

July 30, 2019

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 ended June 30, 2019.

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



Investor Presentation

July 2019



pnb Housing (پن ب ہاؤسنگ)
SPECIALISED FINANCE LIMITED

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HOME LOAN | NON HOME LOANS | FIXED DEPOSIT

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for existing customers only
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- All About Home Loan Process**
Owning a home isn't just a keystone of wealth, it's what gives us and our families, stability...
[Read More](#)
- Fixed vs Floating rate of interest - What suits you the best**
A home purchase is probably the biggest financial decision and transaction in a person's financial life...
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- How to choose a home loan lender**
Buying a dream home isn't something you do every day. The same goes for your home loan...
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- A fine balance between EMI amount and Home Loan Tenure**
A home loan helps you realize your dream of having your own home. A home loan comes...
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Safe Harbor



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About PNB Housing Finance

Leading Housing Finance Company...



Disbursement
INR 7,634 Crore*
(US\$ 1,103 mn)

Loan Assets
INR 75,933 Crore
(US\$ 10,970 mn)

Retail Loans
80% of the AUM

Asset Under
Management
INR 88,333 Crore
(US\$ 12,761 mn)

GNPA
0.76% on AUM
0.85% on Loan Assets

Average Cost of
Borrowing
8.31%*

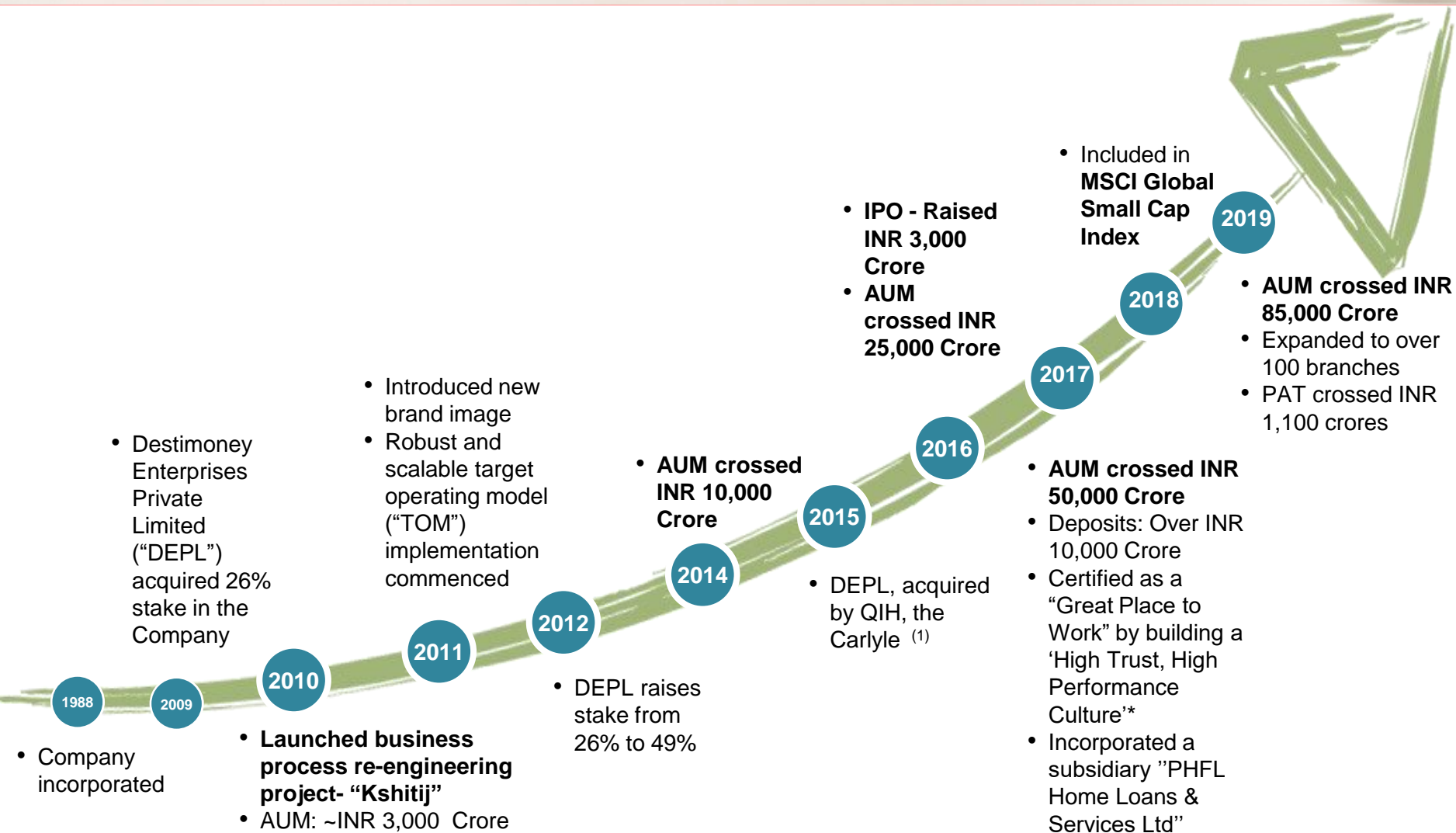
Book Value Per Share
INR 468.0

104 branches
with presence in **64**
unique cities

4 delivery
/processing units
ISO certified 9001

100% Mortgage backed
loans

...incorporated in 1988



1 QIH (Quality Investment Holdings) is an affiliate of Carlyle Asia Partners IV, L.P.

2 *Source: Great Place to Work Institute (GPTW)



HFC Sector well placed...



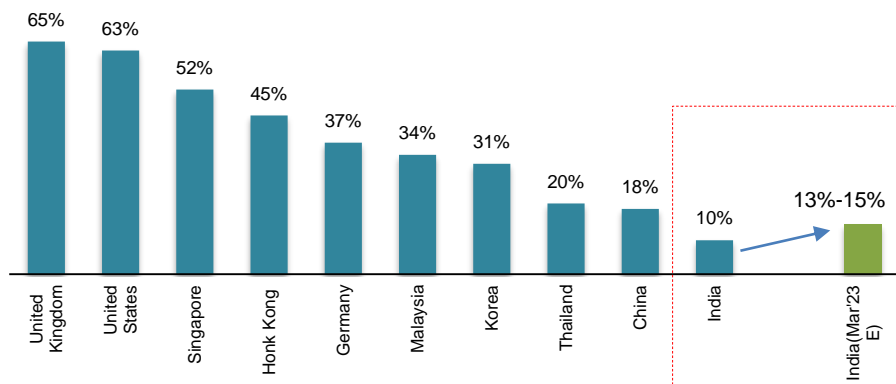
India's Mortgage Market



Under penetrated mortgage market, rising urbanization coupled with increase in housing demand is leading to mortgage market expansion

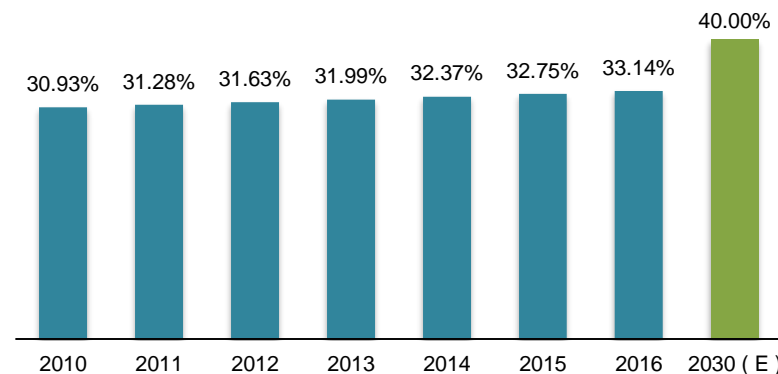
Indian mortgage market is significantly under-penetrated

Mortgage to GDP Ratio (%)



Source: ICRA Reports

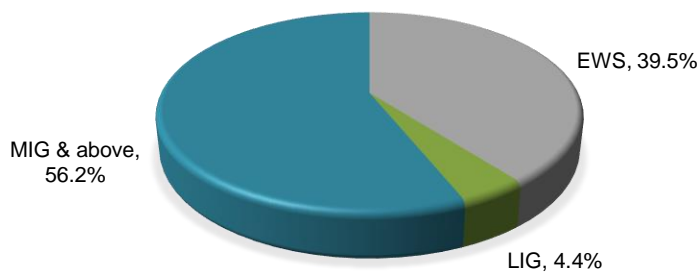
Increasing urban population



Source: NHB, RBI, CRISIL Research

Significant urban housing shortage

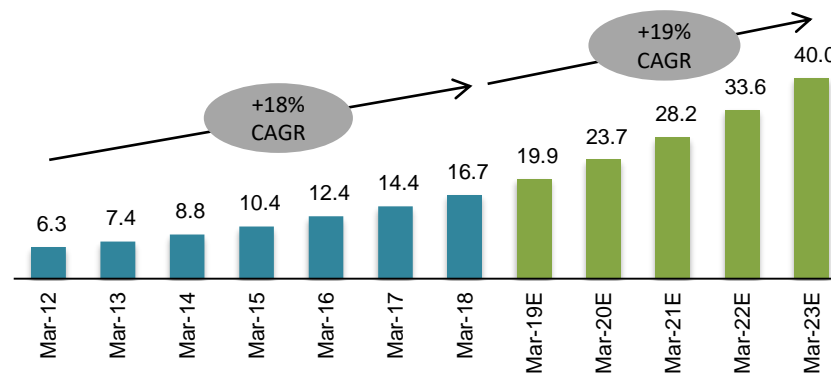
Split of Urban Housing Shortage in FY2012 – 18.8 mn units



Source: Ministry of Housing and Urban Poverty Alleviation

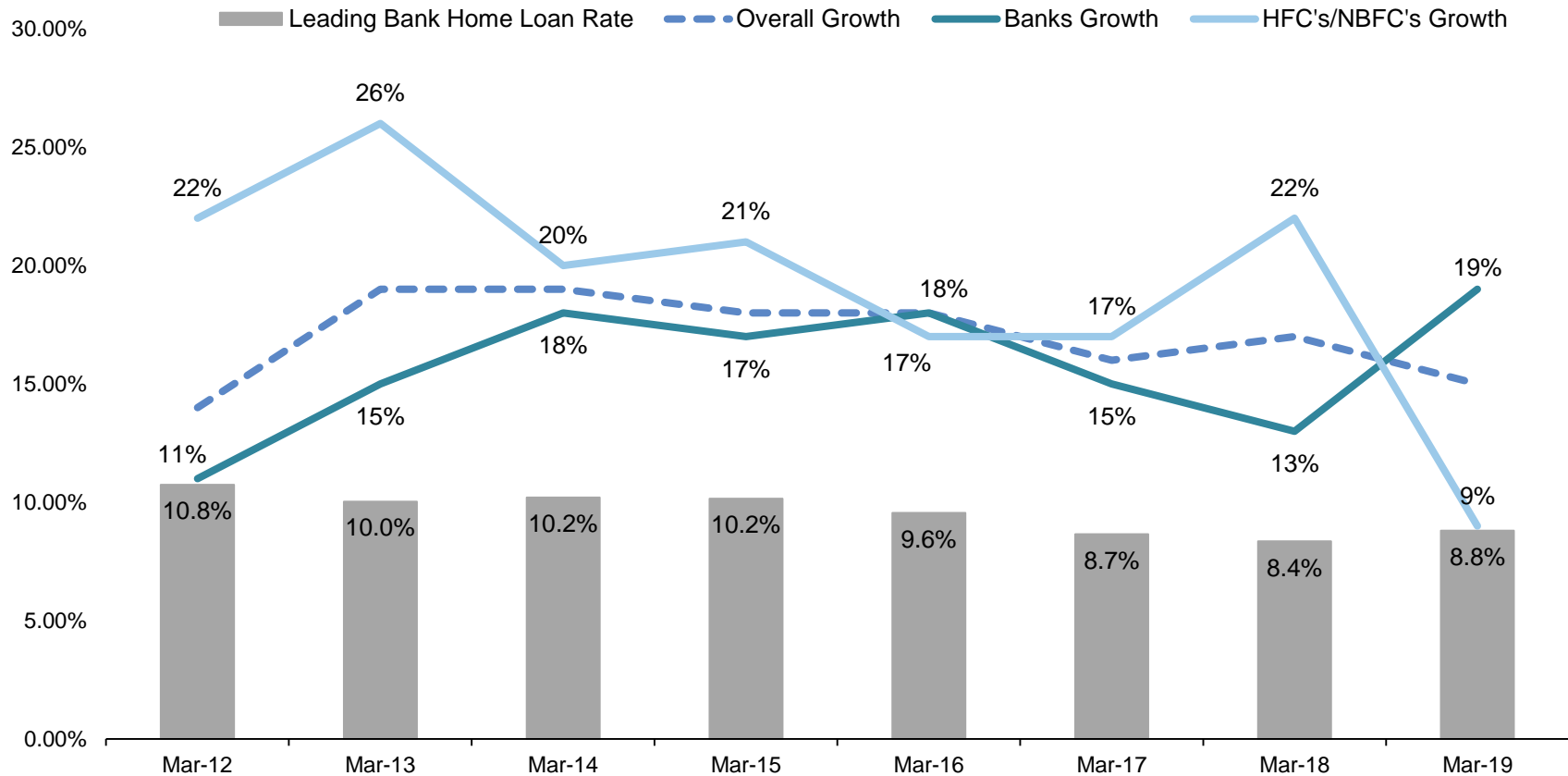
Ramp-up expected in Indian mortgage market

Loan Assets (INR trillion)



Source: ICRA Reports

Mortgage Sector Growth: Limited Interest Rate Sensitivity



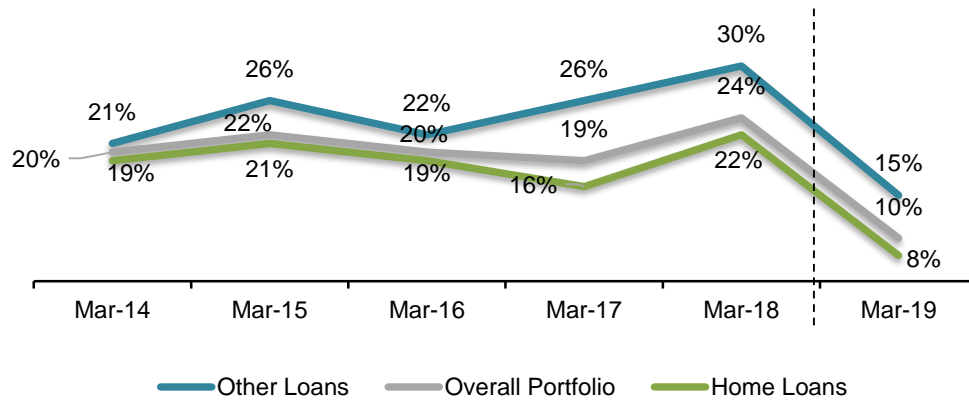
Lower Credit Growth despite easing interest rate cycle and abundant liquidity

Source: ICRA reports

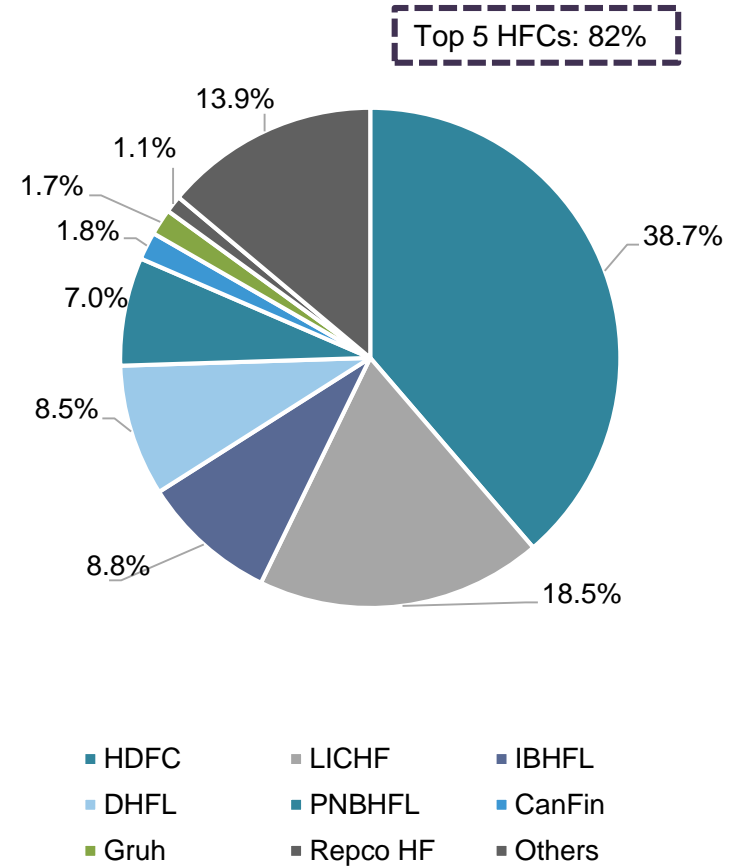
Sustainable Growth of HFCs



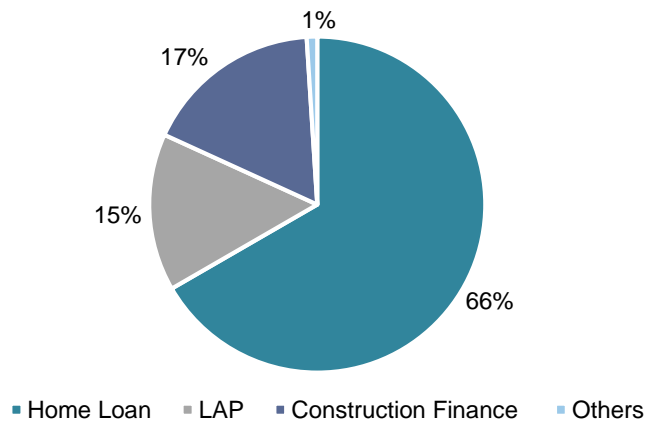
Portfolio Growth of HFCs



Total Loan of all HFCs: INR 10.5 trillion as on Mar-19



Portfolio Composition of all HFCs as on Mar-19



Source: ICRA Indian Mortgage Finance Market Update for June 2019
% Change is YoY



Government Initiatives



Growth Drivers



Urbanization



Improved Affordability



Changing Demographics

Home Buyers

- GST rate cut from 12% to 5% on under-construction property
- RERA enhances transparency and delivery visibility to buyers
- Incentives from PMAY subsidy and tax deductions
- 90% of government run pension fund EPFO can be withdrawn for house purchase

Developers

- RERA results in higher developers accountability
- 100% tax exemption on affordable housing construction for developers
- Faster building permissions

Financers

- Infrastructure status for affordable housing, enabling easier institutional credit
- RBI, SEBI and IRDA have coordinated policies to ease access to funding
- Reduction in risk weights
- NHB Regulation wrt Deposit to NoF, CRAR and Gearing
- More effective recovery law (SARFAESI)

PMAY-CLSS



Changes / Inclusion in the scheme effective 1-Jan-17

- Existing scheme renamed as PMAY-CLSS for EWS/LIG
- Maximum tenure changed from 15 to 20 years
- Scheme extended to Middle Income (MIG) available upto March 2020

Category	EWS	LIG	MIG I	MIG II
Household Income (INR Lakhs per annum)	3	6	12	18
Loan Amount eligible for subsidy (INR Lakhs)	6	6	9	12
Interest Subsidy	6.5%	6.5%	4%	3%
Loan Tenure	20	20	20	20
Carpet Area (Sq. Mtr.)	30*	60*	160	200
NPV Discount Rate (%)	9%	9%	9%	9%
Maximum Interest Subsidy Amount (INR)	267,280	267,280	235,068	230,156

Effective Interest Rate of ~2.63% post PMAY and Tax Benefit

* Applicable on Construction, Improvement, Extension

Source: ICRA, Report



Liquidity Position



Long Term Resource Mobilisation



Bank Term Loan

- Borrowed INR 6,856 Crore during the Quarter; existing relationship with 30 banks

Deposits

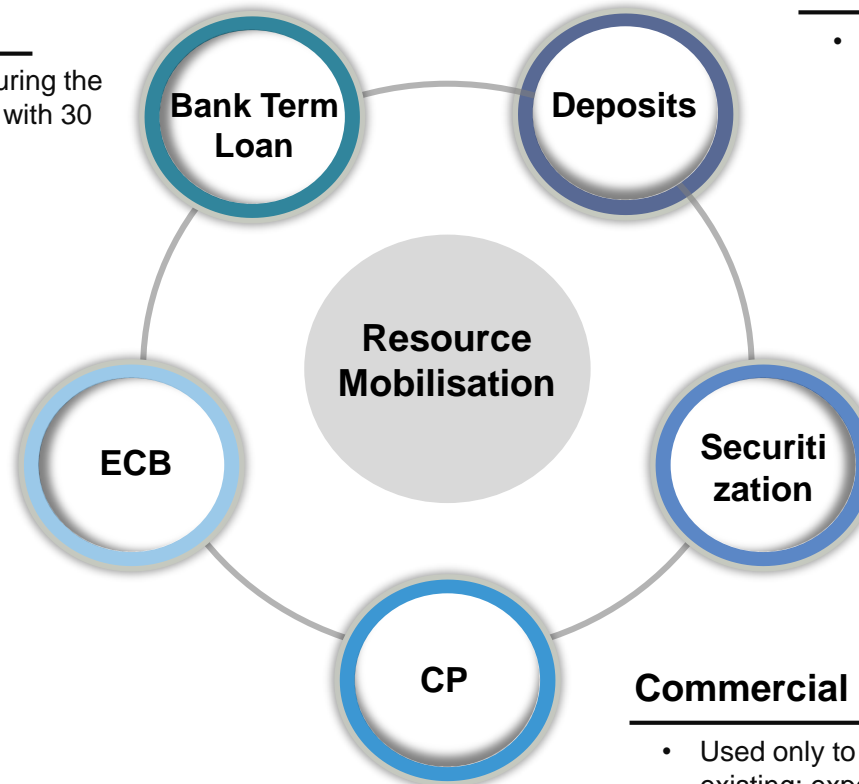
- 2nd highest deposit mobilizer among HFCs; monthly gross mobilisation of over INR 800 Crore

Securitization

- Securitized INR 2,318 Crore through Direct Assignment in Q1 FY20 with outstanding pool at INR 12,400 Crore as on 30-Jun-19

ECB

- Approval in place for US\$ 175 mn (INR 1,211 Crore)



Commercial Paper (CP)

- Used only to rollover the existing; exposure of 8% as on 30-Jun-19

Incremental resource mobilisation of INR 11,550 crores in Q1FY20

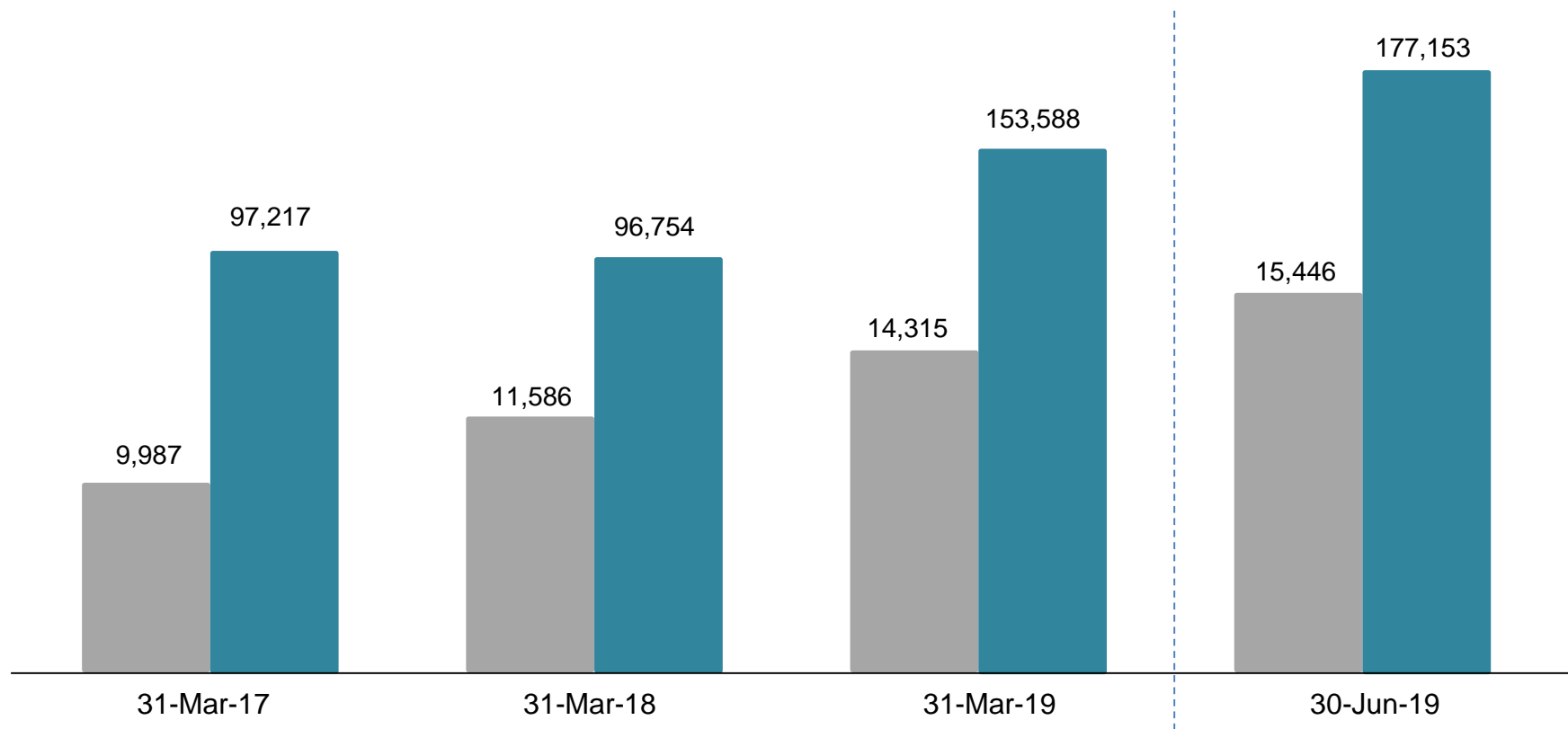
Maintained sufficient Cash and Liquid Investments of approx. INR 5,000 Crore as on 30-Jun-19

Deposits



(INR Crore)

Deposit Outstanding
No. of Deposit Accounts



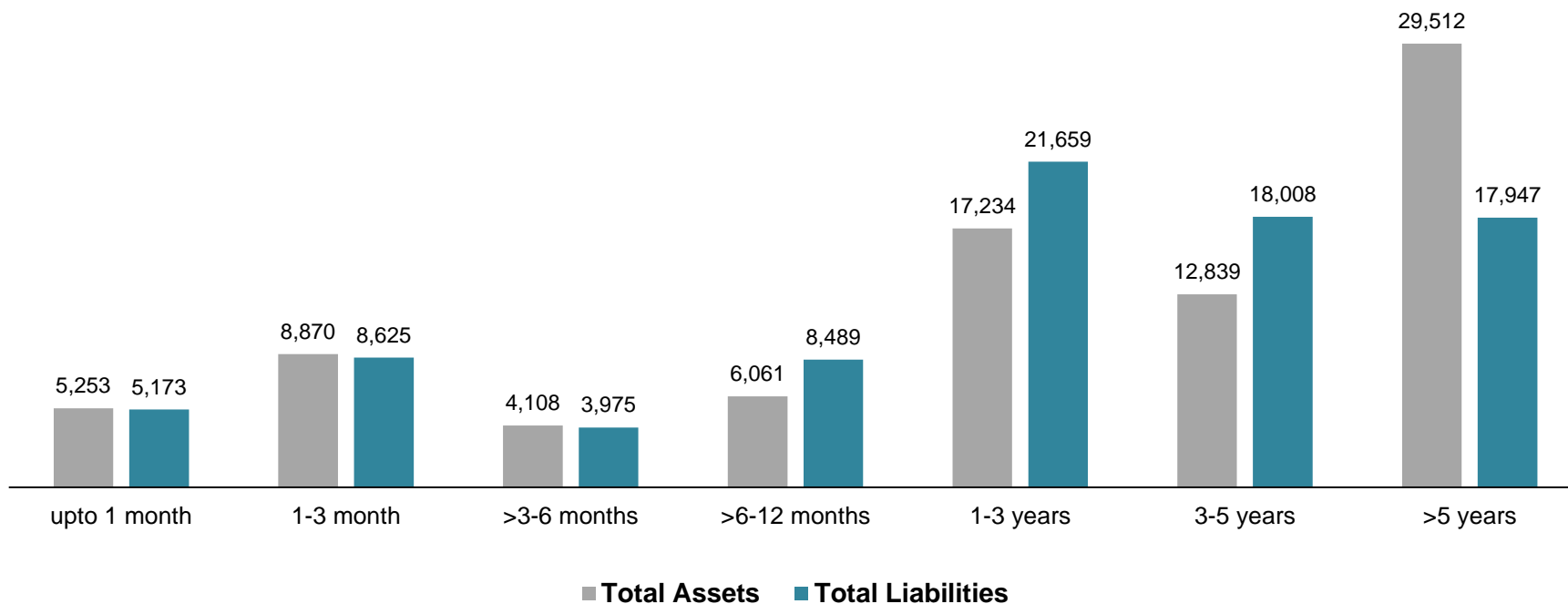
*2nd Largest Deposit taking Housing Finance Company
Monthly on-boarding crossed 12,000 deposit accounts*

1 Crore = 10 mn

Asset Liability Maturity profile



(INR Crore)



Particulars	upto 1 month	1-3 months	>3-6 months	>6-12 months	1-3 years	3-5 years	>5 years
Cumulative Inflow/(Outflow)	80	324	457	(1,970)	(6,395)	(11,565)	0

Data as on 30-Jun-19
Based on standalone INDAS Balance sheet
1 Crore = 10 mn

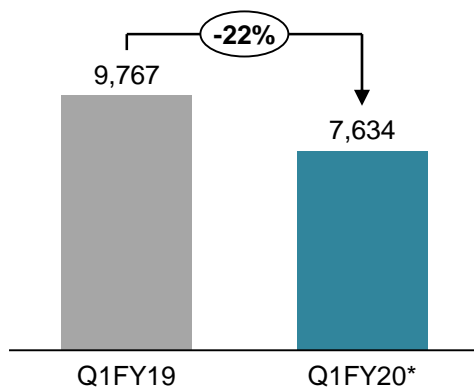


Financial Performance of the Company

Highlights – Q1FY20 vs Q1FY19

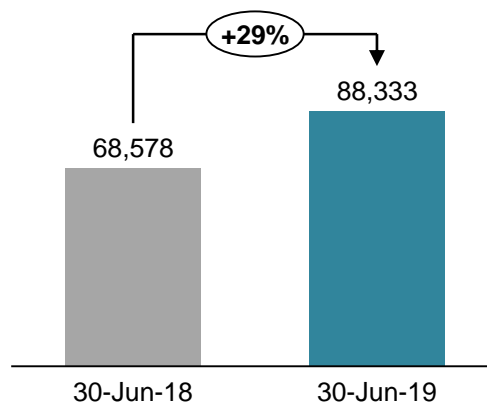


Disbursement (INR Crore)

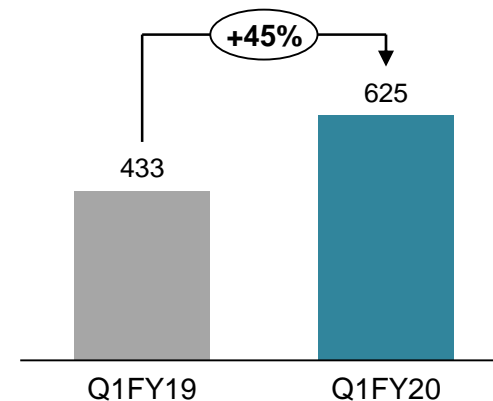


*Corporate disbursement degrew by 81% (YoY) and Retail disbursement grew by 7% (YoY)

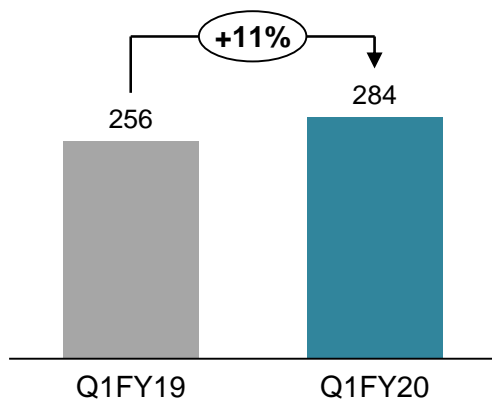
AUM (INR Crore)



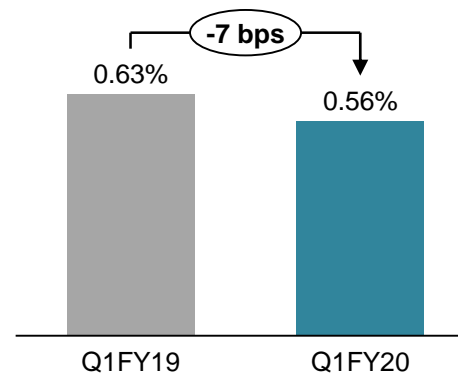
NII (INR Crore)



PAT (INR Crore)



Opex to ATA



Ratios are calculated on Monthly Average

Opex to ATA is calculated as Operating Expenditure (Employee Cost + Other Expenses + Depreciation - Acquisition Cost - ESOP cost - CSR cost) / Average Total Assets as per Balance sheet

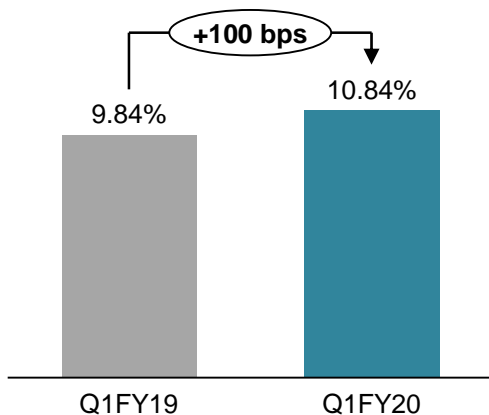
P&L numbers are as per Ind AS

1 Crore = 10 mn

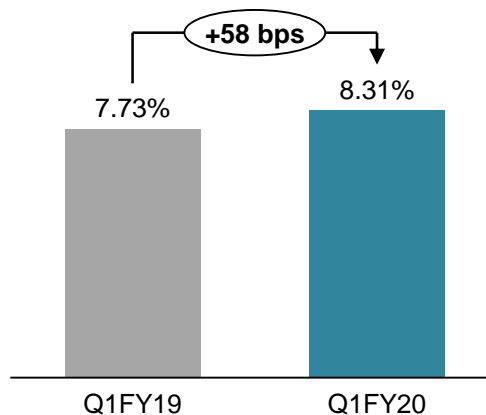
Highlights – Q1FY20 vs Q1FY19



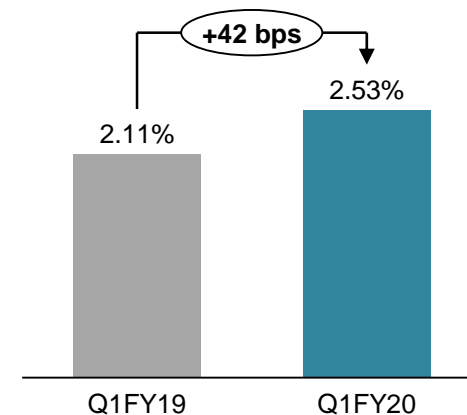
Average Yield



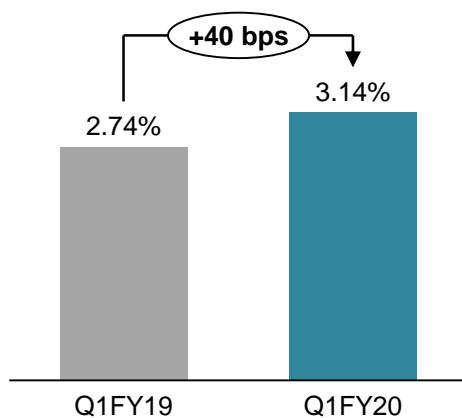
Average Cost of Borrowing



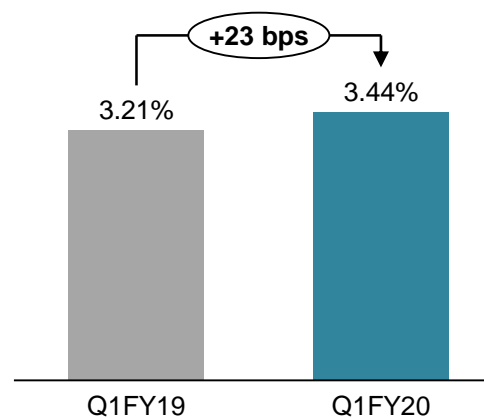
Spread



NIM



Gross Margin



Ratios are calculated on Monthly Average

Gross Margin is net of acquisition cost

For the calculation of ratios P&L numbers are considered as per Ind AS

Expected Credit Loss (ECL) Provisions



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

Particulars (INR Crore)	30-Jun-19	31-Mar-19	30-Jun-18
Gross Stage 3 (GNPA)	645.1	354.86	276.6
% portfolio in Stage 3 (GNPA%)	0.85%	0.48%	0.43%
ECL Provision Stage 3*	149.8	74.34	67.9
Net Stage 3	495.4	280.52	208.7
Coverage Ratio % Stage 3	23.21%	20.95%	24.55%
Gross Stage 1 & 2	75,287.9	73,668.14	63,629.3
% portfolio in stage 1 & 2	99.15%	99.52%	99.57%
ECL Provision Stage 1 & 2	448.3	363.25	261.6
Net Stage 1 & 2	74,839.7	73,304.89	63,367.7
ECL Provision % Stage 1 & 2	0.60%	0.49%	0.41%
Total Assets	75,933.0	74,023.01	63,905.8
% portfolio	100.00%	100.00%	100.00%
ECL Provision	598.0	437.59	329.5
Net Stage	75,335.0	73,585.43	63,576.3
Total ECL Provision %	0.79%	0.59%	0.52%
Steady State Provision	156.5	156.5	146.0
Total Provision (including Steady state Provision)	754.5	594.09	475.5
Total Provision (including Steady state) / Total Assets (%)	0.99%	0.80%	0.74%
Provision Coverage Ratio (%)	117%	167%	172%

*For ECL computation, interest overdue upto reporting date is considered.

1 Crore = 10 mn



Expansion Led Growth and Unique Operating Model

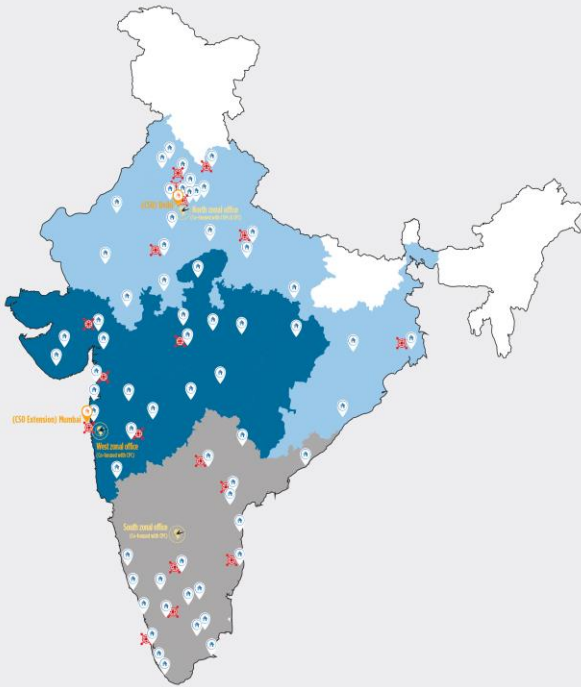
Business Operations



Branches – Point of Sales & Services

Hubs – Fountain head for Decision Making

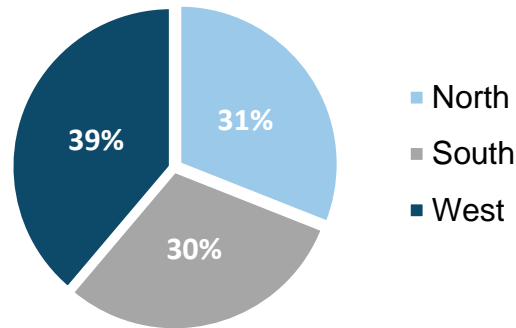
OUR OFFICE NETWORK



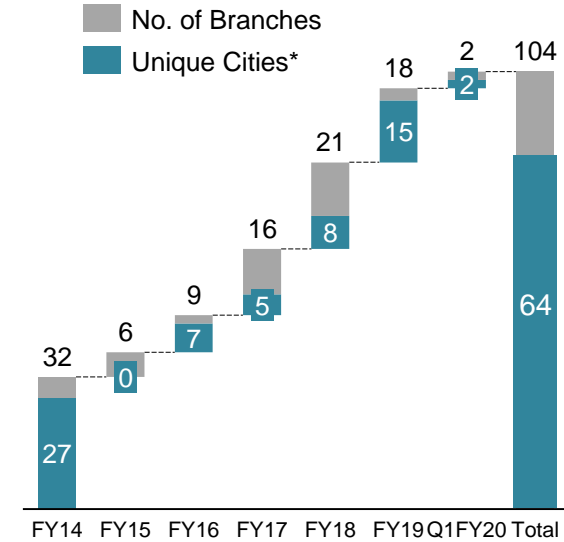
Geography	Hub	Branches
North	8	33
South	8	35
West	7	36

New Branches (opened in FY18, FY19 & Q1FY20)^ contribute ~21% of Retail Disbursement

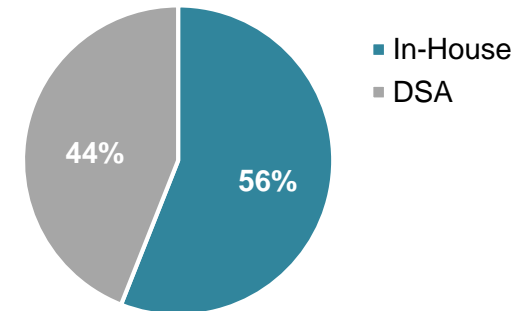
AUM - Geographical Distribution



No. of Branches



Disbursement Origination (Q1FY20)



Central Support Office

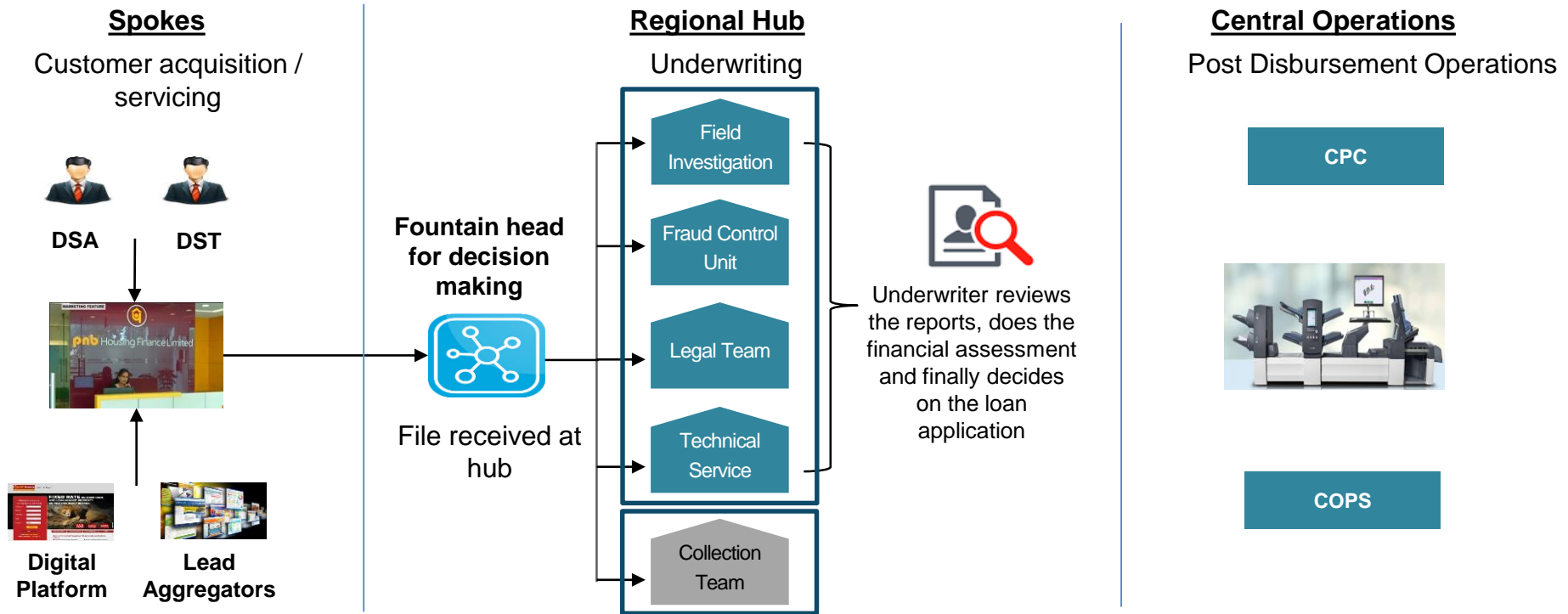
*Unique cities are part of Branches
^Branches made operational in current FY and two FY prior i.e. FY18 onwards

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

Consistency in Underwriting with advent of Technology



Scalable Hub and Spoke Model



DSA: Direct Sales Agent; DST: Direct Sales Team

Omni Channel CRM solution which integrates various modes of communication with the customers for better experience and faster resolution

Banking analytics tool to give indepth, easy & faster analysis for self employed retail customers
Fraud control to mitigate fraud incidence
Real time email verification to avoid mis identity of borrowers
Underwriting vendor platform to assist partners “on the go” through various tools viz geo tagging, click to upload etc

Digitisation; amalgamation of people, process and technology for customer convenience & eliminating transit risk
 Robotic intelligent mailing solution to ensure standard, confidential and accurate communication

Robust Risk Buying Processes



Underwriting to Collections



Specialization

- **Professionally qualified** with vast mortgage experience
- **Stable and vintage** cadre of senior personnel
- Specialized roles, **distinguished responsibilities** but collective decision making
- **Predictable** service standards



Customer profiling

- Selective approach to customer profiling
- **Evidence based** income assessment and established banking relationship
- Seasoned mass affluent customers with multiple assets and credit tested
- **Mandatory touch base** with self employed customer at their work premises



Other mitigating measures

- Mark to Market policies with **tailor made offering**
- **Multiple checks and balances** with maker-checker approach
- Workflow based assessment on **single IT platform**
- Use of technology in verification of customer data points and **geo tagging of properties**



3C Approach

- 3C approach: Counsel, Collect and Cure
- Periodical portfolio scrub for **early warning signals**
- Efficiencies through **centralised banking**
- In house contact center
- Special cadre for resolution through legal tools
- **Collections on-the-go** through mobility for effective supervision

An independent internal audit function for all departments and processes, directly reporting to Audit Committee of Board

Multi pronged control mechanism coupled with regular portfolio review

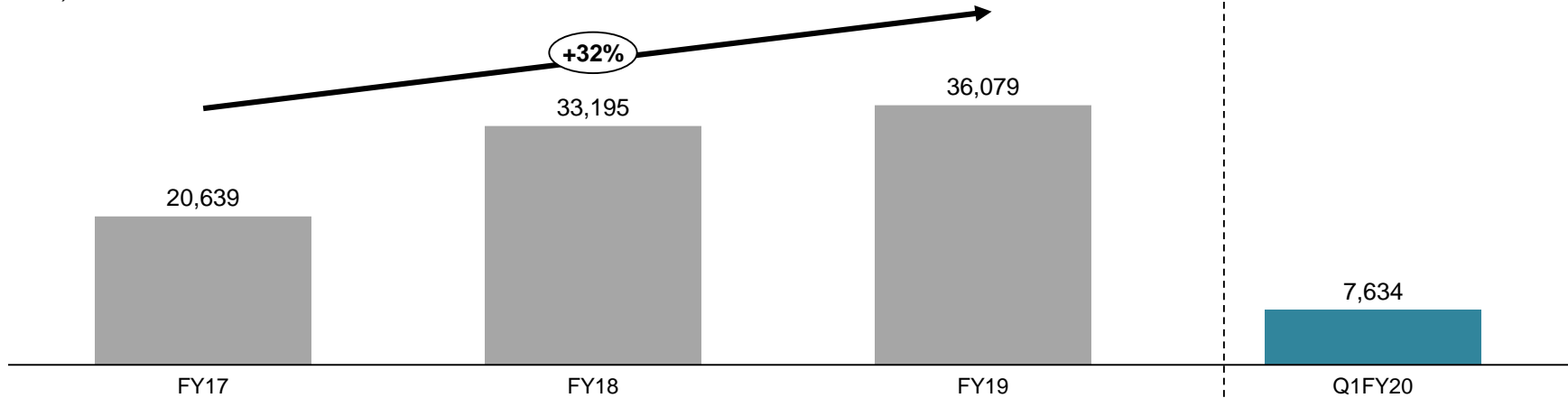
Enterprise Risk Management framework

Strong Business growth

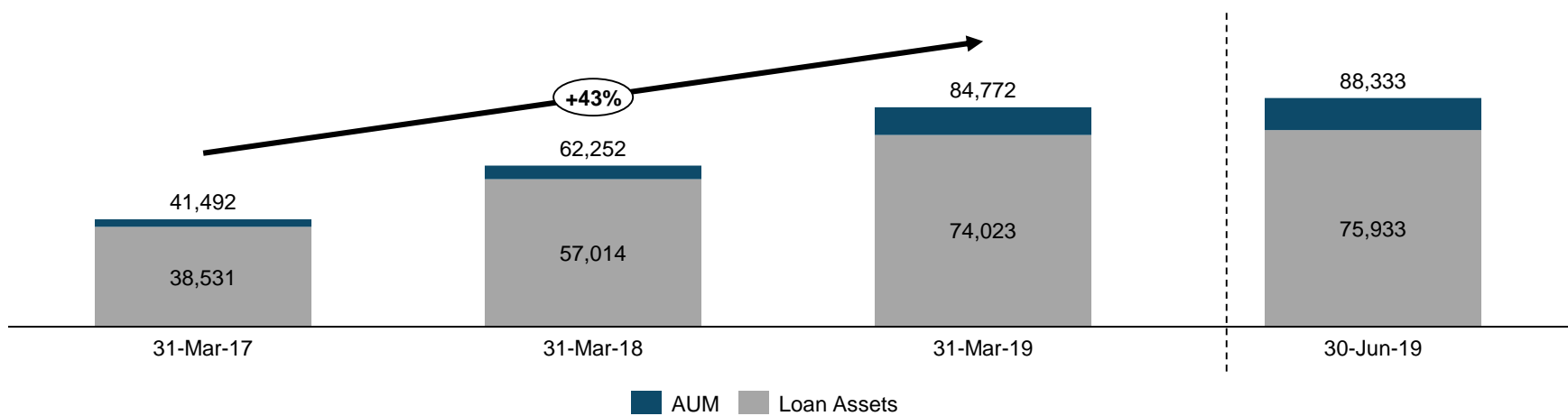


(INR Crore)

Disbursement



Asset

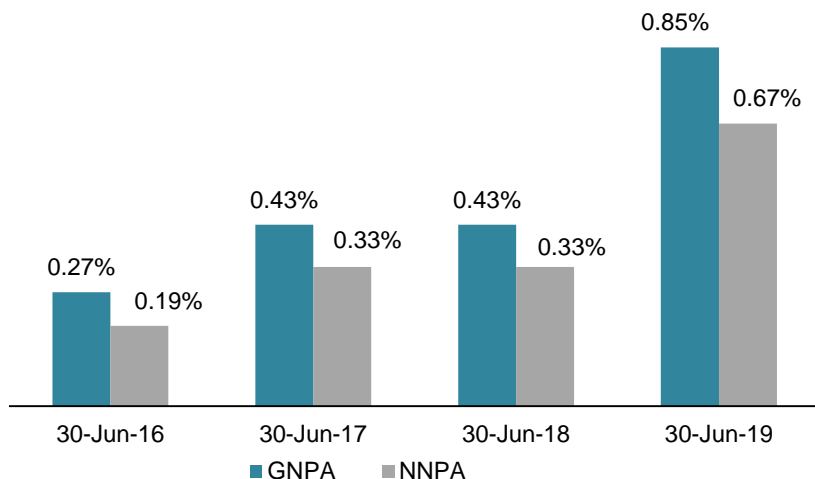


1 Crore = 10 mn

Lower NPAs and Adequate Credit Cost

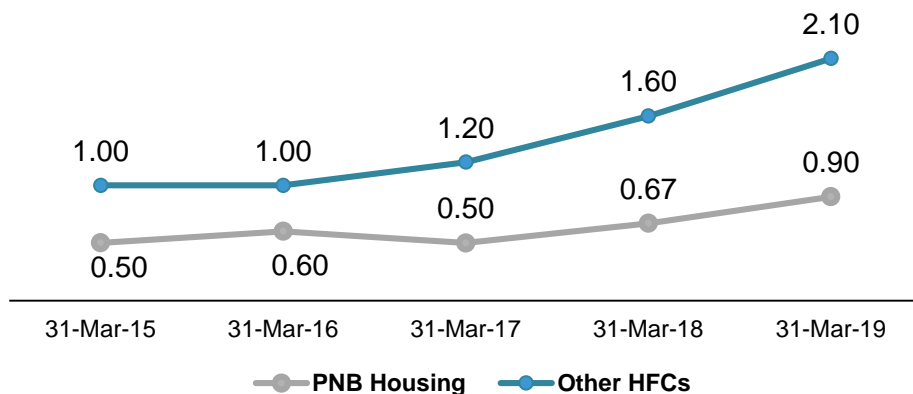


Non-Performing Assets



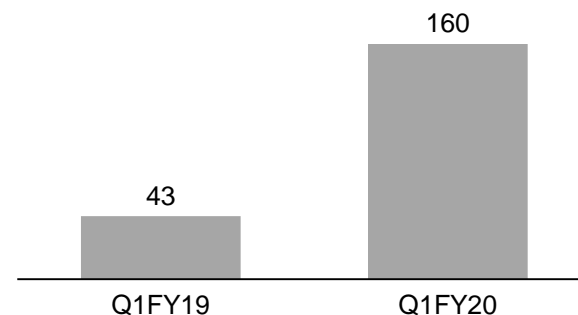
- Addition of one Corporate book exposure of INR 150 Crore, which was already identified and reported as exposure under remedial action
- Excluding the above, GNPA as on 30-Jun-19 stood at 0.65% due to strategy on forward flows in first quarter so as to achieve resolution by fourth quarter
- Substantial credit cost built in during the quarter

2-years lagged NPA*



Credit Cost (ECL Provision)

(INR Crore)



One of the lowest NPA among the leading HFCs while maintaining sufficient provisions

*Source: CRISIL

1 Crore = 10 mn



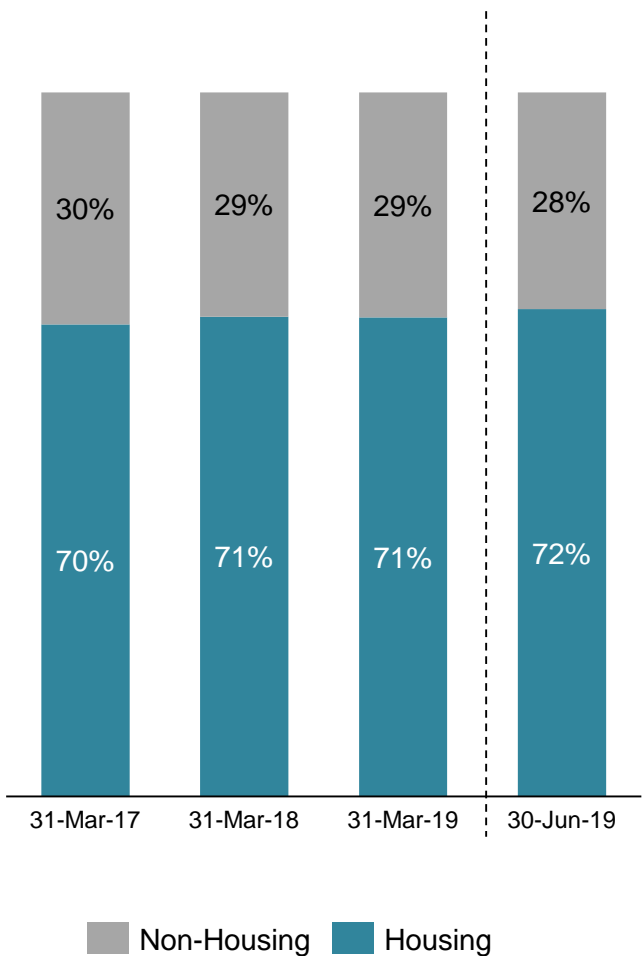
Sustainable Portfolio Mix



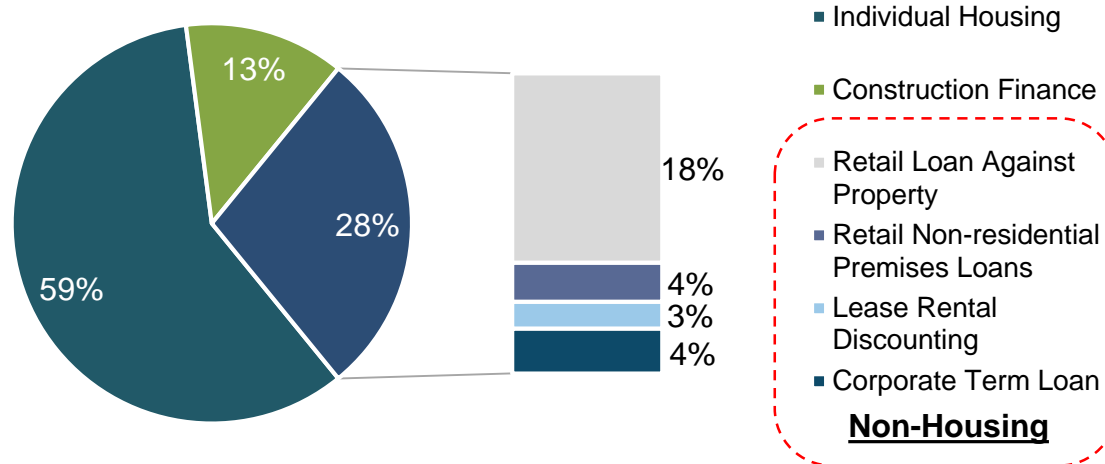
Asset Under Management



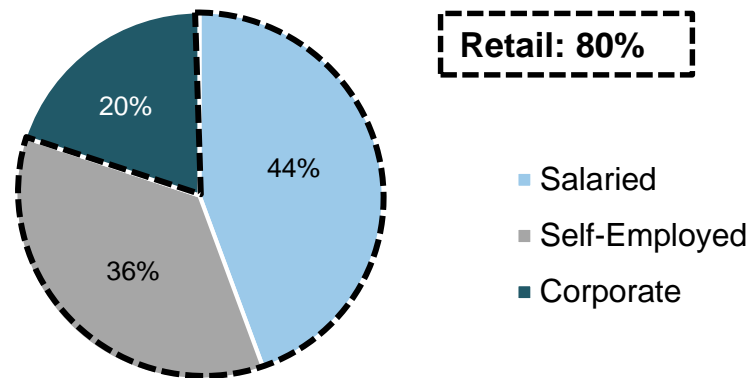
**Consistent Product Mix
(% of AUM)**



**Product-wise Break-up
(As on 30-Jun-19)**



**Segment-wise Breakup
(As on 30-Jun-19)**

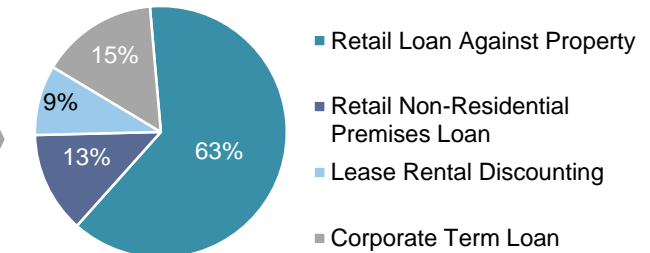
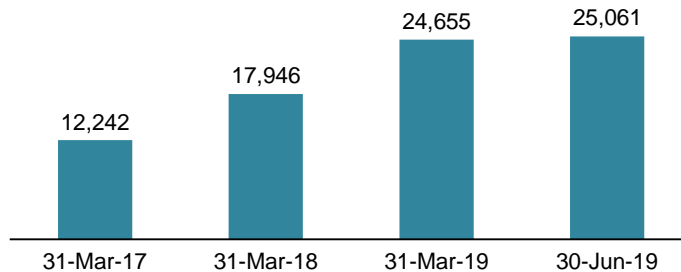
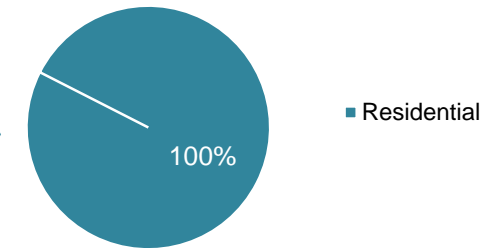
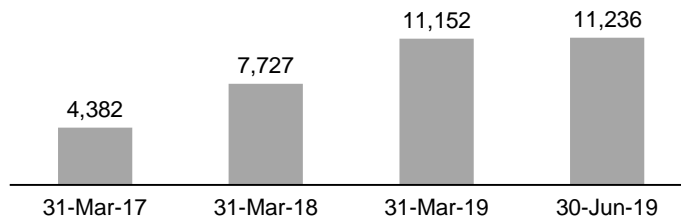
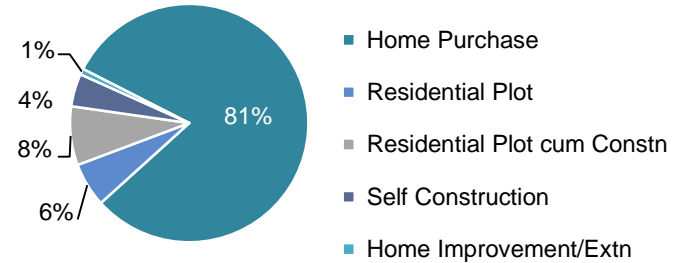
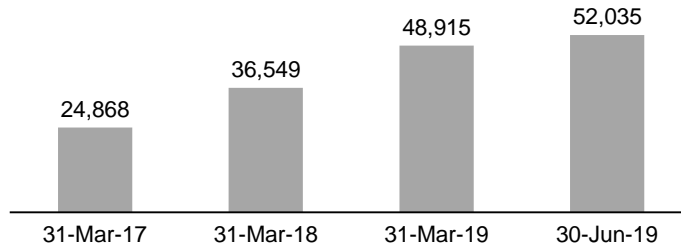


Well Balanced Growth Across Products



Housing Loans	Individual Housing Loans <i>59% of AUM</i>
	Construction Finance Loans <i>13% of AUM</i>
Non-Housing Loans	Non-Housing Loans <i>28% of AUM</i>

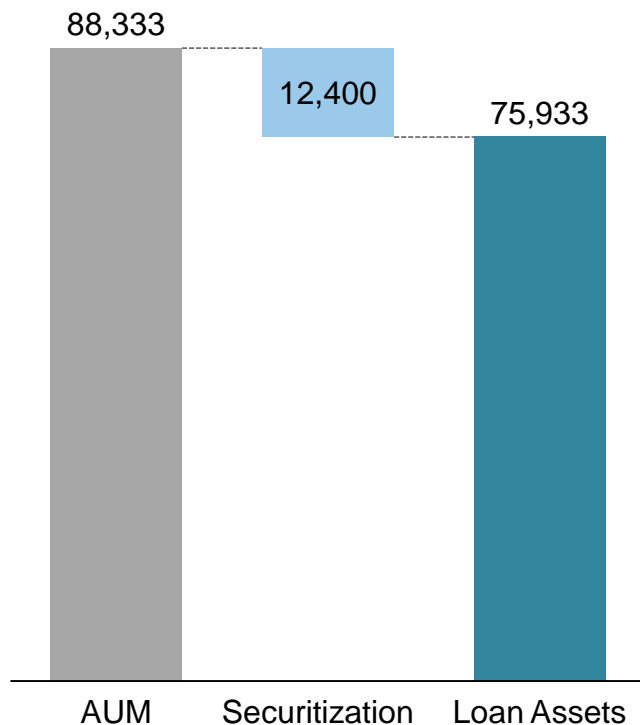
(INR Crore)



Loan Assets Walk and Securitized Pool Highlights



Asset Bridge (INR Crore)



Highlights of Securitized Pool

- Securitized book (IHL and LAP) outstanding at ~14% of AUM
- Developed expertise in Securitization
- Securitization done through Direct Assignment Route
- Average MOB at the time of transaction is 24 months
- Superior asset quality; GNPA at 0.22% with average MOB of 37 months as on 30-Jun-19
- Substantial demand from public / private sector Banks & NBFCs for pool buyout

Retail Focused Operations



Retail segment contribute 92% of the Q1FY20 disbursement; YoY growth of 7%

Retail Loans contribute 80% of the AUM

Loans given as Individual Housing Loans, Loan Against Property and Non Residential Premises Loans

Focus on mass housing segment; established a niche in self employed segment

Focus on completed properties

Evidence based income assessment and established banking relationship

Robust and scalable Hub and Spoke model resulting in **efficient underwriting** process

Mandatory touch base with self employed customers at their place of enterprise

Quality of Loan Portfolio stress tested **thrice** in the last 2.5 years through Demonetisation, GST and tight Liquidity

Key Loan Profile



Individual Housing Loans

Retail Loan Against Property

Average Ticket Size

INR 31 Lakh
(US\$ 44.8 k)

INR 47 Lakh
(US\$ 67.9 k)

Weighted Average
Loan to Value (at
Origination)

71%

50%

Salaried vs Self-
Employed

70% : 30%

19% : 81%

Weighted Average
Tenure*

21.5 Years

13.3 Years

Primary Security

Mortgage of Property Financed

Mortgage of Property Financed

Focus on Mass Housing

*Robust Credit Underwriting
Process*

*Residual Contracted tenure
Data as on 30-Jun-19



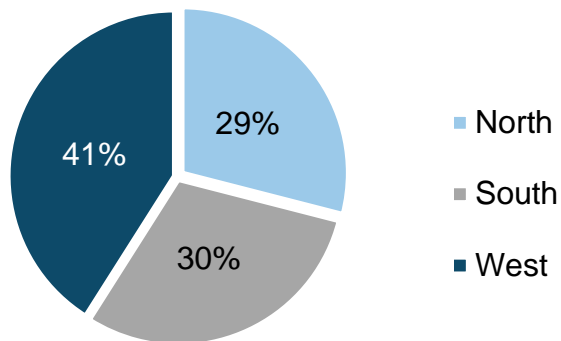
Corporate Book

Corporate Book Summary

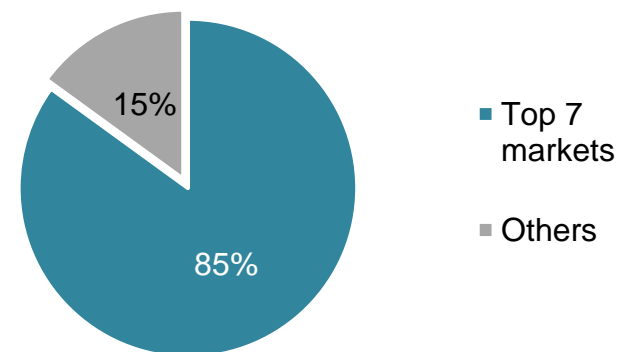


Product Segment	AUM (INR Cr)	% of AUM	Unique Corporate houses ATS INR Cr (US\$ mn)	No. of Unique Corporate houses	No. of Loan Accounts
Construction Finance	11,236	13%	134.0 (19.4)	163	193
Lease Rental Discounting	2,242	3%	155.0 (22.4)		20
Corporate Term Loan	3,824	4%	105.1 (15.2)		74

Geographical Distribution



City Concentration



Funded over 150,000 sq mtr of saleable area

Corporate Book Risk Buying and Review Mechanism



Risk Buying



- External valuation and legal title checks to supplement inhouse expertise
- Centralised team with specialisation across Acquisition, Technical, Legal, Credit, Operations
- Effective risk management with segregation of responsibilities
- Stress test at the start of a relationship with clear guidelines
- Construction linked disbursement

Credit Covenants



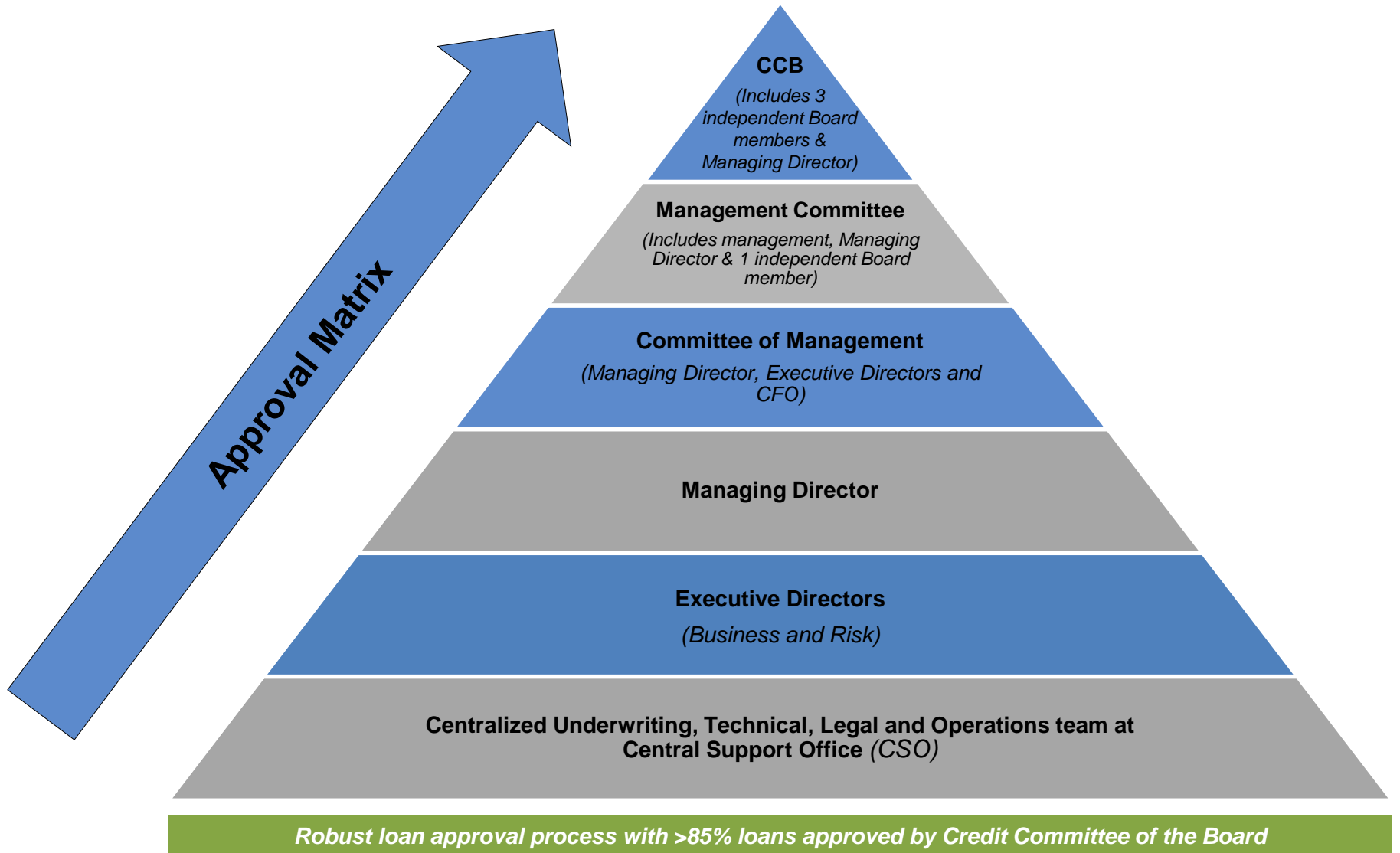
- Over **90%** developers are **rated** by external rating agencies
- Minimum Security Coverage Ratio of **1.5x**
 - Weighted average as on 31-Mar-19 is 2.2x
- Cash Receivable Coverage (net off project expense) of **1.5x**
- Collections through **escrow** mechanism

Monitoring



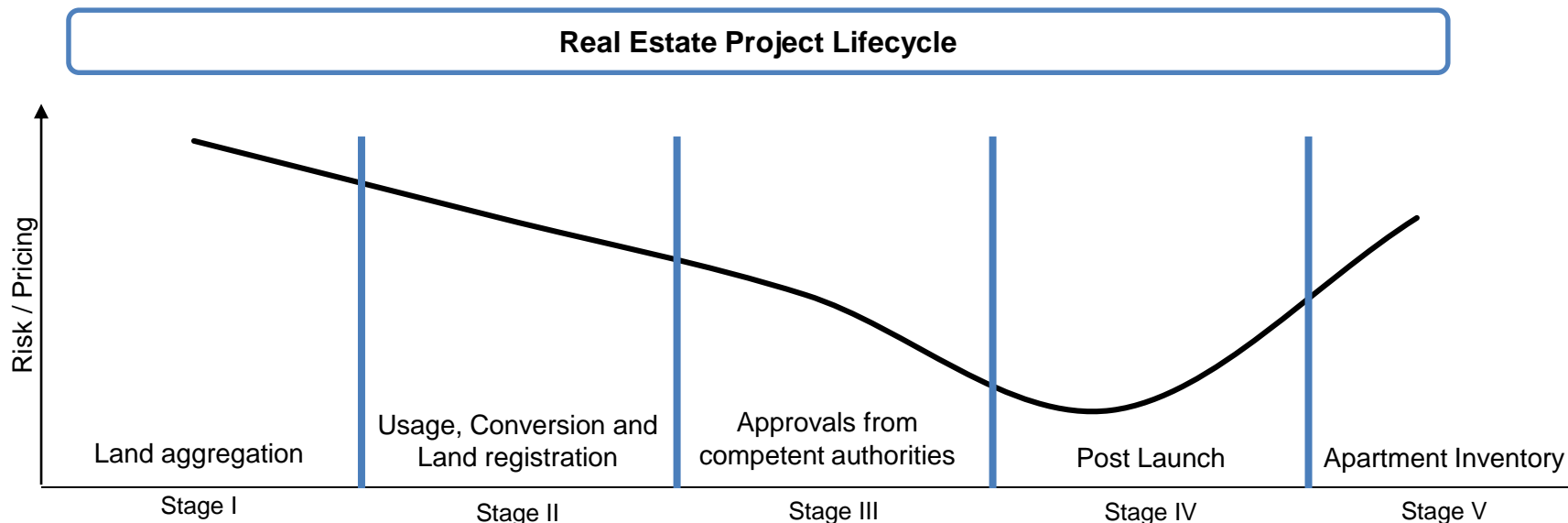
- Fund utilization, sales velocity, collection efficiency and escrow discipline
- Continuous Monitoring
 - At the time of every subsequent disbursement
 - RAG analysis on a regular basis; presented to the Board
- Helps in early warning signals to take timely corrective measures

Corporate Book Approval Process

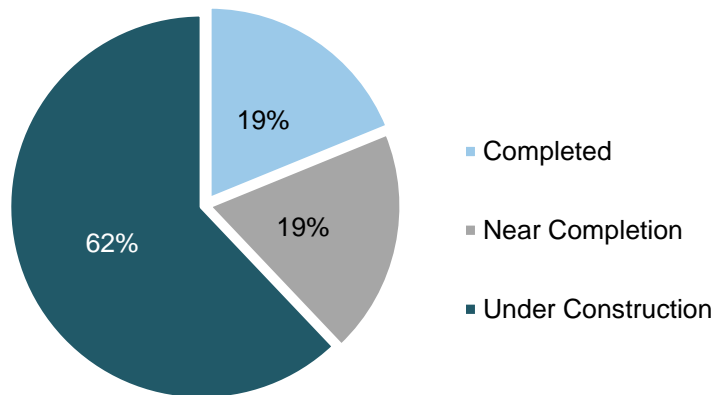


CCB: Credit Committee of Board

Construction Finance Loan Stages



PNB Housing Construction Finance Book



Conservative lending process with over 99% of Construction Finance loans at Stage IV

Corporate Term Loans and Lease Rental Discounting



Corporate Term Loans

- Constitutes 4% of AUM
- Spread across 54 reputed developers
- Top 7 markets contributes over 80%
- Residential : Commercial – 63:37
- Earmarked/Identified cashflows



Lease Rental Discounting

- Constitutes 3% of AUM
- Spread across 15 reputed developers
- Presence in 8 large cities
- 100% of LRD are backed by leased out commercial office building with multiple tenants
- Class “A” property and tenants

Corporate Book Key Exposures under Various Measures



Exposures identified through Early Warning Signals

4 Key Corporate Book Exposures

Issue:

- Increase in FSI resulting in scope change
- Slower sales due to market slowdown
- Aberration due to litigation

Status:

- All approvals in place now
- Stronger partner expected to be on Board through sale or JV
- Sale of land parcels underway to potential buyers to clear dues



Weighted Average Security Coverage of over 2x

Gross Non Performing Assets

3 Exposures under GNPA

➤ Exposure 1:

- Slower construction due to delay in completion of municipal infrastructure and inturn sales; Security coverage of ~3.5 times
- **Another developer is in the process of taking over the project; expect cure by end 2019**

➤ Exposure 2:

- Slower project progress due to market slowdown; Security coverage of ~5 times
- **Expected to close by end 2019**

➤ Exposure 3:

- Under Litigation at corporate level; Security coverage of over 2.5 times
- **Developer has offered to clear loan in structured manner; negotiations ongoing for accelerated payment**



Weighted Average Security Coverage of over 2.5x

Apart from ECL provision, Steady State Provision of INR 156.5 crore has been provided



Operational and Financial Performance

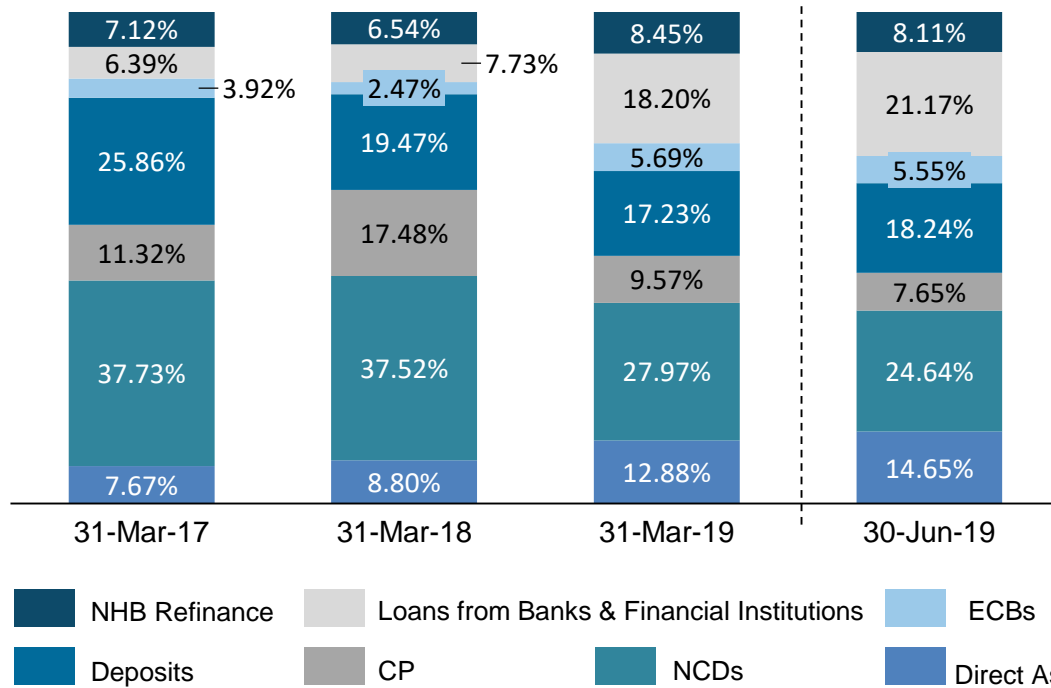


Well Diversified Resource Profile



(INR Crore)

Access to a Diverse Base of Funding



Relationships with multiple lending partners



30 Banks



32 Pension Funds



543 Provident Funds



2 Multilateral Agencies



34 Insurance Companies



Over 1,70,000 Deposit Account



22 Mutual Funds



7 Foreign Portfolio Investors

As on (INR Crore)	Borrowings	Assignment	Total Resource
31-Mar-17	35,657	2,961	38,618
31-Mar-18	54,268	5,238	59,506
31-Mar-19	72,362	10,699	83,061
30-Jun-19	72,261	12,400	84,660

Credit Rating

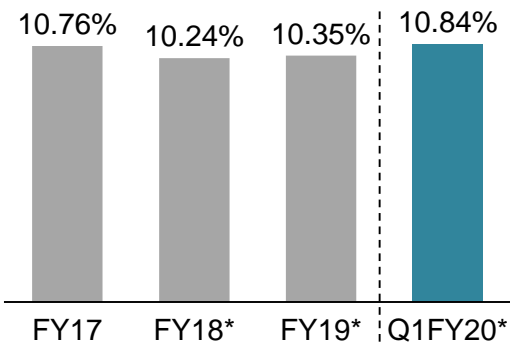
- Fixed Deposit has been rated "FAAA" by CRISIL. The rating of "FAAA" indicates "High Safety" with regards to the repayment of interest and principal.
- Commercial Paper is rated at "A1(+)" by CARE & CRISIL and Non-Convertible Debenture (NCD) are rated at "AA+" by CARE, India Ratings, CRISIL and ICRA.
- Bank Loans (Long Term) is rated at "AA+" by CARE and CRISIL.

1 Crore = 10 million

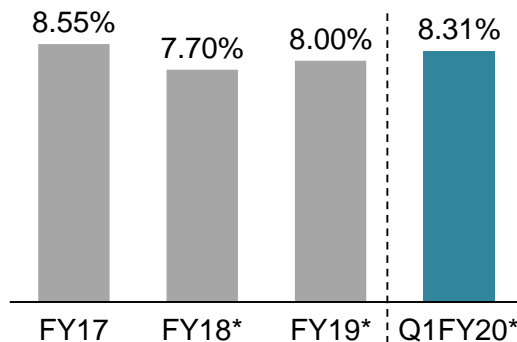
Margin Analysis



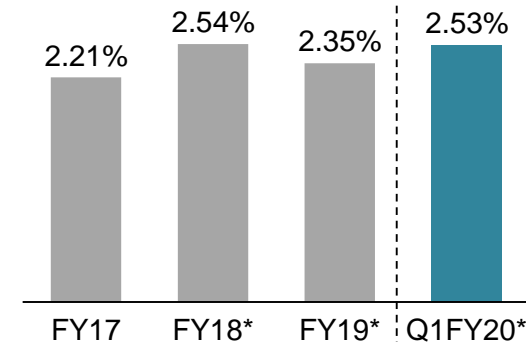
Average Yield



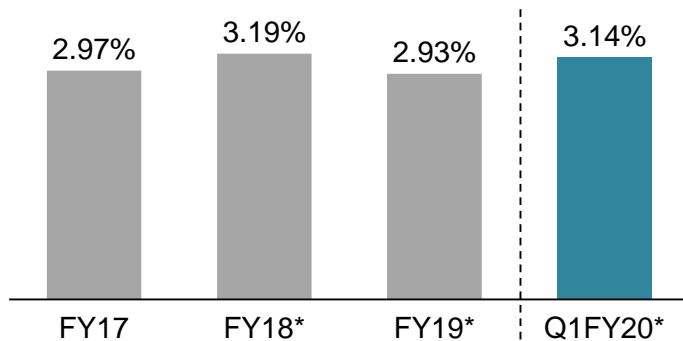
Average Cost of Borrowings



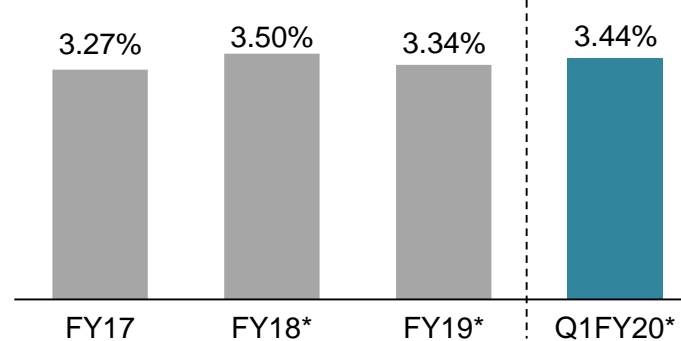
Spread



NIM



Gross Margin



Ratios are calculated on Monthly Average

Gross Margin is net of acquisition cost

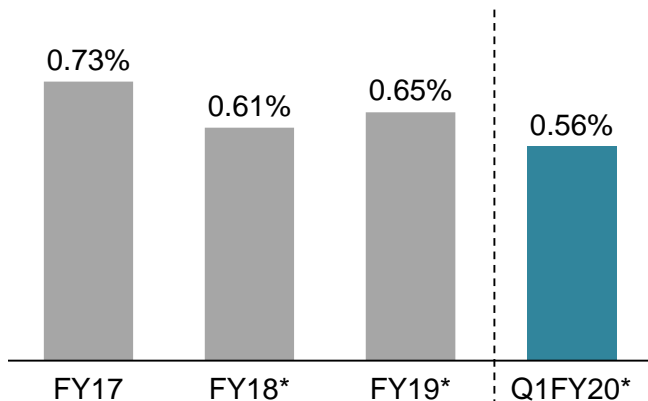
*As per IndAS

For the calculation of ratios P&L numbers for FY18, FY19 & Q1FY20 are as per Ind AS

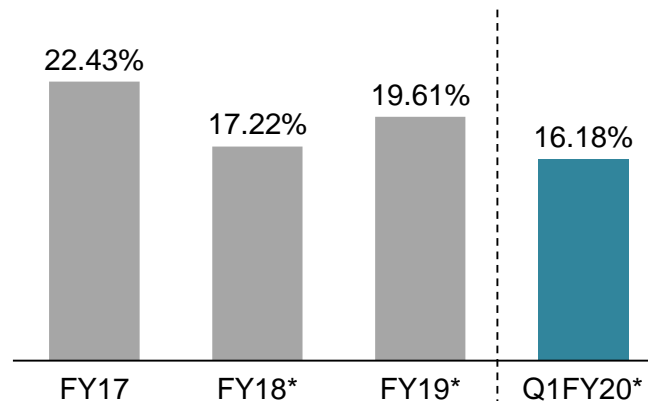
Operating Leverage playing out with Better Return Profile



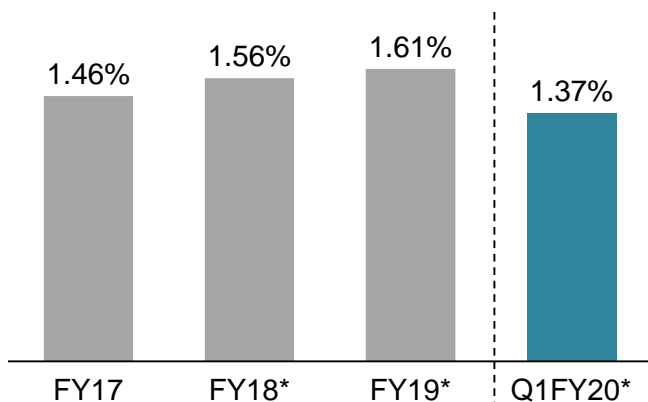
Opex to ATA Ratio



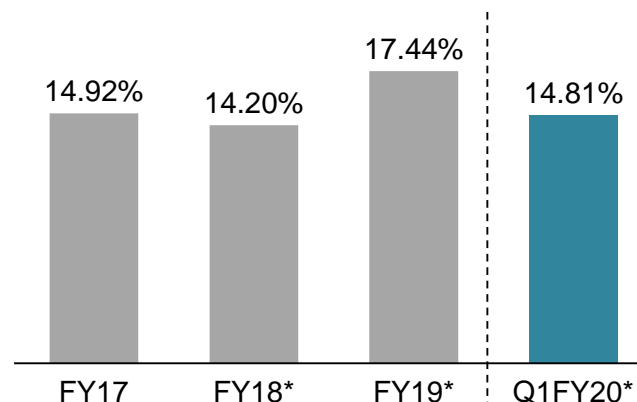
Cost to Income Ratio



Return on Asset



Return on Equity



Ratios are calculated on Monthly Average

*As per IndAS

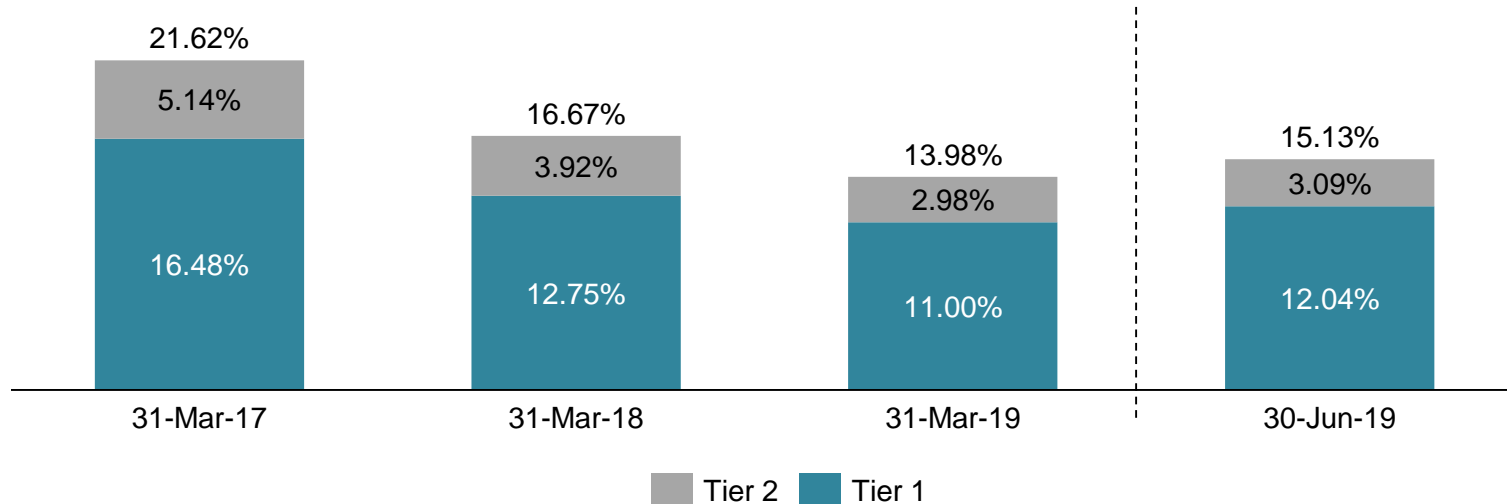
Opex to ATA is calculated as Operating Expenditure/(Employee Cost + Other Expenses + Depreciation - Acquisition Cost - ESOP cost - CSR cost)/Average Total Assets as per Balance sheet

For the calculation of ratios P&L numbers for FY18, FY19 & Q1FY20 are as per Ind AS

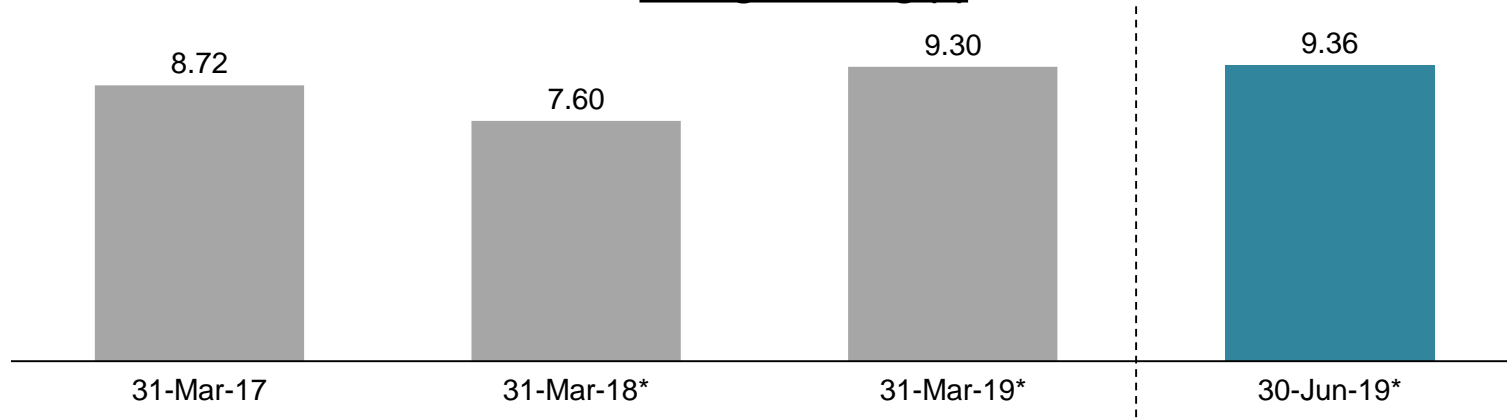
CRAR and Gearing



Capital to Risk Asset Ratio



Average Gearing (x)



Ratio is calculated on Monthly Average
Based on IGAAP numbers

*Average Gearing is based on IndAS network



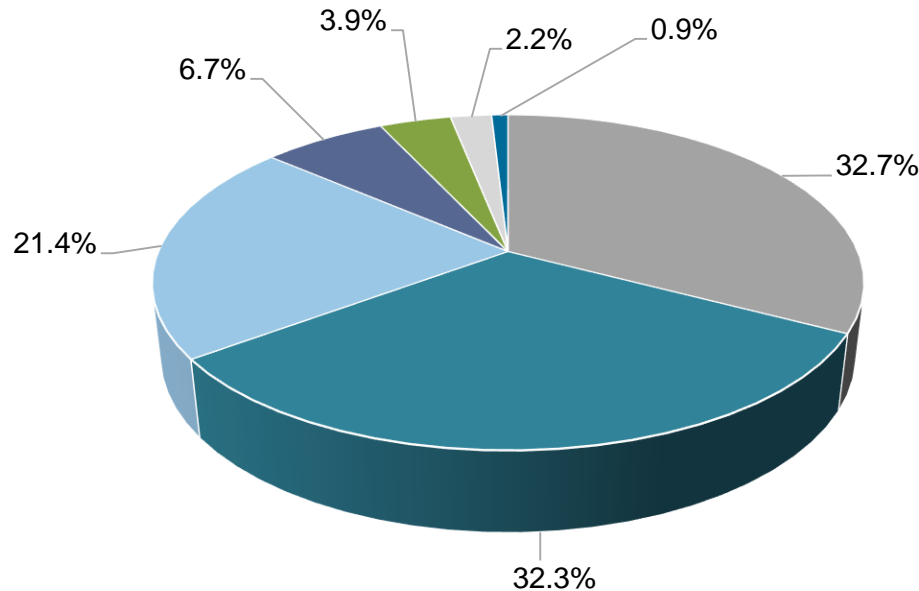
Shareholding



Shareholding



Shareholding as on 28-Jun-19



- Promoters (PNB)
- Foreign Inst. Investors
- Public & Others
- Financial Institutions / Banks
- Quality Investment Holdings (The Carlyle Group)
- Mutual Funds
- Bodies Corporates

Outstanding Shares – 16,80,64,163 shares

Top Shareholders

General Atlantic Singapore Fund, Birla Sunlife MF, Franklin Templeton MF, Varde Holdings, Malabar Investments, Auburn Ltd, Vanguard, Fidelity International, SBI MF, Reliance Capital MF.



Included in
“MSCI Global Small Cap Index”
 in November 2018



Detailed Financials and Valuations



Consolidated Profit & Loss Statement



Particulars (INR Crore)	Q1 FY20	Q1 FY19	YoY	Q4 FY19	QoQ	FY19	FY18	YoY
Interest Income	1,979.4	1,523.8		1,892.9		6,792.9	5,046.7	
Add: Net gain on fair value changes	39.4	8.8		50.4		128.9	33.5	
Add: Income on derecognized (assigned) loans	119.3	0.0		93.9		308.1	116.2	
Less: Finance Cost	1,512.7	1,099.8		1,427.5		5,166.4	3,536.6	
Net Interest Income	625.5	432.8	44.5%	609.7	2.6%	2,063.5	1,659.9	24.3%
Add: Fees and commission Income	92.8	115.5		108.0		449.4	292.3	
Less: Fees and commission expense	3.5	18.1		7.9		54.6	83.5	
Add: Other Income	1.7	0.2		3.0		3.9	0.6	
Gross Income	716.4	548.5	30.6%	712.8	0.5%	2,462.2	1,869.3	31.7%
Operating Expenses								
Less: Employee Benefit Expenses	68.0	50.6		91.3		303.9	144.1	
Less: Other Expenses	53.9	53.9		57.1		203.6	189.9	
Less: Depreciation and Amortisation	16.4	6.7		9.2		31.4	24.1	
Pre Provision Operating Profit	578.2	419.2	37.9%	555.2	4.1%	1,923.3	1,511.2	27.3%
Less: Impairment on financial instruments & Write-offs (Expected Credit Loss)	164.2	44.0		10.1		188.9	276.6	
Profit Before Tax	414.0	375.2	10.3%	545.1	-24.1%	1,734.4	1,234.6	40.5%
Tax Expense								
-Current Tax	138.0	137.6		133.7		503.5	437.9	
-Deferred Tax	-8.4	-18.1		31.7		39.4	-44.4	
Less: Total Tax Expense	129.6	119.5		165.4		542.9	393.4	
Net Profit after Tax	284.5	255.8	11.3%	379.7	-25.1%	1,191.5	841.2	41.6%
Add: Other Comprehensive Income	27.0	0.2		-31.3		-102.3	-2.2	
Total Comprehensive Income	311.5	256.0		348.4		1,089.2	839.0	
EPS (Basic)	17.0	15.3		22.7		71.2	50.5	

As per IND AS
1 Crore = 10 mn

Consolidated Balance Sheet



	Particulars (INR Crore)	31-Mar-19	31-Mar-18
	LIABILITIES		
1	Financial Liabilities		
(a)	Derivative financial instruments	210.8	38.6
(b)	Payables		
	(I) Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises		
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	127.2	119.6
(c)	Debt Securities	29,604.9	31,088.3
(d)	Borrowings (Other than Debt Securities)	26,793.2	9,950.7
(e)	Deposits	14,023.0	11,339.8
(f)	Subordinated Liabilities	1,437.7	1,397.9
(g)	Other financial liabilities	2,091.3	854.4
	Sub Total - Financial Liabilities	74,288.1	54,789.3
2	Non-Financial Liabilities		
(a)	Provisions	25.2	18.7
(b)	Other non-financial liabilities	2,011.8	1,639.1
	Sub Total - Non-Financial Liabilities	2,037.0	1,657.8
3	EQUITY		
(a)	Equity Share capital	167.5	166.6
(b)	Other Equity	7,376.4	6,400.8
	Equity attributable to equity holders of the parent	7,543.9	6,567.4
	Non-controlling interest	-	-
	TOTAL – EQUITY & LIABILITIES	83,869.0	63,014.5

	Particulars (INR Crore)	31-Mar-19	31-Mar-18
	ASSETS		
1	Financial Assets		
(a)	Cash and cash equivalents	4,034.0	2,817.0
(b)	Bank Balance other than (a) above	0.1	0.0
(c)	Derivative financial instruments	0.0	0.0
(d)	Trade Receivables	38.8	0.3
(e)	Loans	74,287.9	57,164.8
(f)	Investments	4,560.7	2,413.0
(g)	Other Financial Assets	513.0	240.8
	Sub Total - Financial Assets	83,434.5	62,635.9
2	Non - Financial Assets		
(a)	Current tax assets (Net)	115.6	48.5
(b)	Deferred tax Assets (Net)	61.0	45.5
(c)	Investment Property	0.6	0.6
(d)	Property, Plant and Equipment	78.3	58.4
(e)	Capital work-in-progress	3.8	8.2
(f)	Other Intangible assets	24.2	17.1
(g)	Intangible assets under development	1.4	1.5
(h)	Other non-financial assets	18.5	20.2
(i)	Assets held for sale	131.1	178.7
	Sub Total - Non - Financial Assets	434.5	378.6
	TOTAL - ASSETS	83,869.0	63,014.5

As per IND AS
1 Crore = 10 mn



Saksham – Contributing to the Society



Glimpses of Social Interventions



Enhancing Human Potential

- Partnered with The Confederation of Real Estate Developers Association of India (CREDAI) to conduct Onsite & Offsite skill enhancement training programmes for construction workers



Reaching Out, Reaching Far

- Collaborated with various NGOs and real estate developers to establish 35 day care centres on various construction sites
- Children of construction workers are provided with education, hygiene and nutrition at these day care centres



Investing in Education

- Adopted two schools with VIDYA to provide quality education to the underprivileged children
- Scholarship program for underprivileged children
- In partnership, initiated a badminton training programme for sports development in Government schools



Improving Access to Health Care

- Supported operational cost to run cancer patient helpline and outreach clinic for the patients
- Launched a reproductive health and hygiene programme for young adolescent girls in five villages in UP



Winning Awards & Accolades



Recognised as **Best Brand of India 2019** by The Economic Times



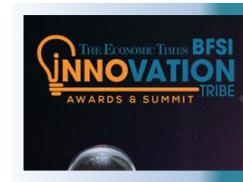
Bagged Gold in 'Home Loan Provider of the Year 2018'



Won **Silver for Annual Report FY2017-18**



Mr. Sanjaya Gupta recognised as One of the 'Most Promising Business Leaders of Asia 2019' at the Economic Times' Asian Business Leaders Conclave.



Conferred bronze award at the SKOCH Awards 2018. The award was felicitated for μ Connect, a collaborative service platform for underwriting partners.



Winner at **The Economic Times Innovation Awards 2018**; winning trophy in BFSI category for its innovative digital solution iBox.



Bagged award at **Trescon BIG 50 BFSI Leaders Awards**. The award recognises leaders who identify need of the hour and leverage emerging technologies to provide holistic solutions.



Jointly received the 'Best Stand-out IR' award in the 'Large Cap' category by the prestigious IR Society of India in association with Bloomberg and BNY Mellon."



The Penguin TV Commercial has bagged the Gold Award at FICCI's Best Animated Frames (BAF) Awards 2018.



Conferred as the 'Best Housing Finance Company of the Year' by ET Now Rise with India – BFSI Awards



Recognized as 'Symbol of Excellence in the BFSI Sector' at The Economic Times Best BFSI Brands 2018.



Mr. Nitant Desai awarded amongst **Top 100 CIOs of India**



Management Team...



...with Extensive Industry Experience



Sanjaya Gupta
Managing Director

Age : 56 Years

No. of Years with PNBHF : 9 Years

Prior Engagements : AIG, ABN Amro Bank N.V. and HDFC Limited



Shaji Varghese
ED - Business Development

Age : 47 Years

No. of Years with
PNBHF : 7 Years

Prior Engagements :
IndusInd Bank
ABN AMRO Bank NV
ICICI Bank Limited



Ajay Gupta
ED - Risk Management

Age : 53 Years

No. of Years with
PNBHF : 6 Years

Prior Engagements :
Religare Finvest Ltd
GE Money Indiabulls
Financial Services



Nitant Desai
**Chief Centralised Operation &
Technology Officer**

Age : 57 Years

No. of Years with
PNBHF : 8 Years

Prior Engagements :
HDFC Standard Life
Insurance, Union National
Bank, ICICI Bank



Kapish Jain
Chief Financial Officer

Age : 46 Years

No. of Years with
PNBHF : 1 Year

Prior Engagements :
Xander Finance, Au
Small Finance Bank,
ICICI Prudential Life
Insurance, Deutsche
Bank



Sanjay Jain
Company Secretary & Head Compliance

Age : 55 Years

No. of Years with
PNBHF : 24 Years



Anshul Bhargava
Chief People Officer

Age : 52 Years

No. of Years with
PNBHF : 7 Years

Prior Engagements :
ARMS (Arcil)
Indian Army

...under the Aegis of a Highly Experienced Board



Sunil Mehta
Chairman – Non Executive

Age:
59 Years
Current Position:
MD & CEO of PNB



Sh. Lingam Venkata Prabhakar
Non Executive Director

Age:
56 Years
Current Position:
Executive Director
PNB



Sunil Kaul
Non Executive Director

Age:
59 Years
Current Position:
MD, Carlyle
Head, SE Asia, FIG,
Carlyle



Shital Kumar Jain
Independent Director

Age:
79 Years
Current Position:
Former Banker &
Credit Head India,
Citi



Gourav Vallabh
Independent Director

Age:
41 Years
Current Position:
Professor of Finance,
XLRI



R Chandrasekaran
Independent Director

Age:
61 Years
Current Position:
Founder and Former
Executive Vice
Chairman, Cognizant



Nilesh S. Vikamsey
Independent Director

Age:
54 Years
Current Position:
Sr. Partner, Khimji
Kunverji and Co
Past President-ICAI



Ashwani Kumar Gupta
Independent Director

Age:
64 Years
Current Position:
Financial Consultant



Shubhalakshmi Panse
Independent Director

Age:
65 Years
Current Position:
Former Banker,
CMD, Allahabad
Bank



Neeraj Vyas
Independent Director

Age:
61 Years
Current Position:
Former Banker,
Dy. MD & COO, SBI



Sanjaya Gupta
Managing Director

Age:
56 Years
Current Position:
MD, PNB Housing
Finance

Corporate Governance



Board of Directors

It has 11 members, 3 are non-executive directors, 7 are independent directors and Managing Director

Audit Committee (ACB)

It has 3 members, all are independent directors

Nomination and Remuneration Committee (NRC)

It has 4 members, 2 are independent directors and 2 are non-executive director

Corporate Social Responsibility Committee (CSR)

It has 4 members, 2 are independent director, 1 is non-executive director and Managing Director

Credit Committee of the Board (CCB)

It has 4 members, 3 are independent directors and Managing Director

Stakeholders Relationship Committee (SRC)

It has 5 members, 2 are independent directors, 2 are non-executive director and Managing Director

Risk Management Committee (RMC)

It has 5 members, 2 are independent directors, 2 are non-executive directors and Managing Director

Key Takeaways



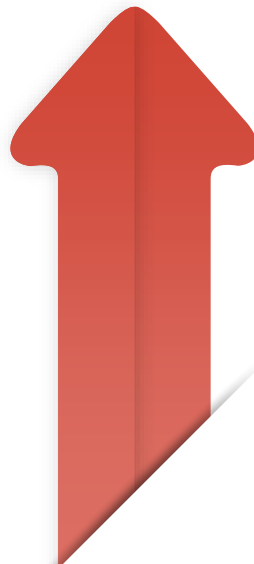
Strong Retail Distribution Network and Unique Operating Model

Strong retail distribution network with pan India presence and over 20,000 channel partners across India



Growth in Loan Book

5th largest by Loan Assets ⁽¹⁾
2nd largest by deposits. ⁽²⁾
Consistent product mix



One of the Lowest NPA's amongst HFC's

Robust Asset Quality with one of the lowest GNPA's at 0.85%⁽³⁾



Efficient Borrowing Mix

Diverse and cost effective funding mix with average cost of borrowing at 8.31%⁽⁴⁾



Improving Cost to Income Ratio

Operating leverage playing out, thereby improving C/I Ratio

1. Source : ICRA Indian Mortgage Finance Market Update
2. As on 31-Mar-19
3. As on 30-Jun-19
4. For Q1FY20



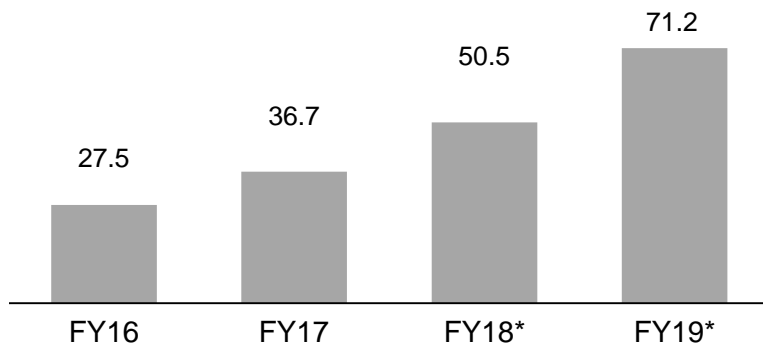
Annexure



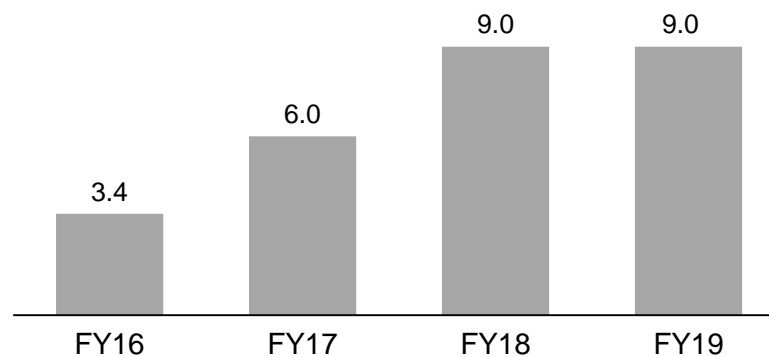
Return to Shareholders



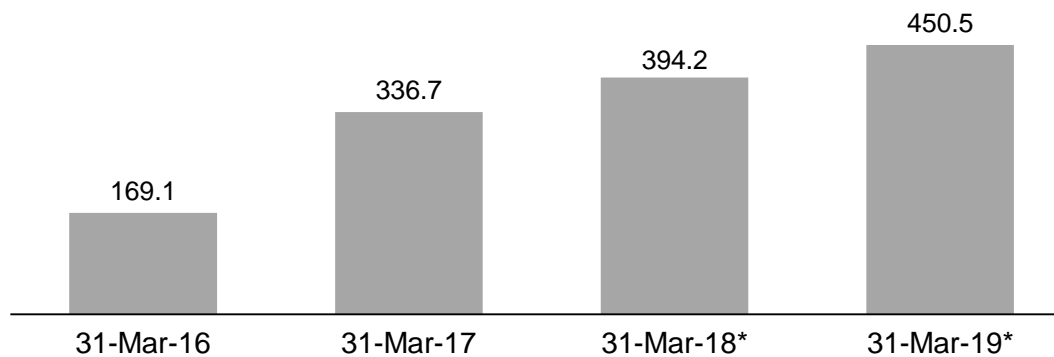
Earnings Per Share (INR)



Dividend Per Share (INR)



Book Value Per Share (INR)



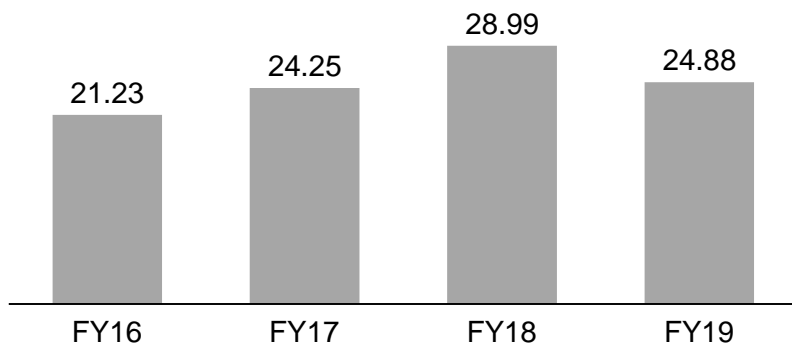
*As per IND AS

Employee Efficiency

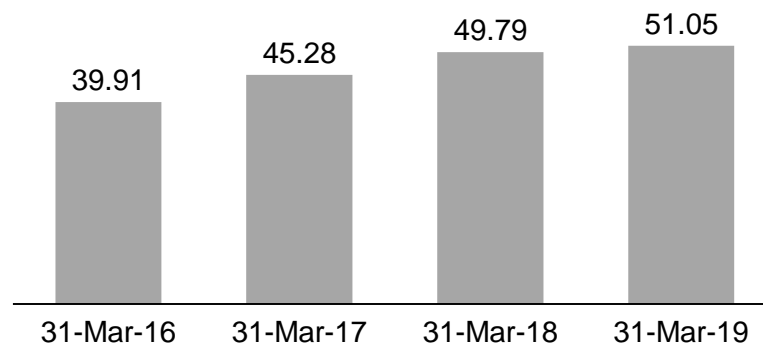


(INR Crore)

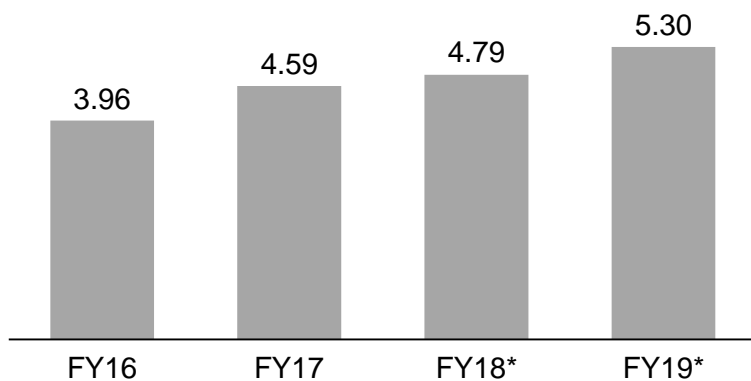
Disbursement / Employee



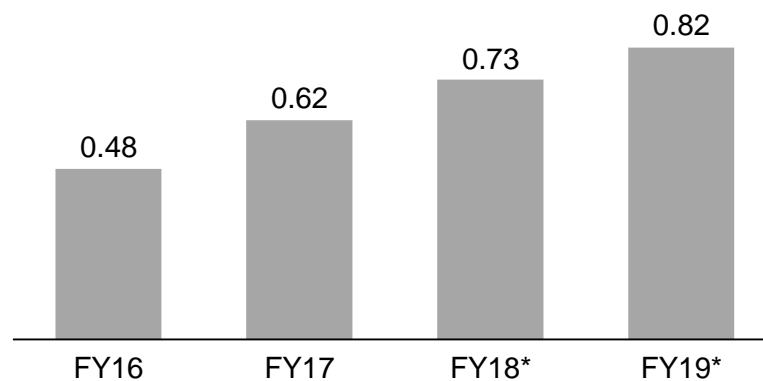
Loans Outstanding / Employee



Total Revenue / Employee



Profitability / Employee



Calculated on average number of employee for the year
Average no. of employee for FY19: 1,450

1 Crore = 10 mn
*As per IND AS

Glossary



ATA	Average Total Assets	GNPA	Gross Non-Performing Asset
ATS	Average Ticket Size	HFCs	Housing Finance Companies
AUM	Asset Under Management	LAP	Loan against Property
BVPS	Book Value per Share	LIG	Low Income Group
C/I	Cost to Income	LRD	Lease Rental Discounting
CRAR	Capital to Risk Asset Ratio	NCDs	Non-Convertible Debentures
CP	Commercial Paper	NII	Net Interest Income
CTL	Corporate Term Loan	NIM	Net Interest Margin
DPS	Dividend per Share	NNPA	Net Non-Performing Asset
DSA	Direct Selling Agents	NPA	Non-Performing Asset
ECB	External Commercial Borrowing	NRPLs	Non-Residential Premises Loans
ECL	Expected Credit Loss	PAT	Profit After Tax
EIR	Effective Interest Rate	PCR	Provision Coverage Ratio
EPS	Earning Per Share	ROA	Return on Asset
EWS	Economically Weaker Section	ROE	Return on Equity

Formulas



Ratios	Formulas Used
Average Borrowings (%)	Interest Expense / Average Borrowings
Average Gearing Ratio (x)	Average Borrowings / Average Net worth
Average Yield (%)	(Interest Income + Assignment Income) on Loans / Average Loan Assets
Cost to Income (%)	Operating Expenditure(Employee Cost + Other Expenses + Depreciation - Acquisition Cost – ESOP cost - CSR cost) / (Net Revenue-Acquisition Cost)
Gross Margin (%)	Total Net Income excluding acquisition cost / Average Total Assets as per Balance sheet
NIM (%)	Net Interest Income / Average Earning Assets
Opex to ATA (%)	Operating Expenditure(Employee Cost + Other Expenses + Depreciation - Acquisition Cost – ESOP cost - CSR cost) / Average Total Assets as per Balance sheet
PCR (%)	(ECL Provision + Steady state Provision) as a % of GNPA
ROA (%)	Profit After Tax / Average Total Assets
ROE (%)	Profit After Tax / Average Net worth
Spread (%)	Average Yield - Average Cost of Borrowings

Ratio is calculated on Monthly Average



Thank You

Company:

PNB Housing Finance Limited

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