



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: Investor Presentation 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 Investor Presentation 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](http://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

# Investor Presentation Quarter and Year Ended March 2022

28-April-2022



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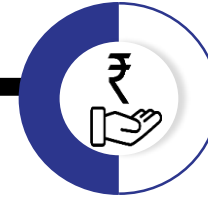
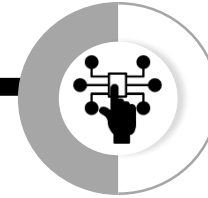
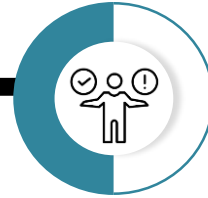
# Strategy envisaged in January 2021



## 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 II and III cities

# Strategy Monitorables – Attained Sustainable Performance






Pillars to Agenda	Monitorables	FY20	FY21	FY22	Remarks
 <b>Capital Position</b>	Total Provision to Total Asset*	2.61%	4.09%	4.50%	Maintain adequate provision
 <b>Risk Management</b>	% of loans sanctioned within stipulated TAT	85%	84%	83%	Stipulated turnaround time of over 80%
 <b>Cost Management</b>	Incremental Cost of Borrowing	8.5%	6.8%	5.8%	Significant reduction in cost of borrowing
 <b>Retail Focussed Lending</b>	Building Granular book (Disbursement of upto INR 2 crore)	88.1%	93.0%	94.3%	Maintaining healthy retail-mix
	Corporate book*	INR 14,614 Crore 18% of AUM	INR 11,786 Crore 16% of AUM	INR 7,159 Crore 11% of AUM	Corporate book reduced to 11% of AUM

\* As on last day of the period

# Strategy Monitorables – Focusing on Sustainable Performance



Pillars to Agenda	Monitorables	FY20	FY21	FY22	Remarks
 <b>Management Team</b>	Key roles hired at senior level <sup>^</sup>		5 hires and 2 promotion	9 hires and 4 promotions	Leadership Team established; CFO position to be filled shortly
	Incentive plan to retain talent		RSU Allotment done		Remains committed to introduce a long term incentive plan
 <b>Capital Position</b>	Leverage*	8.53x	6.72x	5.4x	Led by Corporate Book reduction and internal accruals
	CRAR*	17.98%**	18.73% <sup>#</sup>	23.4%	Focus on lower risk weight asset
	Tier 1 Ratio	15.18%**	15.53%	20.7%	Board approved Capital raise on 09-March-22
 <b>Risk Management</b>	Collection Efficiencies	98.5%	96.8%	97.9%	Collection Efficiency for Q4 FY22 is 99.5% vs 98.5% in Q3 FY22

\* As on last day of the period  
 \*\*As per IGAAP

<sup>#</sup>Adjusted for deposit made with companies in same group, CRAR is 20.6%

<sup>^</sup>2 levels below MD & CEO

# Strategy Monitorables – Focusing on Sustainable Performance

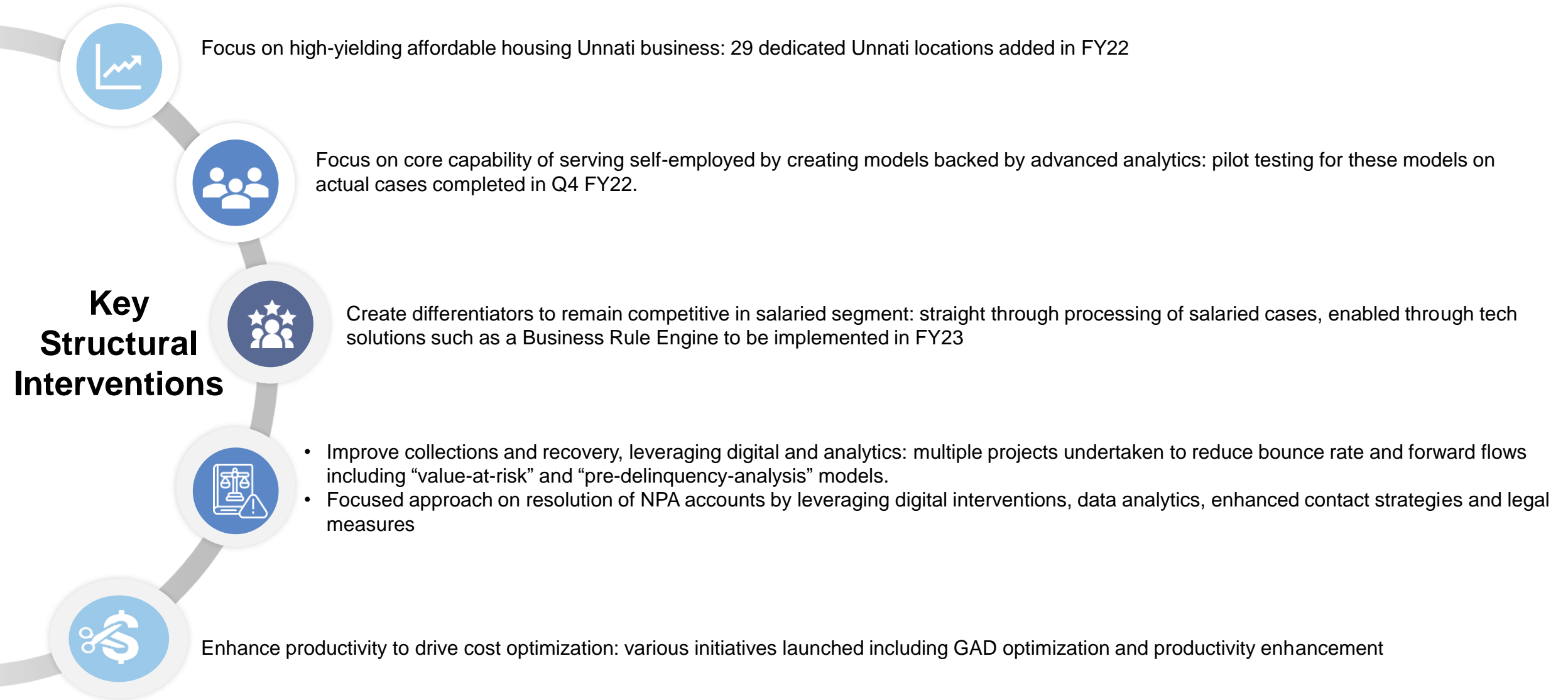


Pillars to Agenda	Monitorables	FY20	FY21	FY22	Remarks
<p><b>Digital Drive</b></p>	Digital sourcing	9%	19%	47%	Increased focus on digital sourcing; Ace integration and 2.0 was made live resulting in higher customer convenience
	Automate underwriting		Vendors identified	Completed BRME <sup>^</sup> system integration	Delivery of phase 1 is on track and the same is likely to go live by end of Q1 FY23
	Advanced Analytics powered business intelligence framework across organisation		AA Process initiated; In advance stages of vendor identification	ML based models for proactive collections	Standardisation of data platform and AA powered sourcing models under development
<p><b>Cost Management</b></p>	Cost to Income Ratio	16.9%	15.1%	20.2%	Higher on account of increased investments to enhance business activities and fall in income
	Implement Transformation journey		Project 'IGNITE' initiated	Implementation in final stages	Implementation in final stages
<p><b>Retail Focussed Lending</b></p>	Retail Logins (YoY)	-33%	-29%	19.1%	Increased logins to aid in business growth
	Retail Loan Book (YoY)	-6%	-5%	-1.5%	Loan Asset grew on sequential basis led by retail loan asset growth
<p><b>Grow Affordable Housing "Unnati"</b></p>	Create separate vertical and open lean branch infrastructure	Existing branches	Separate vertical created	29 locations opened	New locations to be added in FY23 in Tier II and Tier III cities
	Unnati AUM*	INR 2,607 Crore	INR 2,985 Crore	INR 3,108 Crore	Disbursement growth of 5% in FY22 (YoY)

\* As on last day of the period

<sup>^</sup>Business Rule Management Engine

# Key Interventions in FY2022





# Performance Highlights – Q4FY22



## Disbursement\*

**INR 3,698 Crore**  
(+31% QoQ)



## Loan Asset

**INR 56,889 Crore**  
(INR 56,798 Crore PQ)



## Retail Asset (%)

**89% of AUM**  
(88% PQ)



## Retail GNPA

**3.56%**  
(-140 bps QoQ)



## Deposits

**INR 17,807 Crore**  
(INR 17,838 Crore PQ)



## Gearing Ratio

**5.4x**  
(5.6x PQ)



## Capital to Risk Asset Ratio

**23.4%**  
(21.6% PQ)



## Credit Rating

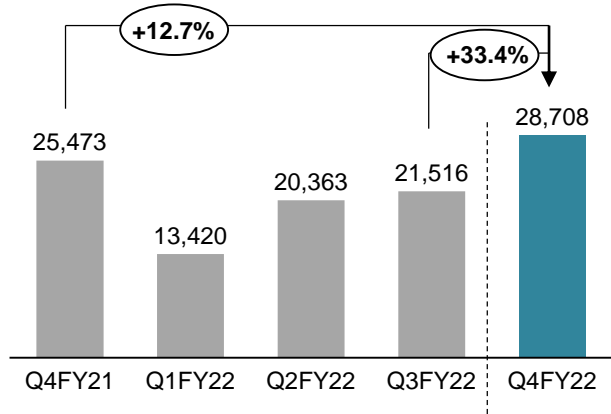
ICRA revised NCD  
rating outlook to  
Stable from  
Negative on  
12-Apr-22



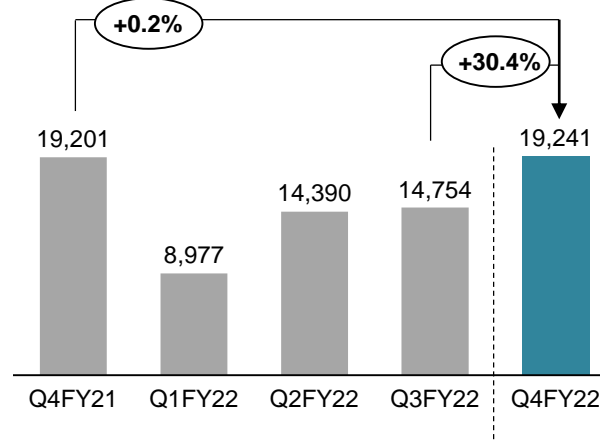
# Key Business Trends



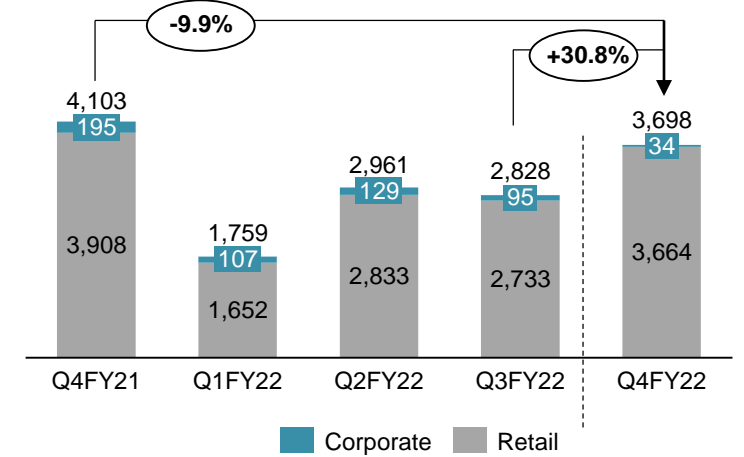
**No. of Logins**



**No. of Sanctions**

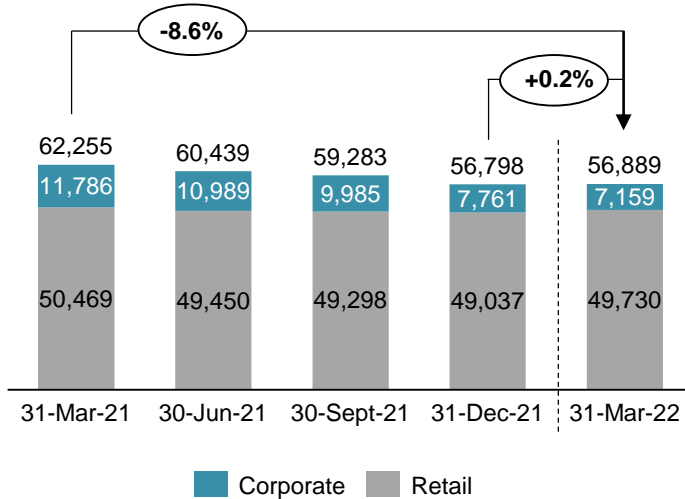


**Disbursement (INR Crore)**



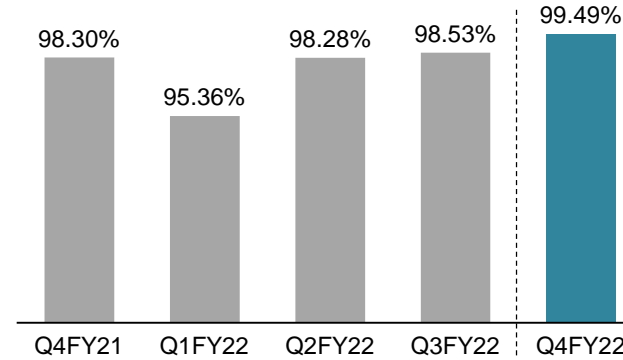
■ Corporate ■ Retail

**Loan Asset (INR Crore)**



■ Corporate ■ Retail

**Collection Efficiency (Retail)**



- Loan Asset grew sequentially led by retail loan asset growth
- Digital sourcing contributed 47% to total logins in Q4 FY22
- Collection Efficiency for Q4 FY22 is 99.5% vs 98.5% in Q3 FY22

# Performance Highlights – FY22



	Disbursement*	<b>INR 11,246 Crore</b> (+8% YoY)
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	<b>Asset Under Management</b>	<b>INR 65,977 Crore</b> (-11% YoY)
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	Retail Loans	<b>89% of the AUM</b> (84% of AUM as on 31-Mar-21)
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	Deposits	<b>INR 17,807 Crore</b> (+4% YoY)
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	Gross Margin*	<b>3.2%</b> (3.3% PY)
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	<b>Cost to Income Ratio*</b>	<b>20.2%</b> (15.1% PY)
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	<b>GNPA</b>	<b>6.99%<sup>^</sup> on AUM</b> <b>7.61%<sup>^</sup> on Loan Assets</b> (4.44% PY)
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	Total Provision/ Total Assets	<b>4.5%</b> (4.1% PY)
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	Return on Asset	<b>1.24%</b> (1.23% PY)
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	Book Value Per Share	<b>INR 586</b> (INR 530 PY)
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	Gearing Ratio	<b>5.4x</b> (6.7x PY)
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	Capital to Risk Asset Ratio	<b>23.4%</b> (18.7% PY)
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Data as on 31-Mar-22

\*For FY22

PY stands for same period Previous Year

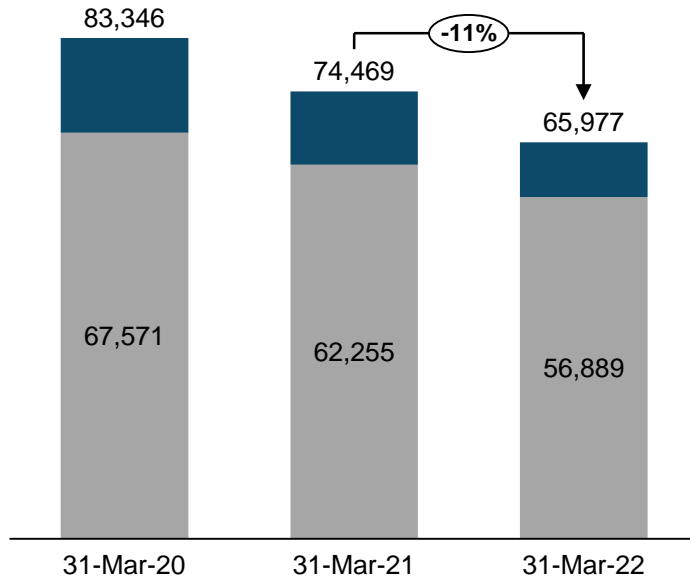
<sup>^</sup>On Principal outstanding

# Business Update



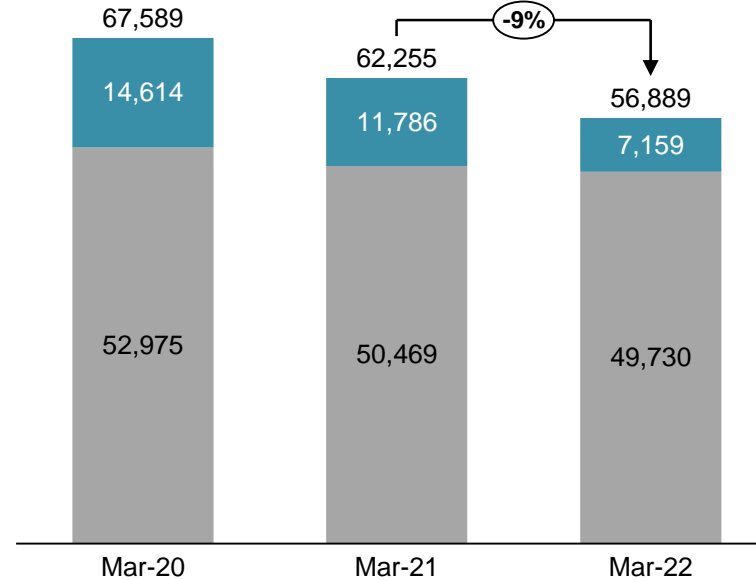
(INR Crore)

## Asset



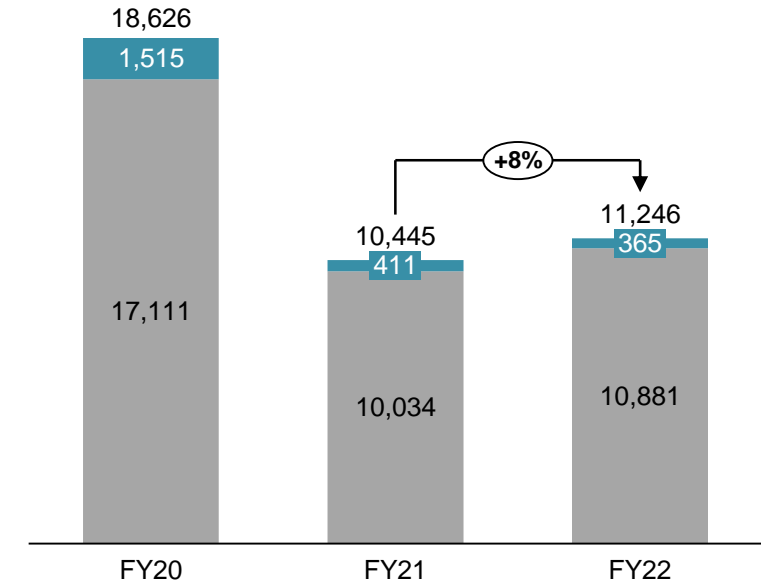
■ AUM ■ Loan Asset

## Loan Asset



■ Corporate ■ Retail

## Disbursement



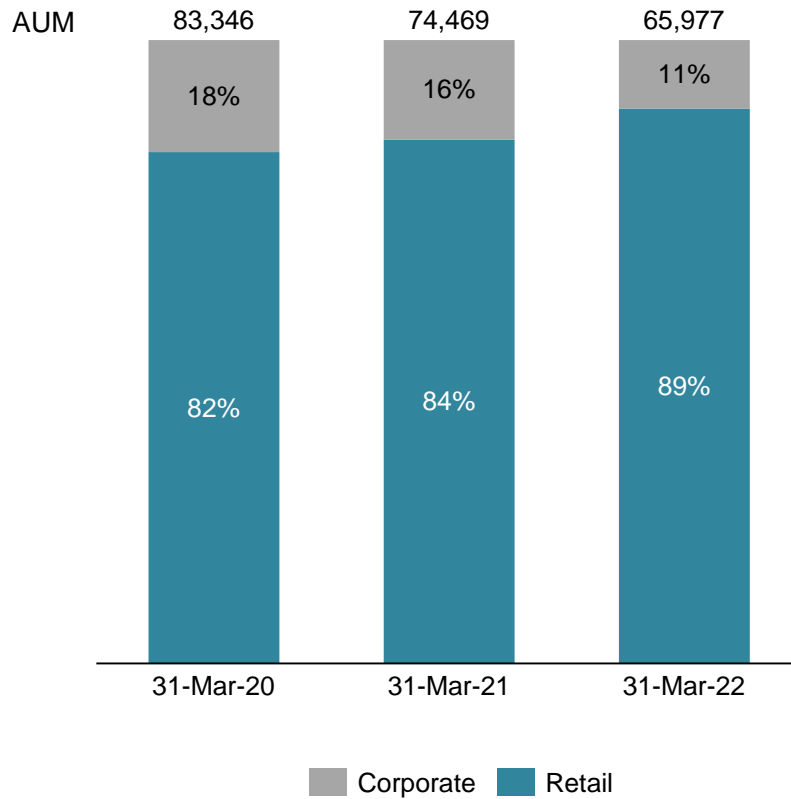
- Corporate Book has reduced from 18% of AUM as on 31-Mar-20 to 11% of AUM on 31-Mar-22
- Covid Restructured loans of INR 2,420 Crore as on 31-Mar-22
- Disbursed INR 498 Crore under ECLGS scheme upto 31-Mar-22

# Asset Under Management Mix



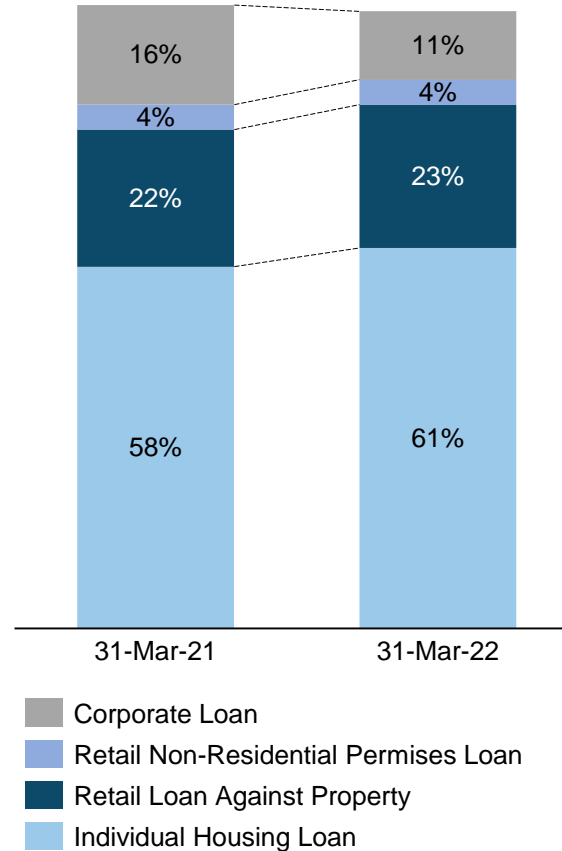
(INR Crore)

## AUM Mix



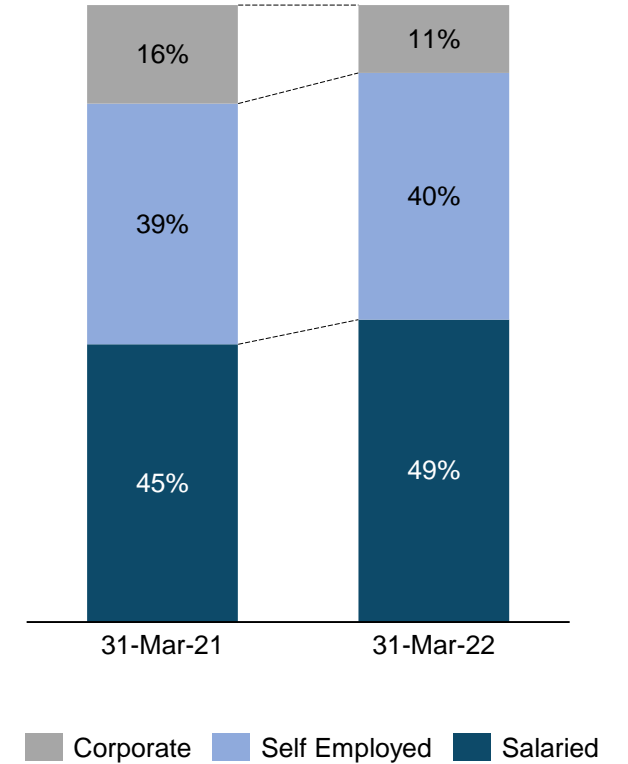
*Retail AUM contribution improved to 89%*

## Product-wise Break-up



*Improved Individual Housing Loan contribution in Retail*

## Segment-wise Breakup



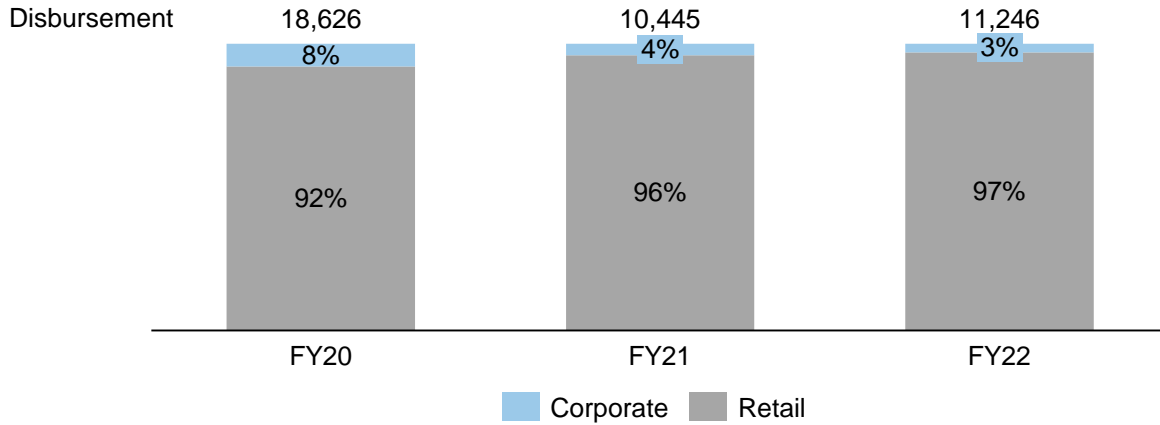
*Increased proportion of Salaried Segment in Retail Asset*

# Focus on Retail Lending

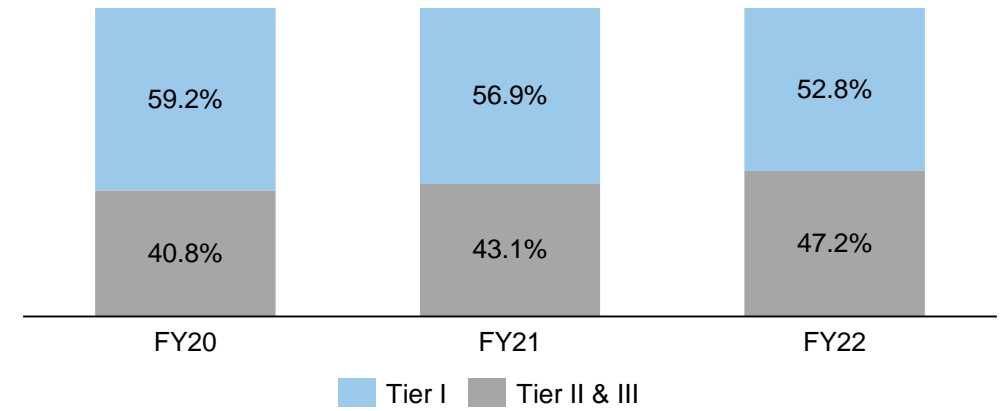


(INR Crore)

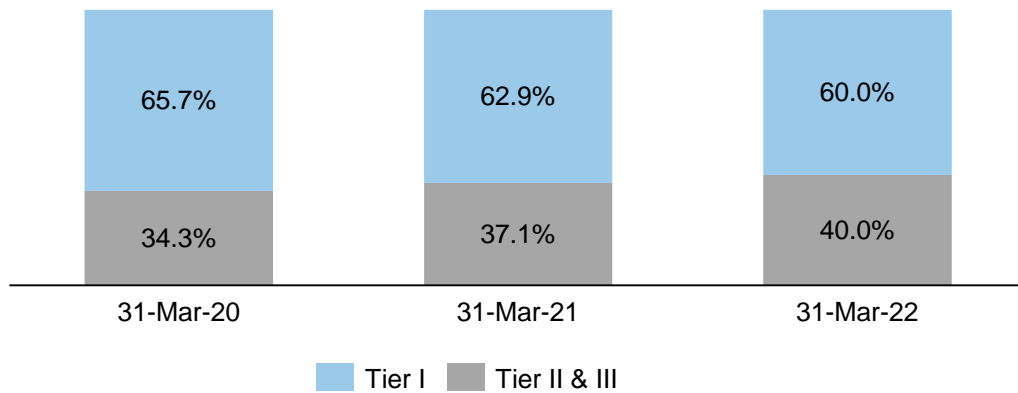
## Increased disbursement of Retail loans...



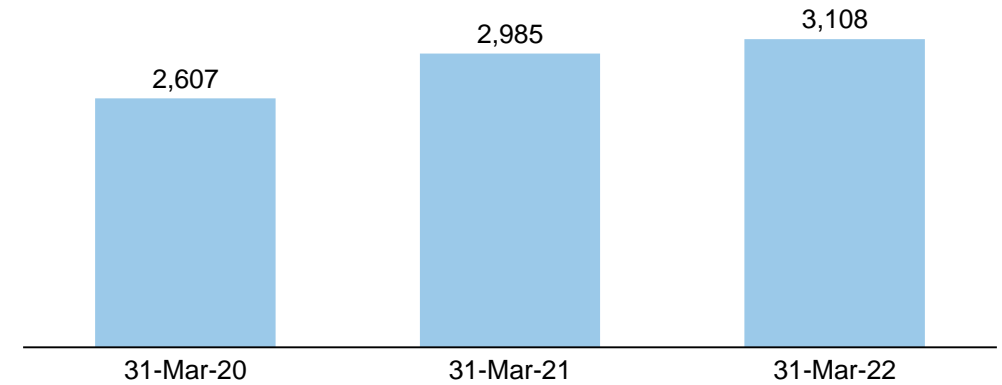
## ... with focus on Tier II & III cities for Retail...



## ... led to increased Retail AUM from Tier II & III cities



## Increasing Unnati AUM (INR Crore)



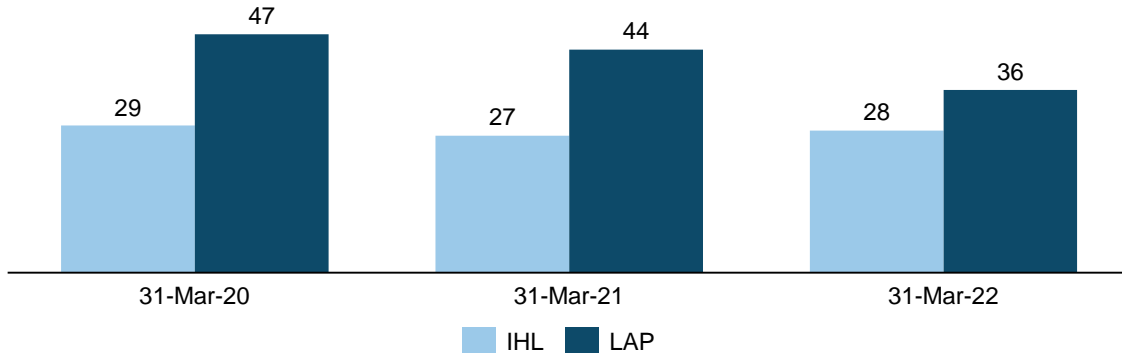
Tier I refers to branches in Metro and Large cities

# Retail Loan Book – Key Attributes



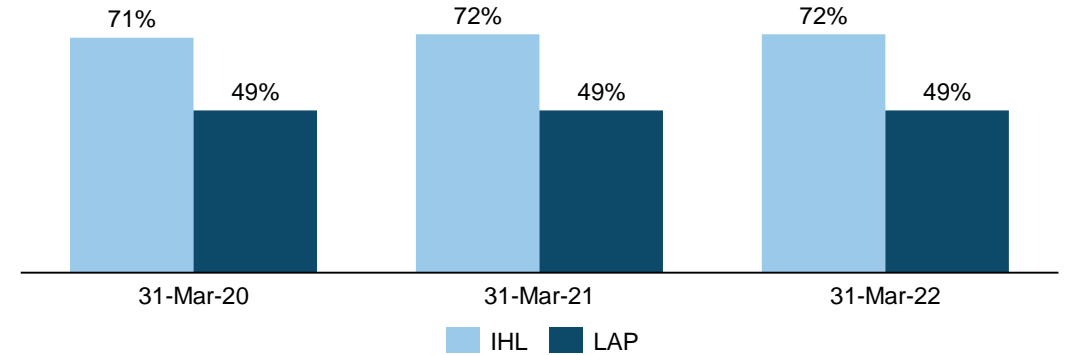
(INR Lakhs)

## Average Ticket Size



*Lower Average Ticket Size indicating granularization of the book*

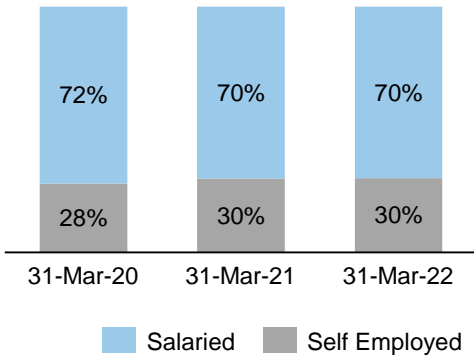
## Loan To Value



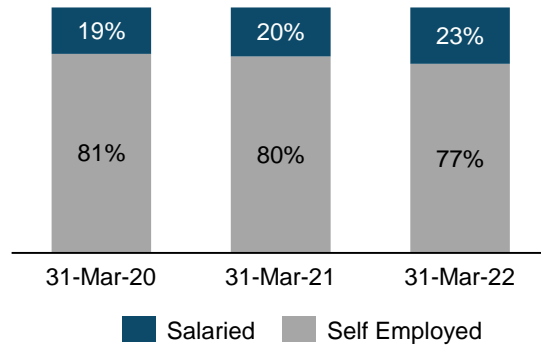
*Consistently maintained LTV*

## Salaried vs Self-Employed

### Individual Housing Loan



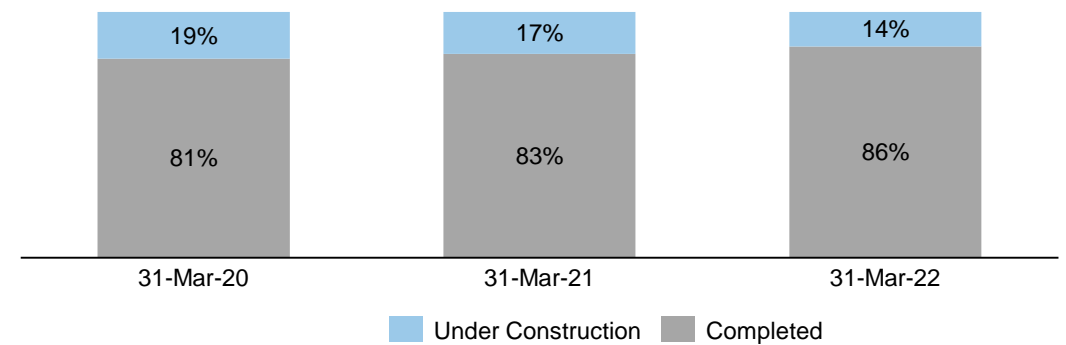
### Loan Against Property



*Increased share of Salaried Segment*

## Under-Construction vs Completed

### Individual Housing Loan



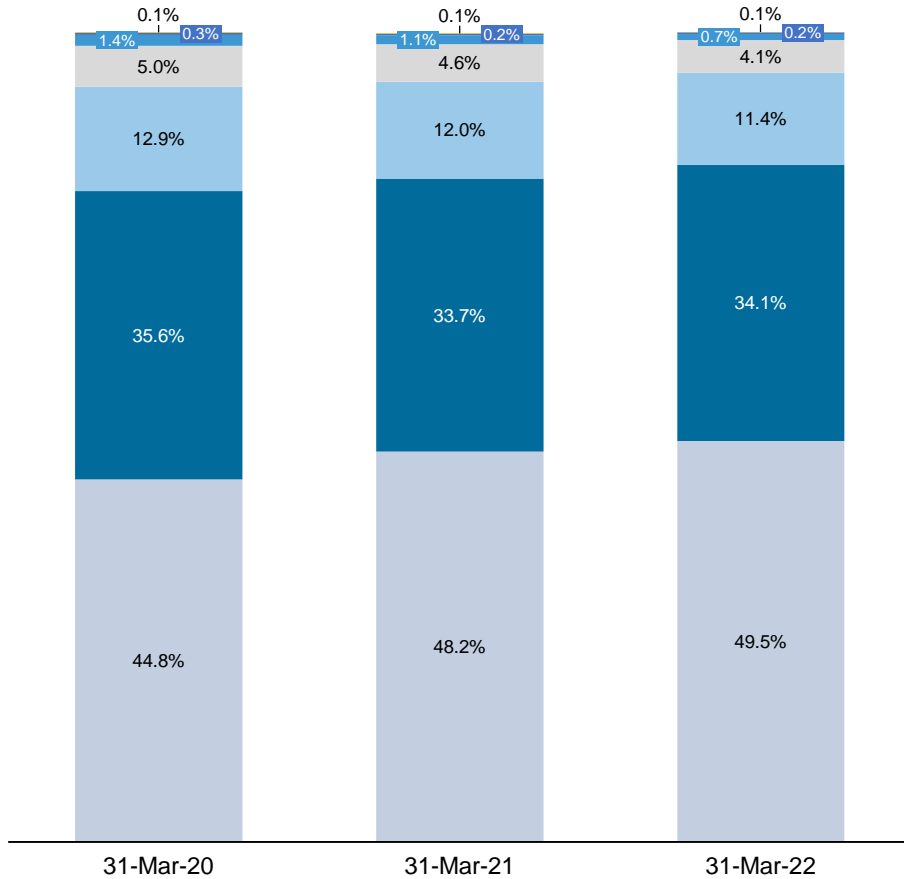
*Majority of the book is completed units*

ATS and LTV at Origination

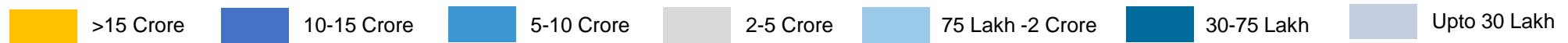
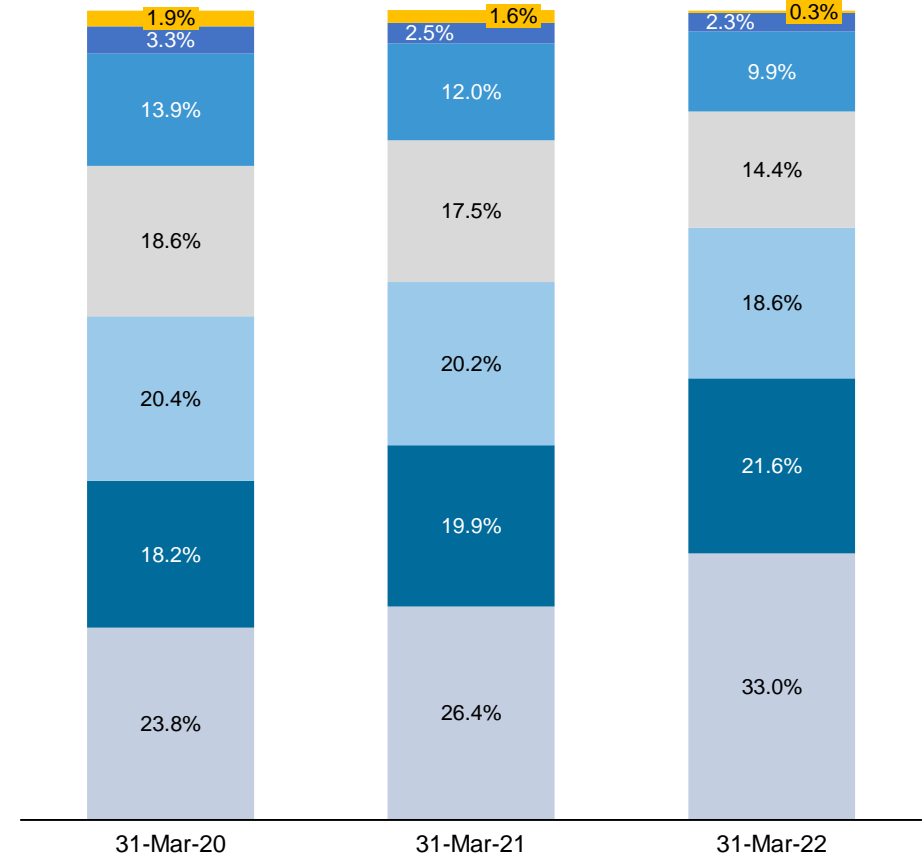
# Retail Loan Book – Average Ticket Size Range



### Individual Housing Loan



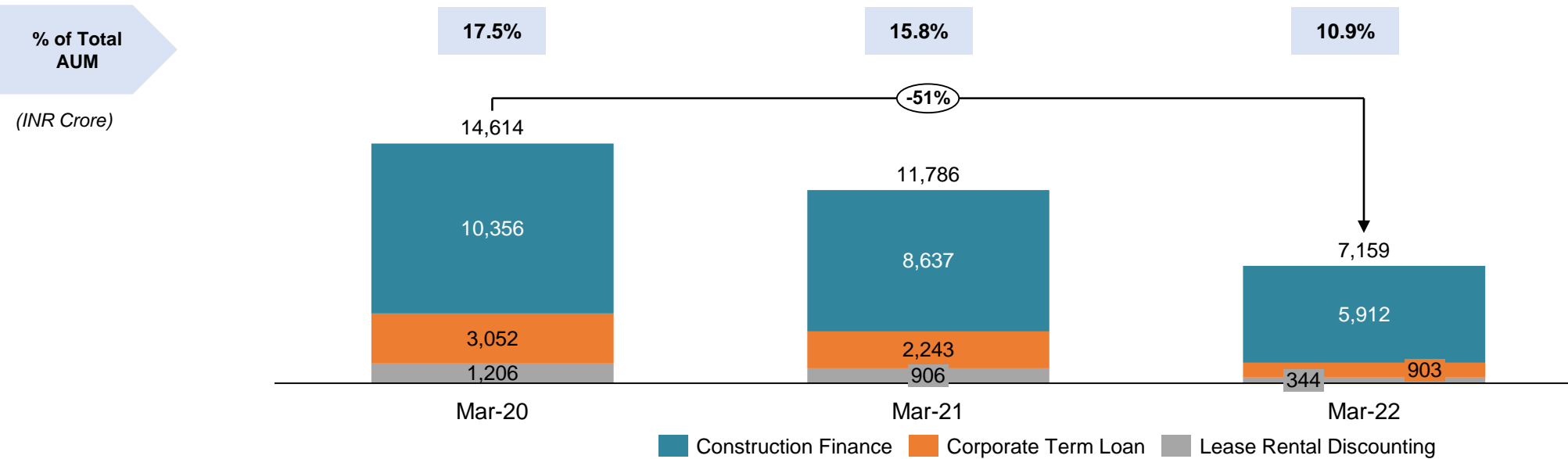
### Retail Loan Against Property



Data on Outstanding Loan Asset



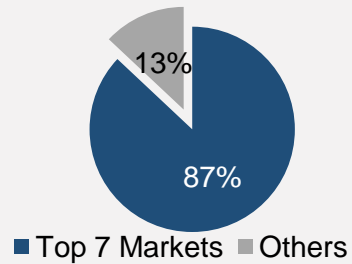
# Significant Reduction in Corporate Book



## Average Ticket Size (Unique Corporate Houses)

Product Segment	ATS (INR Crore)
Construction Finance	208
Corporate Term Loan	98
Lease Rental Discounting	69

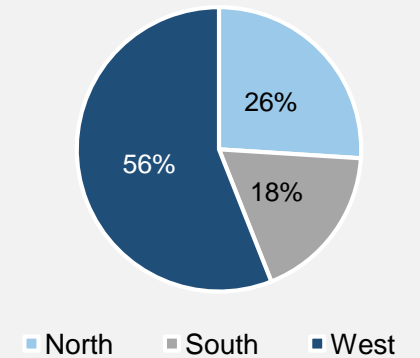
## City Concentration



### Top 3 markets

MMR: 39%  
NCR: 20%  
Bangalore: 13%

## Geographical Distribution



Data as on 31-Mar-22

# Corporate Book Performance



- 62% of the book is with Zero DPD on a declining base
- 64% of the book is in Stage 1; majority backed by Tier 1 Developers

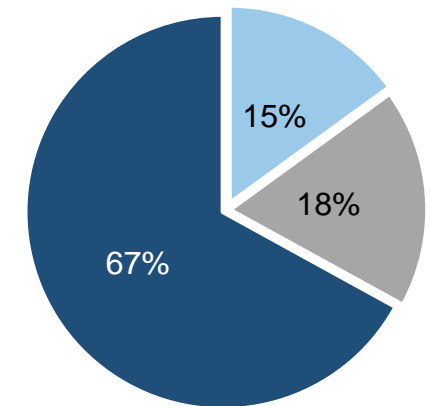
- Down Sell / Accelerated pre payment of INR 2,664 Crore in FY22

- Deleveraged Top 20 developers' book; reduced by ~22% YoY

- Weighted average security coverage of the book is over 2.2x as on 31-Mar-22

- Stage 3 provision coverage ratio is 49%
- Overall provision coverage is 22% of Corporate book

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



- Completed
- Near Completion\*
- Under Construction

\*Near Completion refers to a range of 90%-100% project completion

# Corporate Book Remedial Actions



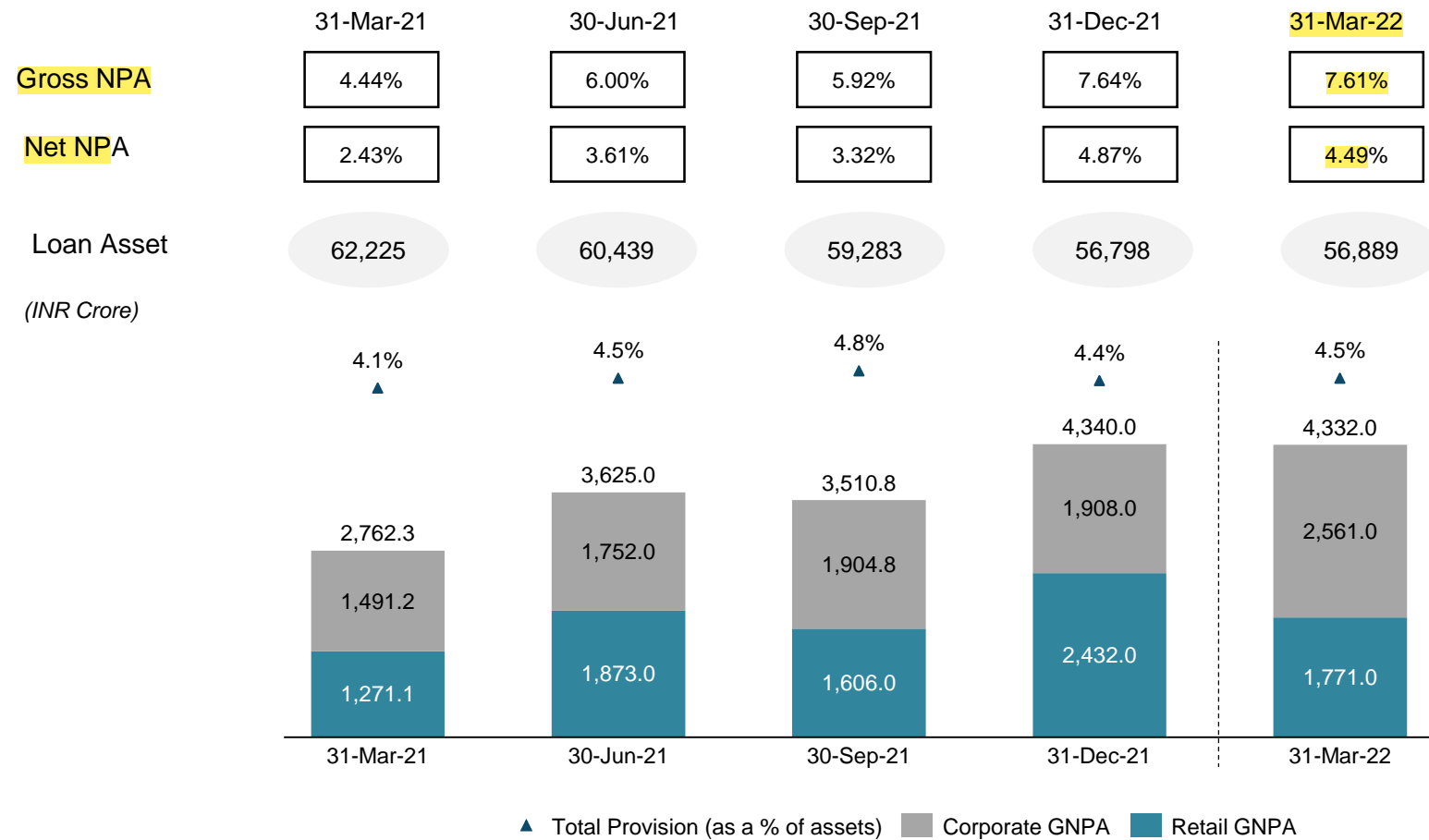
City Based Developers	Final Stages of Resolution	Resolutions Underway on few NPA Accounts
Mumbai	<ul style="list-style-type: none"> <li>• <b>Project with O/s of INR 181 Crore</b> <ul style="list-style-type: none"> <li>✓ Resolution Plan finalized by the Committee of Creditors in NCLT. NCLT approval in 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 prominent builder in NCR to takeover the Project along with its liabilities</li> <li>✓ All approvals from authorities including homebuyer consent has been received and transaction documents executed.</li> </ul> </li> <li>• <b>Project with O/s of INR 187 Crore</b> <ul style="list-style-type: none"> <li>✓ Resolution Plan received from 4 prominent developers; final negotiation is in process</li> <li>✓ In advanced stages of discussion with an ARC for sale of loan account</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Project with O/s of INR 241 Crore</b> <ul style="list-style-type: none"> <li>✓ OC has now been received for Phase 1 and 2 of the Project</li> <li>✓ Discussions being held with other developers to collaborate under DM/JDA arrangement.</li> </ul> </li> </ul>

*12 accounts with O/s of INR 339 Crore resolved through project collaborations, SWAMIH investment etc.*

# Gross Non-Performing Assets



% of Loan Asset



As on 31-Mar-22	INR Crore
Gross NPA	4,332
ECL Provision	2,559
Regulatory provision (as per NHB)	1,281

- Company has created adequate provisions with total provision to total asset at 4.5%
- Retail GNPA reduced by 140 bps in Mar-22 compared to Dec-21

NPA on principal outstanding  
For IndAS please refer slide 20 and 21

# Expected Credit Loss (ECL) Provisions



Particulars (INR Crore)	31-Mar-22	31-Dec-21	31-Mar-21
Gross Stage 1	51,251*	50,295*	56,399
Gross Stage 1 as % to Loan Asset	88.46%	86.89%	89.19%
ECL Provision Stage 1	583	626	647
<b>ECL Provision % Stage 1</b>	<b>1.14%</b>	<b>1.24%</b>	<b>1.15%</b>
Gross Stage 2	1,981*	2,852*	3,834*
Gross Stage 2 as % to Loan Asset	3.42%	4.93%	6.06%
ECL Provision Stage 2	200	292	647
<b>ECL Provision % Stage 2</b>	<b>10.1%</b>	<b>10.23%</b>	<b>16.9%</b>
Gross Stage 3	4,706	4,737	2,999
Gross Stage 3 as % to Loan Asset	8.12%	8.18%	4.74%
ECL Provision Stage 3	1,775	1,576	1,249
<b>ECL Provision % Stage 3</b>	<b>37.7%</b>	<b>33.3%</b>	<b>41.7%</b>
Total Assets	57,938	57,884	63,232
ECL Provision	2,558	2,494	2,543
<b>Total ECL Provision / Total Assets (%)</b>	<b>4.42%</b>	<b>4.31%</b>	<b>4.02%</b>

Based on IndAS

\*With SICR

# Expected Credit Loss (ECL) Provisions – Retail and Corporate



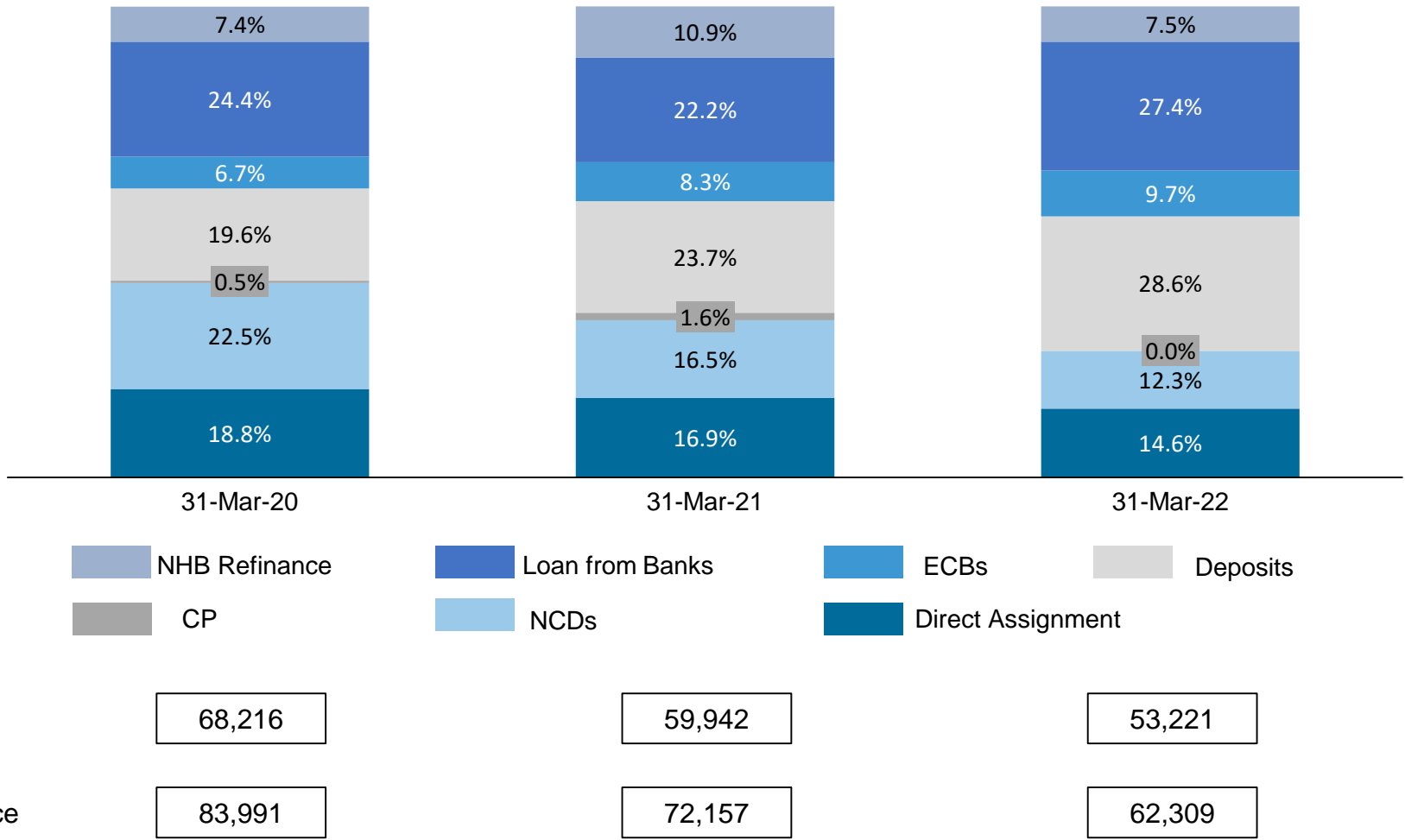
IndAS Balances Particulars (INR Crore)	Retail		Corporate	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Gross Stage 1	46,636*	47,202*	4,615	9,197
Gross Stage 1 as % to Loan Asset	92.2%	92.1%	62.6%	76.6%
ECL Provision Stage 1	283	251	300	396
<b>ECL Provision % Stage 1</b>	<b>0.61%</b>	<b>0.53%</b>	<b>6.5%</b>	<b>4.3%</b>
Gross Stage 2	1,960	2,646*	21	1,188
Gross Stage 2 as % to Loan Asset	3.9%	5.2%	0.3%	9.9%
ECL Provision Stage 2	197	288	3.0	359
<b>ECL Provision % Stage 2</b>	<b>10.1%</b>	<b>10.9%</b>	<b>14.3%</b>	<b>30.2%</b>
Gross Stage 3	1,968	1,383	2,738	1,616
Gross Stage 3 as % to Loan Asset	3.9%	2.7%	37.1%	13.5%
ECL Provision Stage 3	528	359	1,247	890
<b>ECL Provision % Stage 3</b>	<b>26.8%</b>	<b>25.9%</b>	<b>45.5%</b>	<b>55.1%</b>
Total Assets	50,564	51,231	7,374	12,001
ECL Provision	1,008	898	1,550	1,645
<b>Total ECL Provision / Total Assets (%)</b>	<b>2.0%</b>	<b>1.75%</b>	<b>21.0%</b>	<b>13.7%</b>

\*Voluntary SICR of INR 796 Crore

# Well Diversified Resource Profile



(INR Crore)



- ~70% of the total resource is floating; giving opportunity for replacement & repricing
- Liquidity Coverage Ratio maintained at 144% as against stipulated 50%

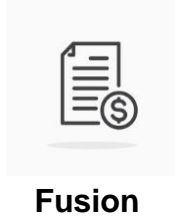
- Credit Rating**
- Fixed Deposit: “FAA+” by CRISIL and “AA” by CARE.
  - Commercial Paper: “A1(+)” by CARE & CRISIL
  - Non-Convertible Debentures: “AA” by CARE, India Ratings, CRISIL and ICRA
  - Bank Loans (Long Term): “AA” by CARE and CRISIL

**ICRA has revised NCD outlook to Stable from Negative**

# Digital Interventions across the Value Chain



## Tools & Collaborations



**Automated Mailing Machine**



**Email verification**



**Collection Tiger**

TALISMA

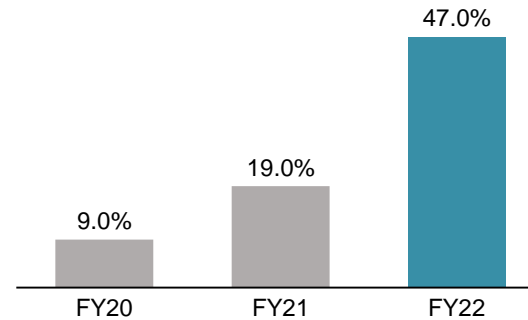


Payment collaborations with various Digital partners

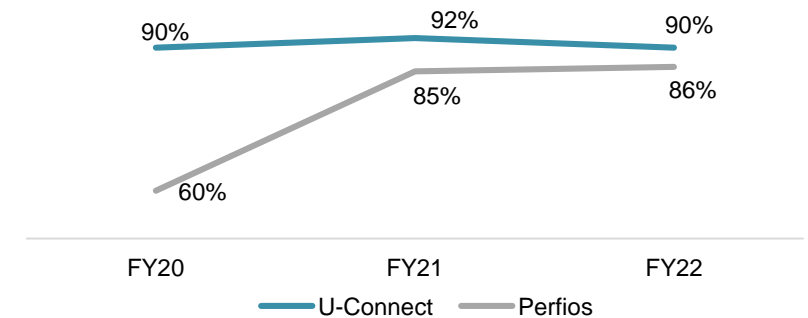
## Interventions

- 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

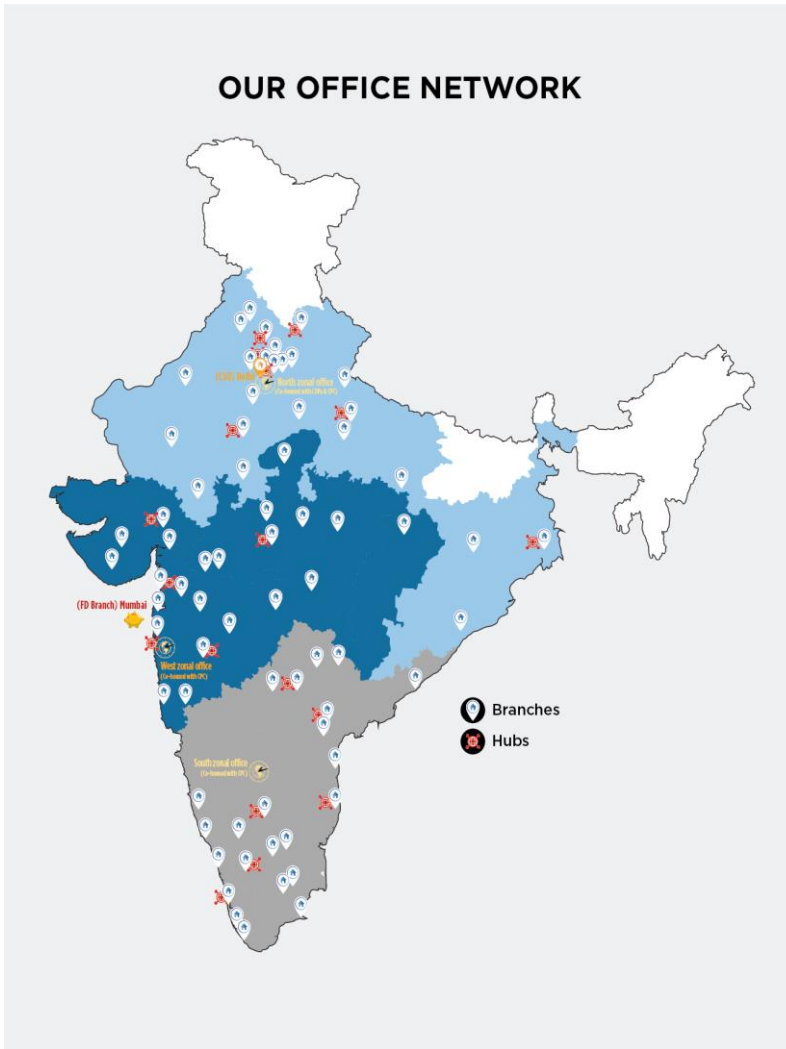


**Accelerating Digital Journey**

- 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

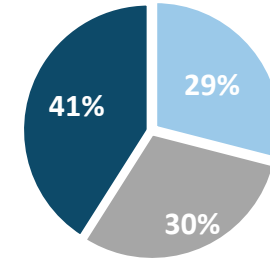


# Strong Distribution Network – derisked Geographical Concentration

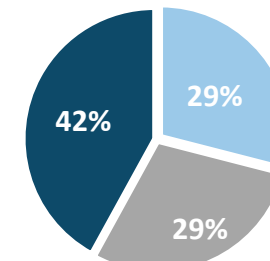


FY22

## AUM – Geographical Breakup

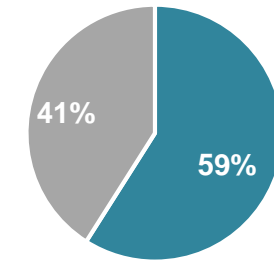
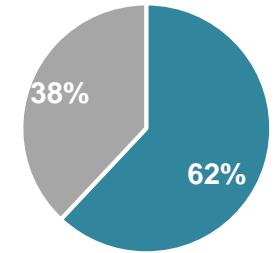


FY21



■ North ■ South ■ West

## Disbursement Origination



■ In-House ■ DSA

## Network

100 branches with presence in 70 unique cities and 40 Outreach centers; 29 new Unnati locations operationalized

22 decision making hubs

Over 23,000 channel partners

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-Mar-22



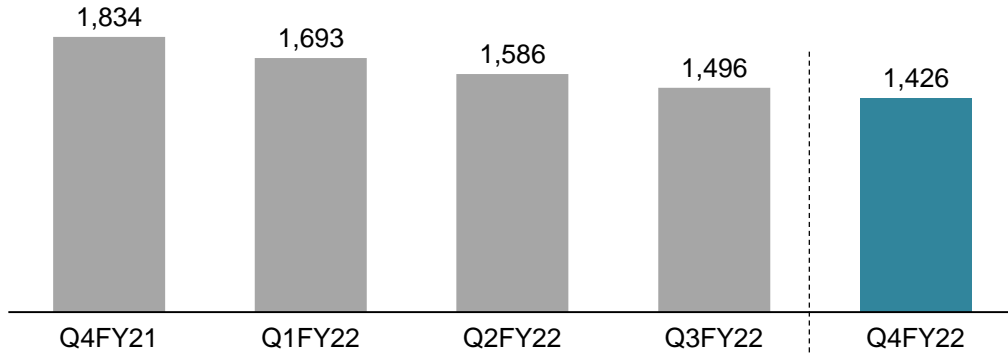
# Financial Performance

# Financial Highlights – Quarter on Quarter

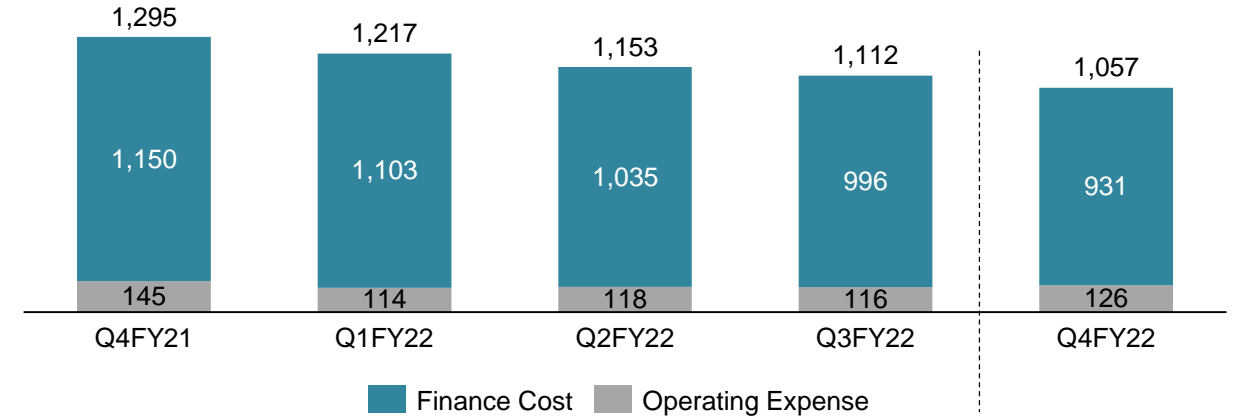


(INR Crore)

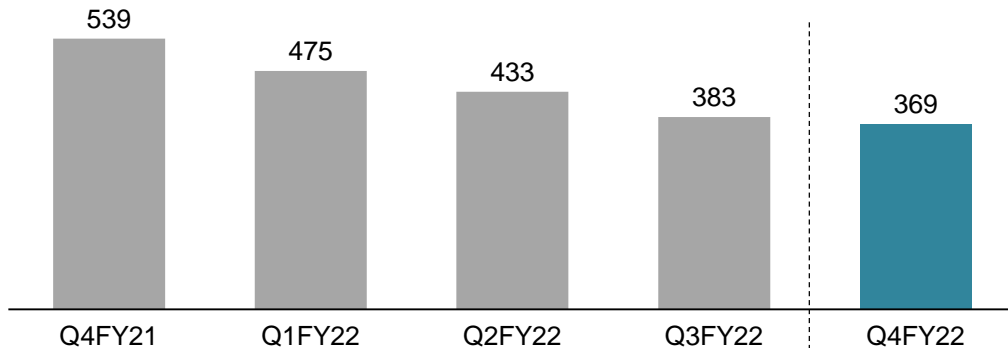
## Revenue



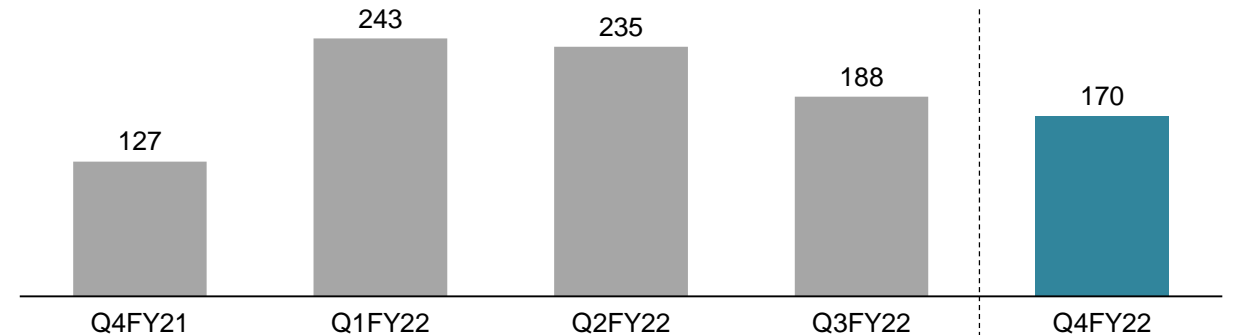
## Expense



## Pre-provision Operating Profit



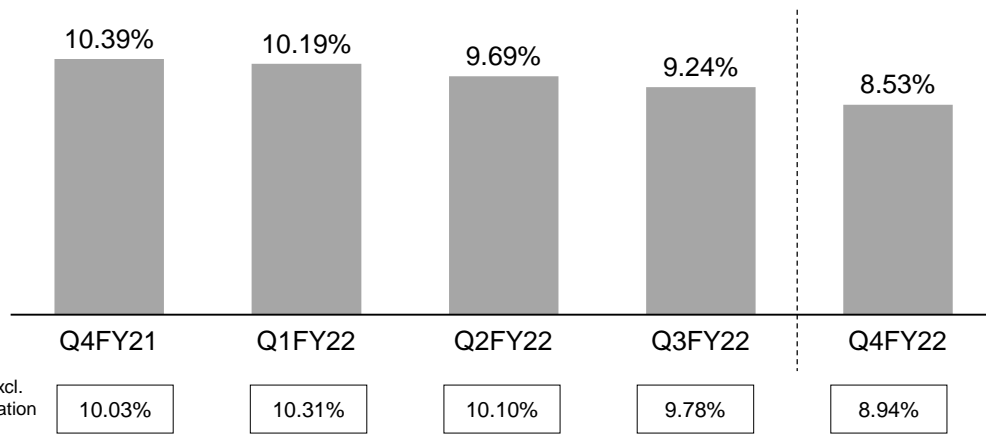
## Profit After Tax



# Financial Ratio Highlights – Quarter on Quarter



## Average Yield



Yield (Excl. Securitisation Income)

10.03%

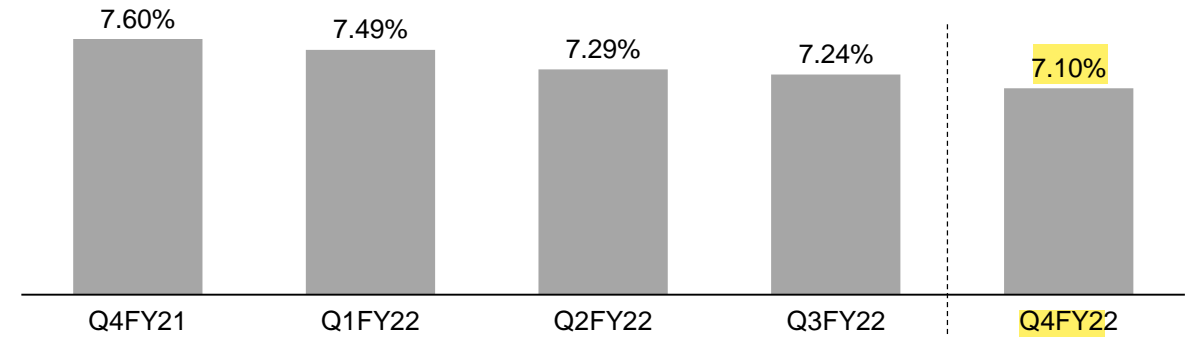
10.31%

10.10%

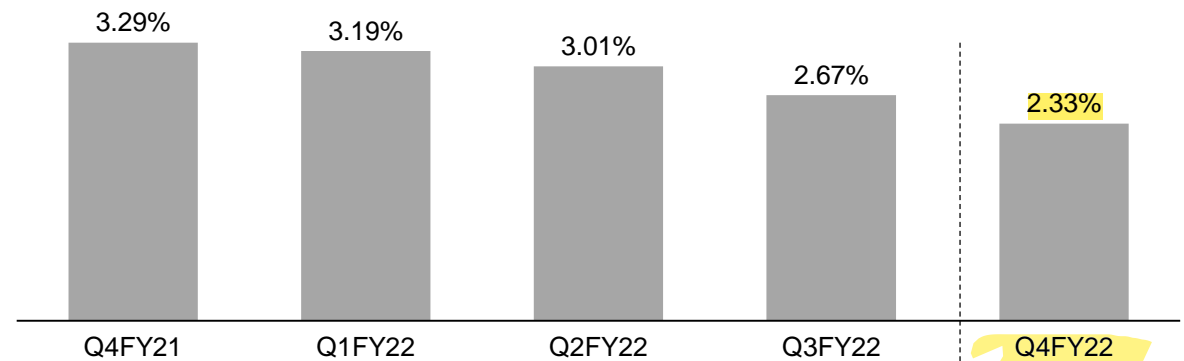
9.78%

8.94%

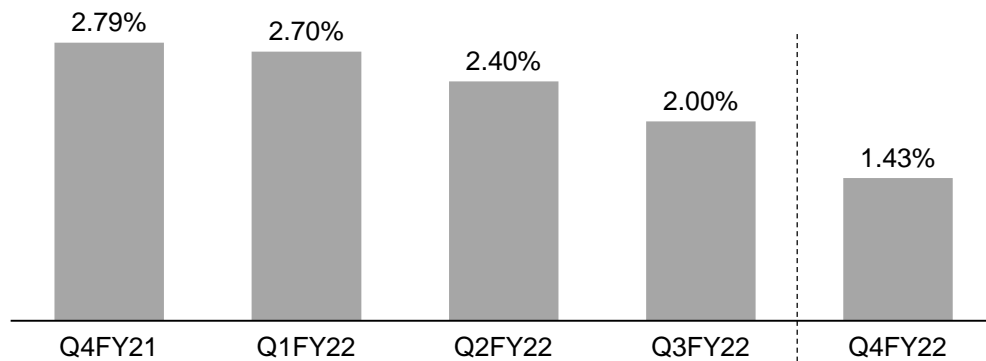
## Average Cost of Borrowing



## Net Interest Margin



## Spread



Spread (Excl. Securitisation Income)

2.43%

2.82%

2.81%

2.54%

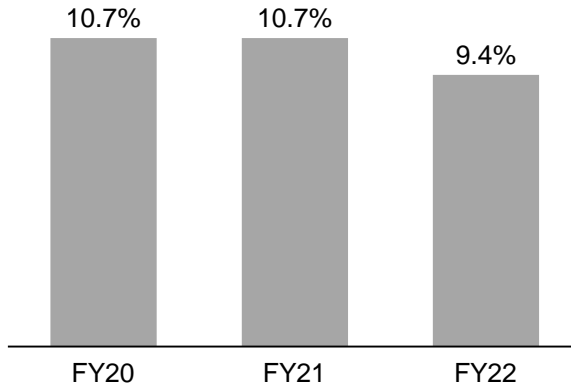
1.84%

Ratios are calculated on Monthly Average

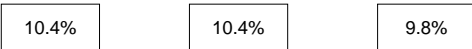
# Margin Analysis - Annual



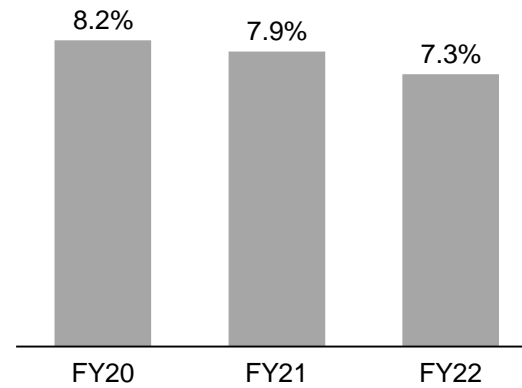
## Average Yield



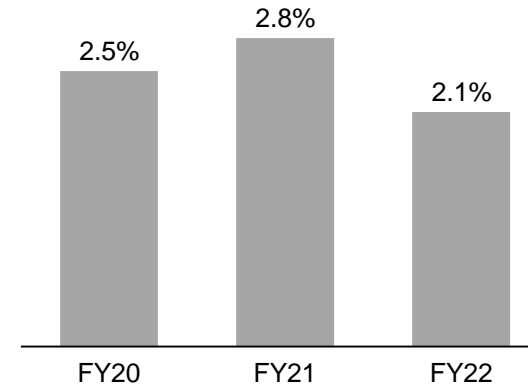
Yield (Excl. Securitisation Income)



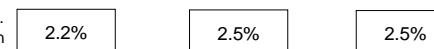
## Average Cost of Borrowings



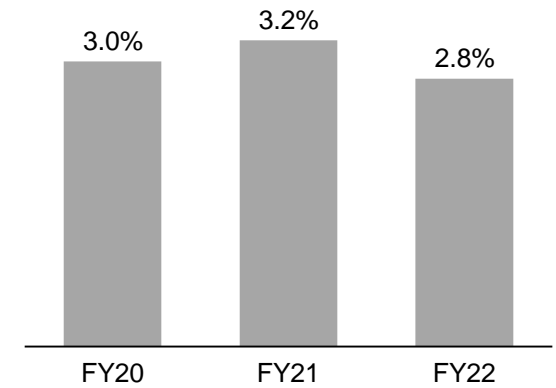
## Spread



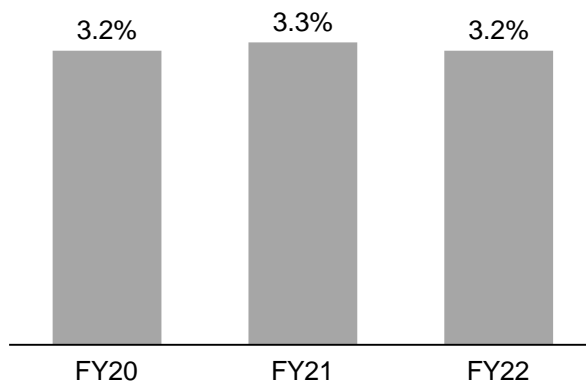
Spread (Excl. Securitisation Income)



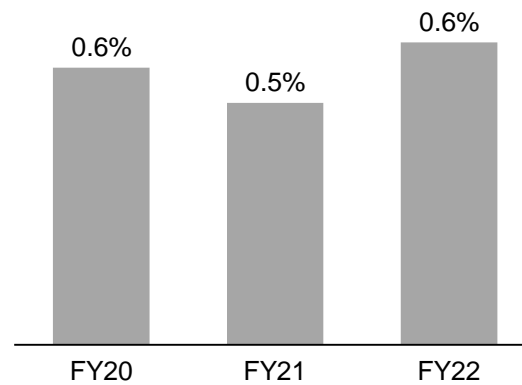
## Net Interest Margin



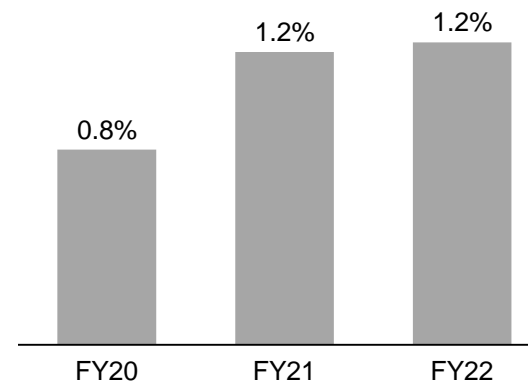
## Gross Interest Margin



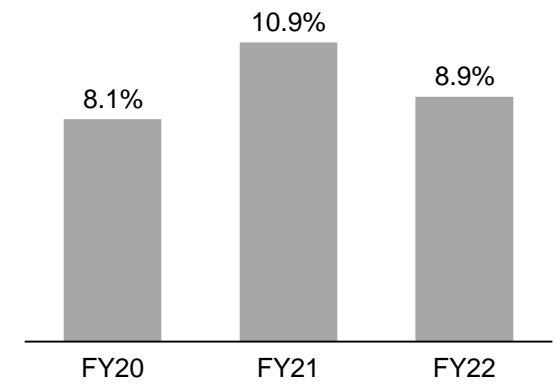
## Opex to ATA Ratio



## Return on Asset



## Return on Equity



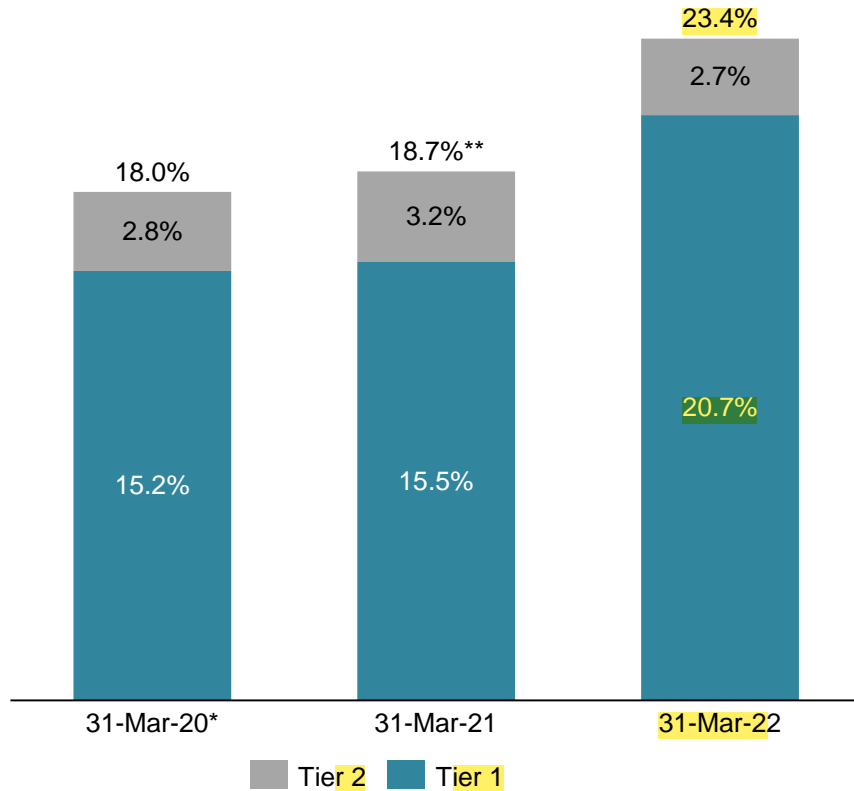
Ratios are calculated on Monthly Average  
Gross Interest Margin is net of acquisition cost

# Capital Position



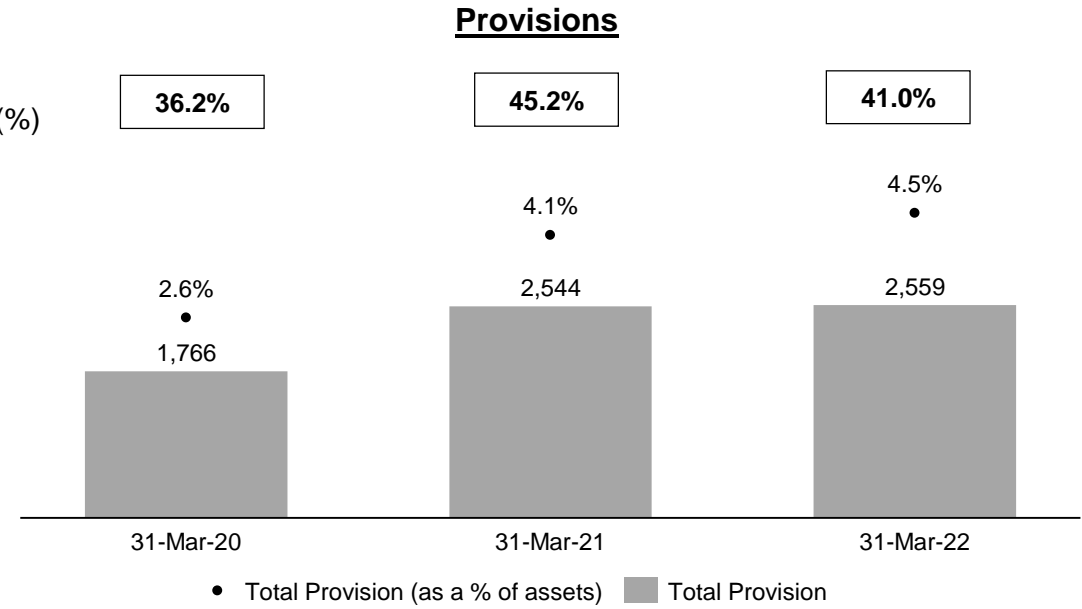
(INR Crore)

## Improving Capital to Risk Asset Ratio

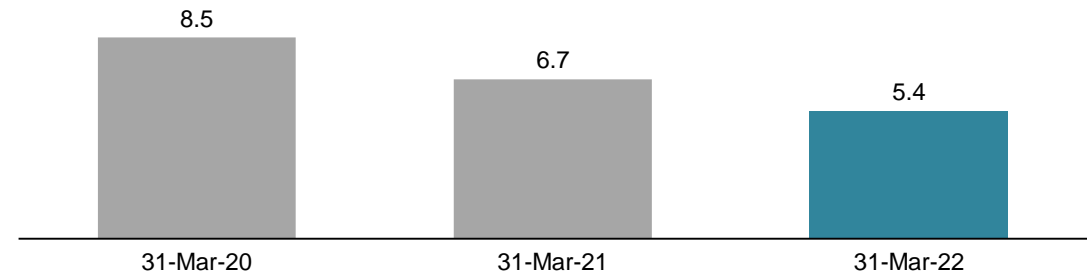


\*\*Adjusted for deposits with companies in same group, which gets deducted from Net owned Funds, the CRAR would have been 20.6%.

Stage 3 Coverage ratio (%)



## Gearing (x)



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

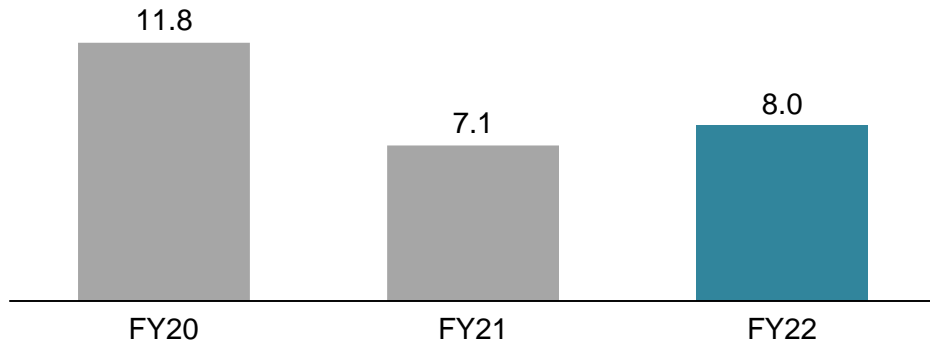
Ratio is calculated on Monthly Average  
\*Based on IGAAP

# Employee Efficiency

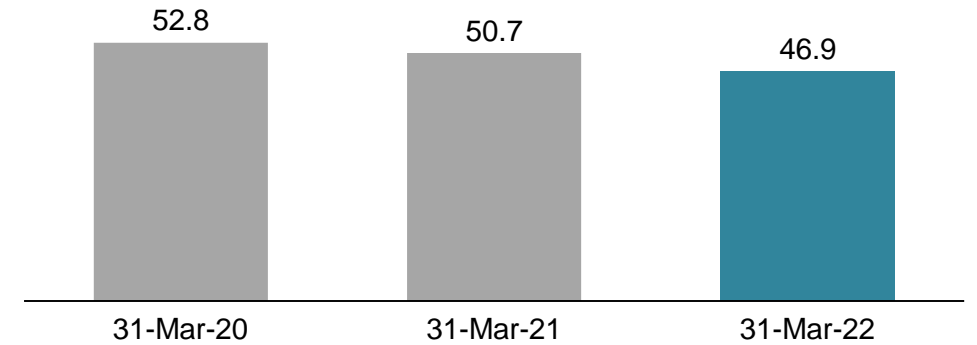


(INR Crore)

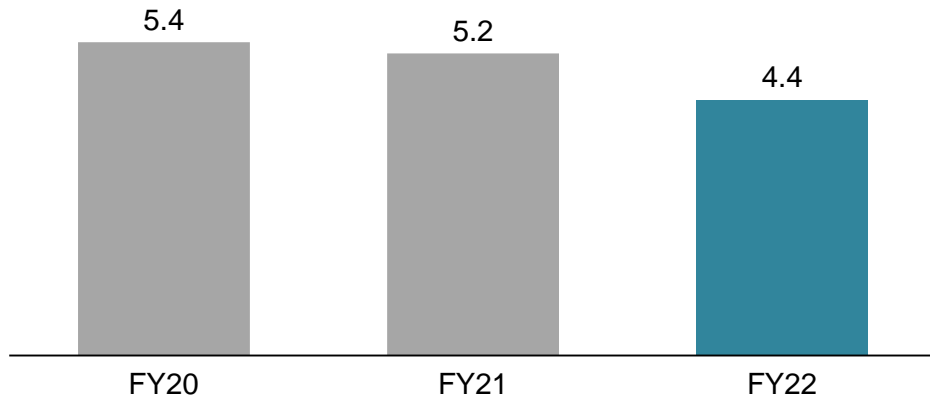
## Disbursement / Employee



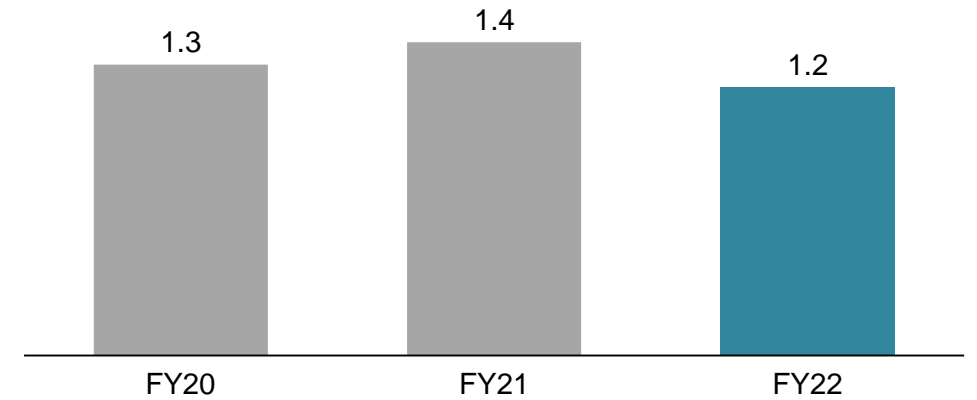
## Asset under Management / Employee



## Total Revenue / Employee



## Operating Profit / Employee



Calculated on average number of employee for the year  
Average no. of employee for FY22: 1,408

# Consolidated Profit & Loss Statement



Particulars (INR Crore)	Q4 FY22	Q4 FY21	YoY	Q3 FY22	QoQ	FY22	FY21	YoY	FY20
Interest Income*	1,299	1,670		1,411		5,822	7,190		7,688
Add: Net gain on fair value changes	8	39		24		111	162		159
Add: Income on derecognized loans assigned during the period	0	35		0		0	71		336
Less: Finance Cost	931	1,151		996		4,064	5,101		5,875
<b>Net Interest Income</b>	<b>377</b>	<b>593</b>	<b>-36.5%</b>	<b>439</b>	<b>-14.2%</b>	<b>1,869</b>	<b>2,322</b>	<b>-19.5%</b>	<b>2,308</b>
Net Fees and other Income	113	81		57		256	190		298
<b>Gross Income</b>	<b>490</b>	<b>675</b>	<b>-27.4%</b>	<b>496</b>	<b>-1.3%</b>	<b>2,125</b>	<b>2,512</b>	<b>-15.4%</b>	<b>2,606</b>
Operating Expenses									
Less: Employee Benefit Expenses	54	53		50		217	211		233
Less: Other Expenses	52	68		50		195	173		245
Less: Depreciation and Amortisation	14	14		13		53	59		66
<b>Operating Profit</b>	<b>369</b>	<b>539</b>	<b>-31.4%</b>	<b>383</b>	<b>-3.6%</b>	<b>1,660</b>	<b>2,069</b>	<b>-19.7%</b>	<b>2,062</b>
Less: Impairment on financial instruments & Write-offs (Expected Credit Loss)	146	351		129		576	862		1,251
<b>Profit Before Tax</b>	<b>224</b>	<b>188</b>	<b>18.9%</b>	<b>254</b>	<b>-11.9%</b>	<b>1,084</b>	<b>1,207</b>	<b>-10.2%</b>	<b>811</b>
Less: Tax Expense	54	61		65		247	277		165
<b>Net Profit after Tax</b>	<b>170</b>	<b>127</b>	<b>33.5%</b>	<b>188</b>	<b>-9.8%</b>	<b>836</b>	<b>930</b>	<b>-10.0%</b>	<b>646</b>
Add: Other Comprehensive Income	72	40		25		97	-21		-55
<b>Total Comprehensive Income</b>	<b>241</b>	<b>167</b>	<b>44.6%</b>	<b>213</b>	<b>13.2%</b>	<b>934</b>	<b>909</b>	<b>2.7%</b>	<b>591</b>
EPS (Basic)	10.1	7.6		11.2		49.6	55.3		38.5

\*Includes net income reversal of INR 58 Crore on derecognized loans due to unwinding impact of Spread contraction in Q4 FY22 as compared to INR 79 Crore in Q3 FY22 resulting in declining interest income. During Q4, FY21, there was a net positive impact of INR 58 Crore on derecognized loans due to fall in buying Banks' MCLR. Also, during Q4 FY22, there is a net Impact of IndAS adjustment resulting into reversal of interest income of ~INR 70 crore on corporate accounts. In FY22 the net income reversal is of INR 217 Crore vs income of INR 178 Crore in FY21



# Consolidated Balance Sheet



	Particulars (INR Crore)	31-Mar-22	31-Mar-21	31-Mar-20
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments	-	51	-
(b)	Debt Securities	6,202	11,461	17,837
(c)	Borrowings (Other than Debt Securities)	27,716	29,746	32,328
(d)	Deposits	17,649	16,746	16,132
(e)	Subordinated Liabilities	1,438	1,439	1,439
(f)	Other financial liabilities	2,537	1,764	1,776
	<b>Sub Total - Financial Liabilities</b>	<b>55,542</b>	<b>61,208</b>	<b>69,512</b>
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Current Tax Liabilities	-	63	-
(b)	Provisions	17	18	19
(c)	Other non-financial liabilities	299	1,180	1,401
	<b>Sub Total - Non-Financial Liabilities</b>	<b>316</b>	<b>1,261</b>	<b>1,420</b>
<b>3</b>	<b>EQUITY</b>			
(a)	Equity Share capital	169	168	168
(b)	Other Equity	9,703	8,755	7,830
	<b>Sub Total - Equity</b>	<b>9,872</b>	<b>8,923</b>	<b>7,998</b>
	<b>TOTAL – EQUITY &amp; LIABILITIES</b>	<b>65,730</b>	<b>71,392</b>	<b>78,930</b>


	Particulars (INR Crore)	31-Mar-22	31-Mar-21	31-Mar-20
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	5,066	6,969	8,514
(b)	Loans	55,336	60,645	66,628
(c)	Investments	3,483	2,045	2,076
(d)	Other Financial Assets	1,109	952	872
	<b>Sub Total - Financial Assets</b>	<b>64,994</b>	<b>70,610</b>	<b>78,090</b>
<b>2</b>	<b>Non - Financial Assets</b>			
(a)	Tax Assets (Net)	446	430	347
(b)	Property, Plant and Equipment	71	82	105
(c)	Right of use assets	60	78	120
(d)	Other Intangible assets	18	21	25
(e)	Other non-financial assets	31	35	35
(f)	Assets held for sale	109	136	207
	<b>Sub Total - Non - Financial Assets</b>	<b>736</b>	<b>782</b>	<b>839</b>
	<b>TOTAL - ASSETS</b>	<b>65,730</b>	<b>71,392</b>	<b>78,930</b>

# Key Takeaways




Leverage advance analytics and digital tools to automate credit appraisal journey in Salaried and enhance core capabilities in Self Employed

**Enhance 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**



Upgrade technology platforms for enhanced customer experience and higher efficiencies 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**



# Annexure



## Environment

- As on date, 99% EMI collections through digital mode
- Introduced ACE for digital customer onboarding; digital penetration increased to 47% in FY22
- 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 1,425 employees as on 31<sup>st</sup> March 2022
  - Average employee age of 36 years
  - Average employee tenure is around 4 years
  - 16% women employees
- Learning & development (FY22):
  - 1,768 unique employees trained
  - 845 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+

## COMPANY SECRETARY & COMPLIANCE HEAD

- Years of Experience: 30+
- Years in Mortgage: 25+
- Years with PNBHF: 27+

## CHIEF FINANCIAL OFFICER

- Years of Experience: 22+
- Years in Mortgage: 2+
- Years with PNBHF: 2+

## 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: 9+

## HEAD – CUSTOMER SERVICE & OPERATIONS

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

## CHIEF INFORMATION OFFICER

- Years of Experience: 22+
- Years with PNBHF: <1

## CHIEF PEOPLE OFFICER

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

## 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 – DEPOSIT AND CROSS SALES

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

## HEAD – INVESTOR RELATIONS

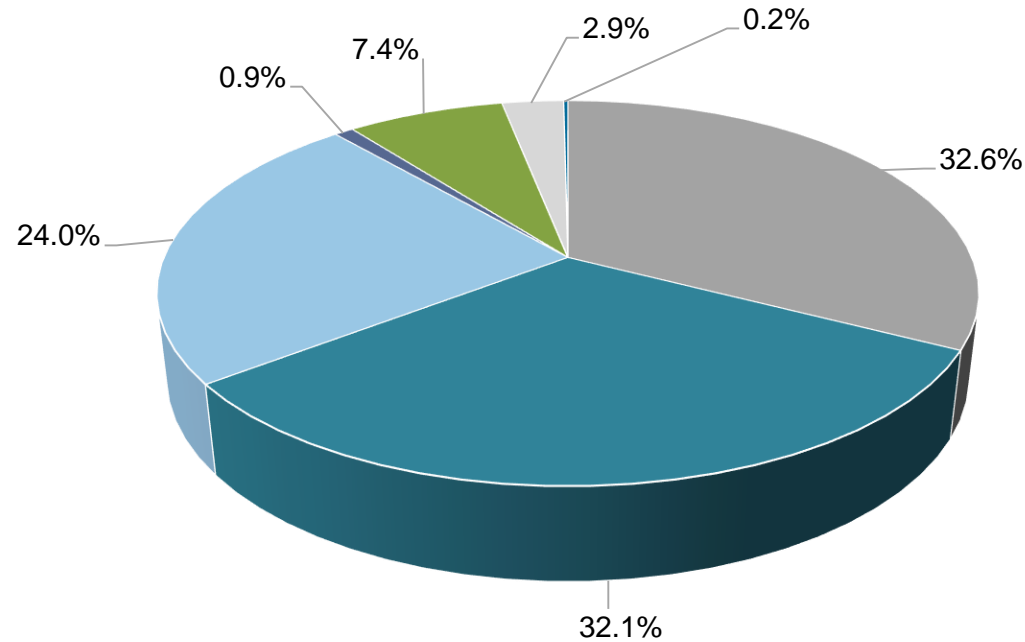
- Years of Experience: 19+
- Years in Mortgage: 4+
- Years with PNBHF: 5+

## HEAD – BUSINESS TRANSFORMATION PROJECT

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



## Shareholding as on 31-Mar-22



- Promoters
- Mutual Funds
- Financial Institutions / Banks
- Quality Investment Holdings
- Public & Others
- Foreign Inst. Investors
- Bodies Corporates

**Outstanding Shares – 16,85,98,555 shares**

## Top Shareholders

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

## Inclusions in MSCI Indices

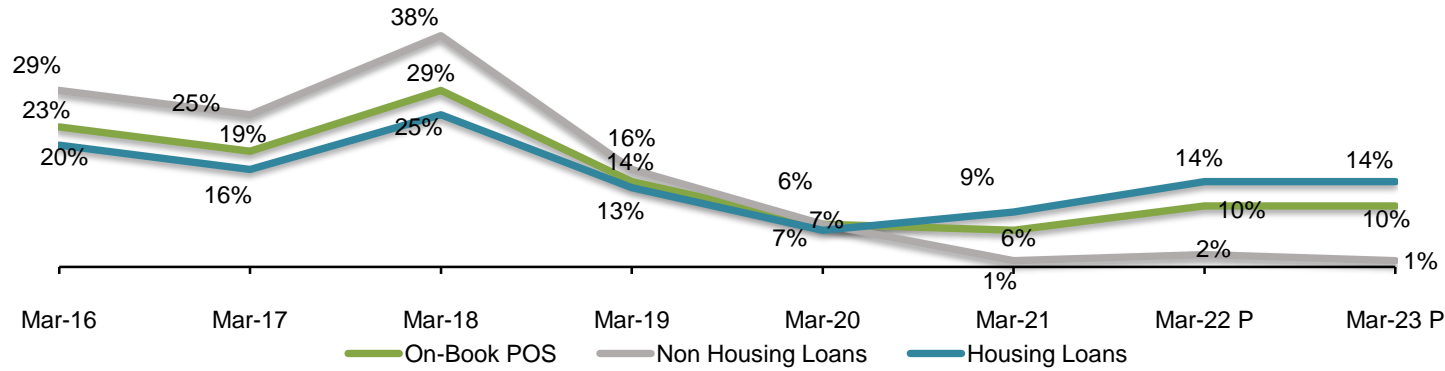


Index	Since
MSCI Emerging Markets IMI ESG Screened Index	Mar-21
MSCI ACWI IMI ex Controversial Weapons Index	Mar-21
MSCI ACWI IMI Climate Change Index	Mar-21
MSCI Global Small Cap Index	Nov-18

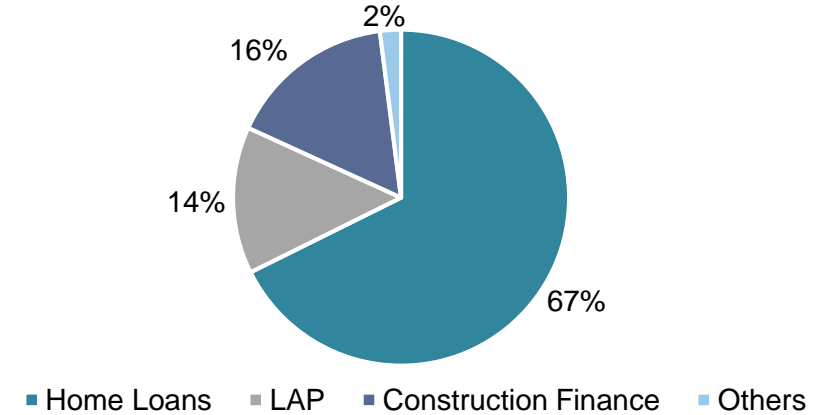
# Growth of Housing Finance Sector



**Portfolio Growth of HFCs**

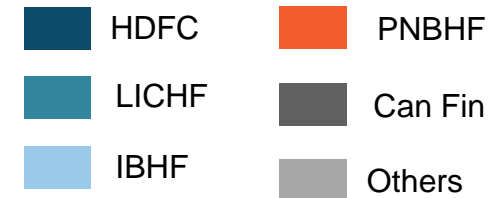
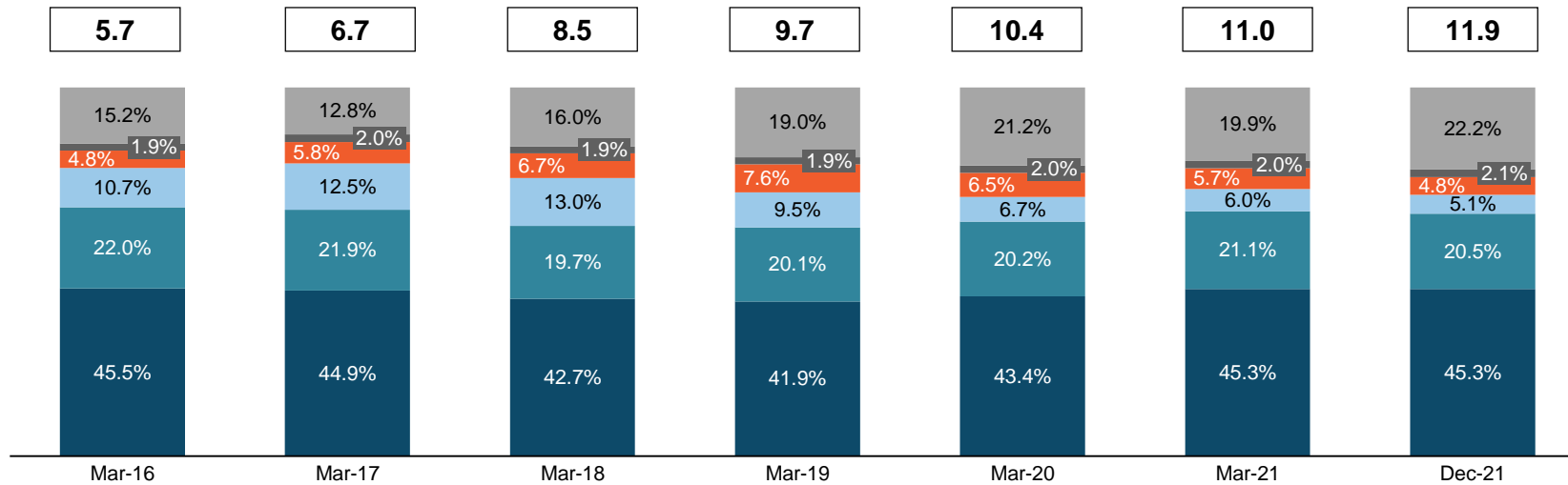


**Portfolio Composition of HFCs\***



**HFCs Share**

Total HFC Loans (INR trillion)



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

# 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 (%)	$\text{ECL Provision as a \% of GNPA}$

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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