (%)	$(\text{Interest Income} + \text{Assignment Income}) \text{ on Loans} / \text{Average Loan Assets}$
Cost to Income (%)	$\text{Operating Expenditure}(\text{Employee Cost} + \text{Other Expenses} + \text{Depreciation} - \text{Acquisition Cost} - \text{ESOP cost} - \text{CSR cost} - \text{Fair value on repossessed assets}) / (\text{Net Revenue} - \text{Acquisition Cost})$
NIM (%)	$\text{Net Interest Income including assignment income} / \text{Average Earning Assets}$
Opex to ATA (%)	$\text{Operating Expenditure}(\text{Employee Cost} + \text{Other Expenses} + \text{Depreciation} - \text{Acquisition Cost} - \text{ESOP cost} - \text{CSR cost} - \text{Fair value on repossessed assets}) / \text{Average Total Assets as per Balance sheet}$
PCR (%)	ECL Provision as a % of GNPA

AI	Artificial Intelligence
ATA	Average Total Assets
ATS	Average Ticket Size
AUM	Asset Under Management
BVPS	Book Value per Share
C/I	Cost to Income
CRAR	Capital to Risk Asset Ratio
CP	Commercial Paper
CTL	Corporate Term Loan
DPS	Dividend per Share
DSA	Direct Selling Agents
ECB	External Commercial Borrowing
ECL	Expected Credit Loss
EPS	Earning Per Share
EWS	Early Warning Signals

GNPA	Gross Non-Performing Asset
HFCs	Housing Finance Companies
LAP	Loan against Property
LRD	Lease Rental Discounting
ML	Machine Learning
NCDs	Non-Convertible Debentures
NIM	Net Interest Margin
NNPA	Net Non-Performing Asset
NRPL	Non-Residential Premises Loans
PAT	Profit After Tax
PCR	Provision Coverage Ratio
ROA	Return on Asset
ROE	Return on Equity
RPA	Robotic Process Automation

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# Thank You

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**Company:**

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