

Ghar Ki Baat

# *Kshiti*

(The Transformational Journey)

June 2020



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# Key Milestones



<b>1988</b>	<ul style="list-style-type: none"> <li>• Obtained NHB license for loans and deposits</li> <li>• Company commenced operations</li> </ul>
<b>1994</b>	<ul style="list-style-type: none"> <li>• Crossed INR 100 Crore loan portfolio</li> </ul>
<b>2003</b>	<ul style="list-style-type: none"> <li>• Notified under SARFAESI Act</li> </ul>
<b>2006</b>	<ul style="list-style-type: none"> <li>• Crossed INR 1,000 Crore loan portfolio</li> </ul>
<b>2009</b>	<ul style="list-style-type: none"> <li>• Entered into a strategic financial partnership with Destimoney Enterprises Private Limited (DEPL) DEPL acquired 26% stake in the Company</li> </ul>
<b>2010</b>	<ul style="list-style-type: none"> <li>• Launched business process re-engineering project-"Kshitij"</li> </ul>

<b>2011</b>	<ul style="list-style-type: none"> <li>• New Brand positioning with completely refurbished, elegant, convenient and secured offices</li> <li>• Robust and scalable target operating model (TOM) implementation commenced</li> </ul>
<b>2012</b>	<ul style="list-style-type: none"> <li>• DEPL raises stake from 26% to 49% through conversion of compulsory convertible debentures (CCD)</li> </ul>
<b>2014</b>	<ul style="list-style-type: none"> <li>• PAT crossed INR 100 Crore and AUM crossed INR 10,000 Crore</li> </ul>
<b>2015</b>	<ul style="list-style-type: none"> <li>• Implementation of Enterprise System Solution</li> <li>• Quality Investments Holdings, owned by the Carlyle group, a global investment firm bought DEPL</li> </ul>
<b>2016</b>	<ul style="list-style-type: none"> <li>• Listed on Indian stock exchanges through IPO; raised 3,000 Crore</li> <li>• TOM implemented</li> <li>• AUM crossed INR 25,000 Crore</li> </ul>
<b>2017</b>	<ul style="list-style-type: none"> <li>• AUM crossed INR 50,000 Crore mark</li> <li>• Deposits: Over INR 10,000 Crore</li> <li>• Certified as a "<b>Great Place to Work</b>" by building a 'High Trust, High Performance Culture'*</li> <li>• Incorporated a subsidiary "PHFL Home Loans &amp; Services Ltd"</li> </ul>
<b>2018</b>	<ul style="list-style-type: none"> <li>• Included in <b>MSCI Global Small Cap Index</b></li> <li>• Certified as a "<b>Great Place to Work</b>" by building a 'High Trust, High Performance Culture'*</li> </ul>
<b>2019</b>	<ul style="list-style-type: none"> <li>• Carrying the Saksham ethos forward, <b>the Pehel Foundation</b> was incorporated as the dedicated CSR vehicle of the Company</li> <li>• Crossed INR15,000 Crore in deposits</li> </ul>
<b>2020</b>	<ul style="list-style-type: none"> <li>• <b>Received ISO 27001:2013 certification</b>, one of the highest security standards in India</li> <li>• Became the first HFC to sign a funding of <b>US\$75 million</b> via external commercial borrowings from <b>Japan International Corporation Agency (JICA)</b></li> </ul>

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



# **Kshitij Interventions**

## Led to Company's Transformation

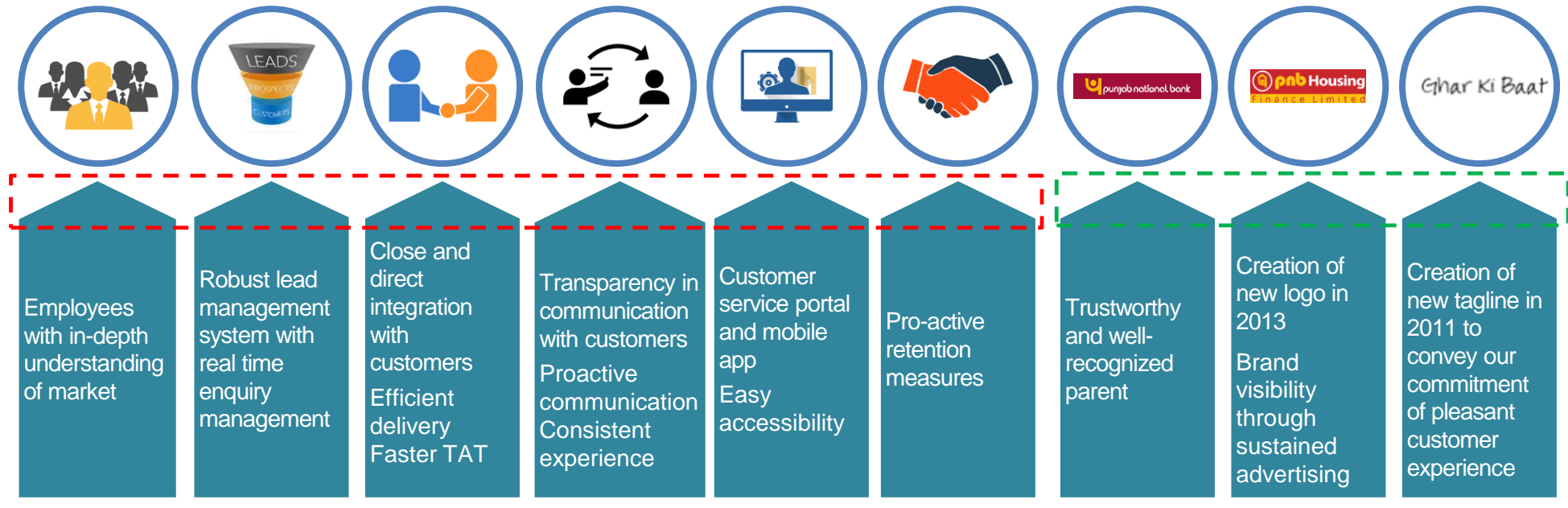
# Evolution of Brand Driven by Customer-centric Approach



## Customer-centric Approach

...together with...

## Initiatives to Reposition Brand



Resulting in Strong Brand Recognition



# Omni-Channel Customer Touchpoints



# Scalable Hub & Spoke Model

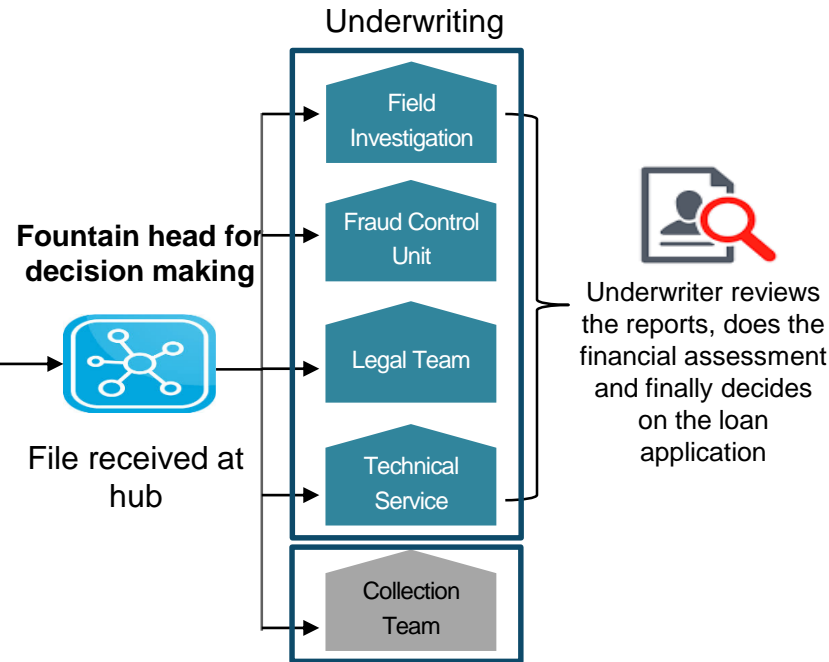


## Spokes Customer acquisition / servicing



DSA: Direct Sales Agent; DST: Direct Sales Team

## Regional Hub



## Central Operations Post Disbursement Operations



**Omni Channel CRM solution** that integrates various mode of communication with the customers for better experience and faster resolution

**Banking analytics** tool to give indepth and 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

- ✓ Scalable and efficient operating model with centralized processing
- ✓ Effective risk management with separation of responsibilities
- ✓ Integrated IT platform



## Fraud Detection

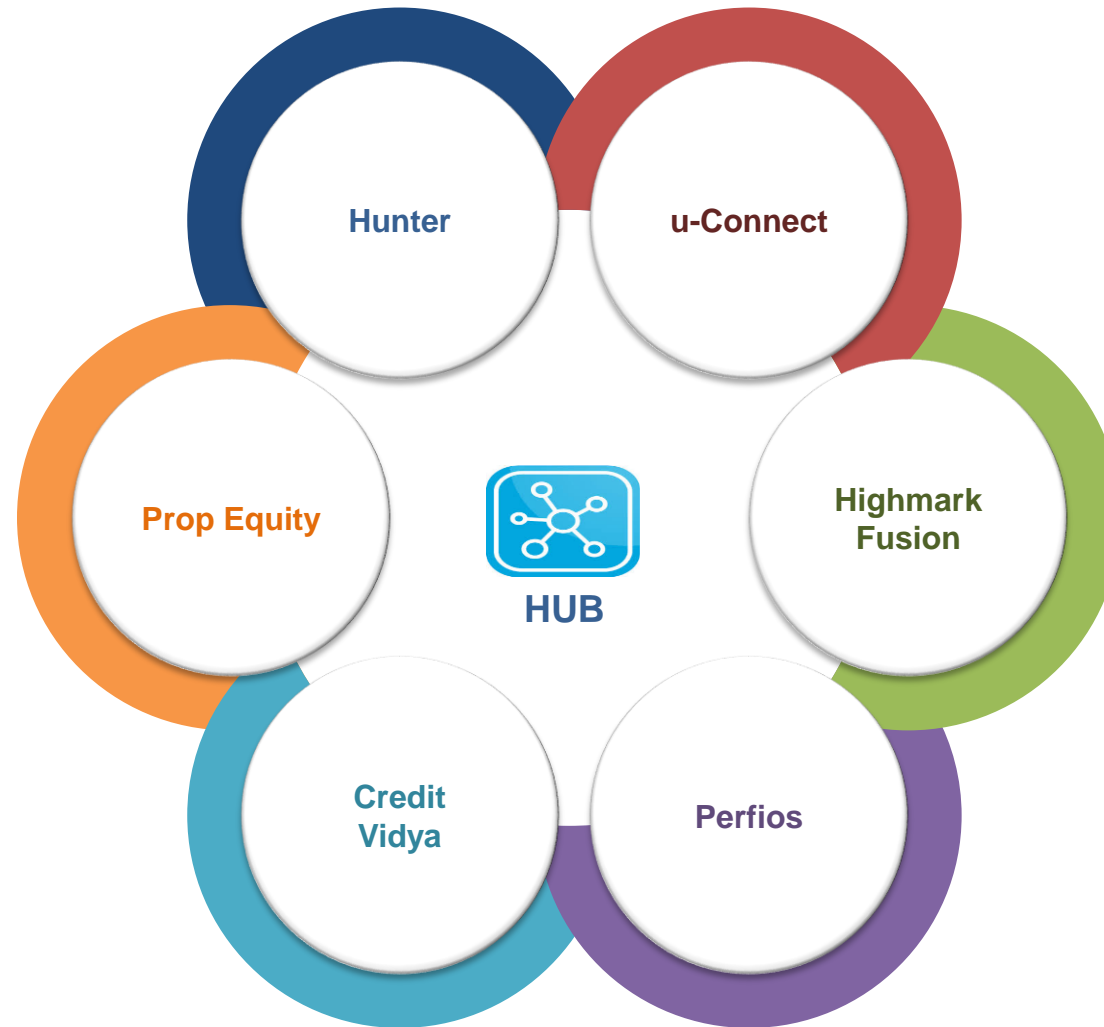
- Common pool of fraud customers from over 100+ major FI's in India
- Improved efficiencies

## Project Monitoring

- Automatic monitoring for top 8 business locations covering 70% of business volume
- Better operational efficiency

## Work E-Mail Validation

- Effective way of employment verification without personal visit
- Real time check of Employer domain and mailbox



## Vendor Management

- State of the art features - GPS coordinates, digital signature, live dashboard etc.
- Better control and monitoring

## KYC Verification

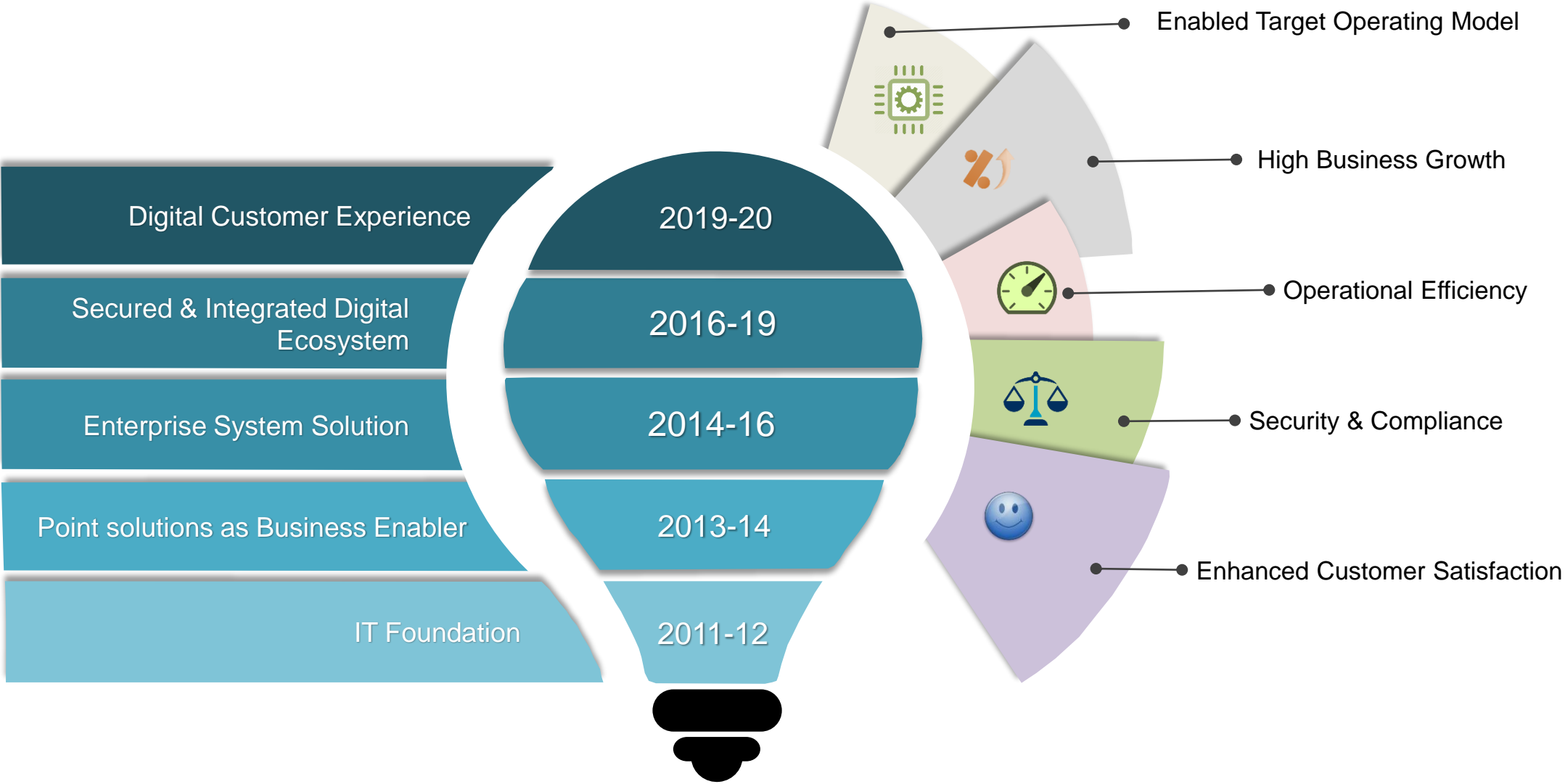
- Online verification from authentic data sources
- Efficient document sampling
- Captures customers with alternate credit history

## Banking Analytics

- In-depth and informative analysis at a click
- Reduction in turnaround time
- Faster results with minimal human intervention



# Technology enabled Growth





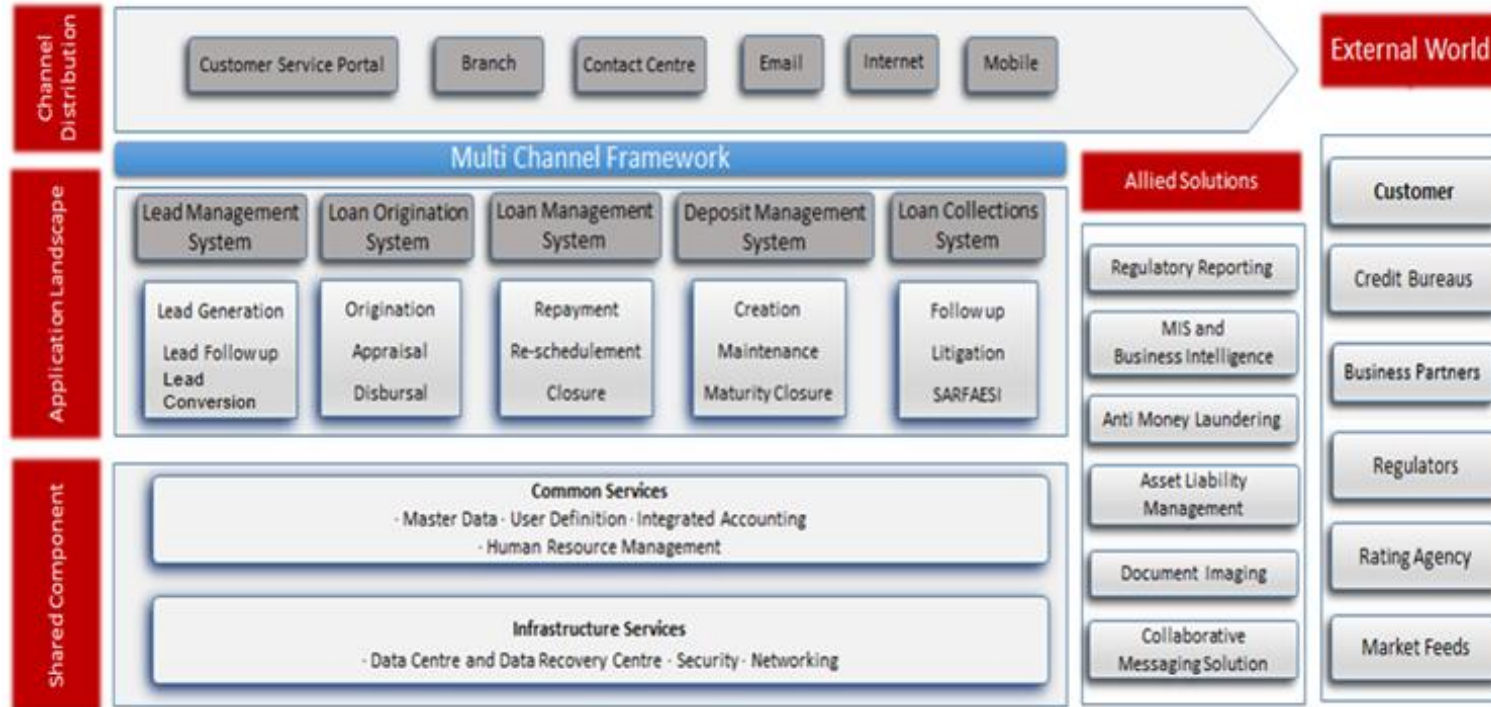
## Business Resilience powered by Technology

*Solution in light of current Covid-19/lockdown phase that will reshape the new normal*



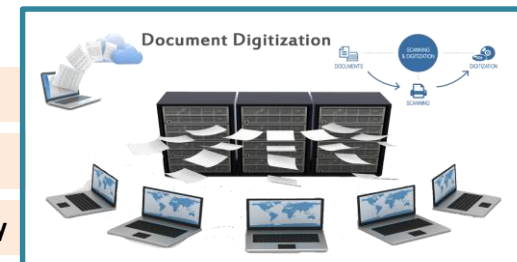


## IT as backbone of Business Processing



## Digitization to bring efficiencies and enhance customer service

- ✓ 'Document Digitization Centre' – true amalgamation of People, Process and Technology
- ✓ Scanned security and title documents are stored on dedicated private cloud for the Company
- ✓ Mitigates operational and transit risk, reduction in retrieval cost and improvement in data security





- ❖ Centralized operational process
- ❖ Standardization of processes
- ❖ Repository Management & CERSAI: Storage of original property documents for the life of the loan



## OPERATIONS & PROCESSING



## TRANSFORMED

- ❖ Image based processing
- ❖ Reduction in turn around time
- ❖ Digitization of original property documents to bring efficiencies
- ❖ Cost optimization



- ❖ Delivering services as per Service Level Agreement (SLA).
- ❖ Enhanced productivity through optimum resource utilization.
- ❖ Centralised banking for better cash flow management



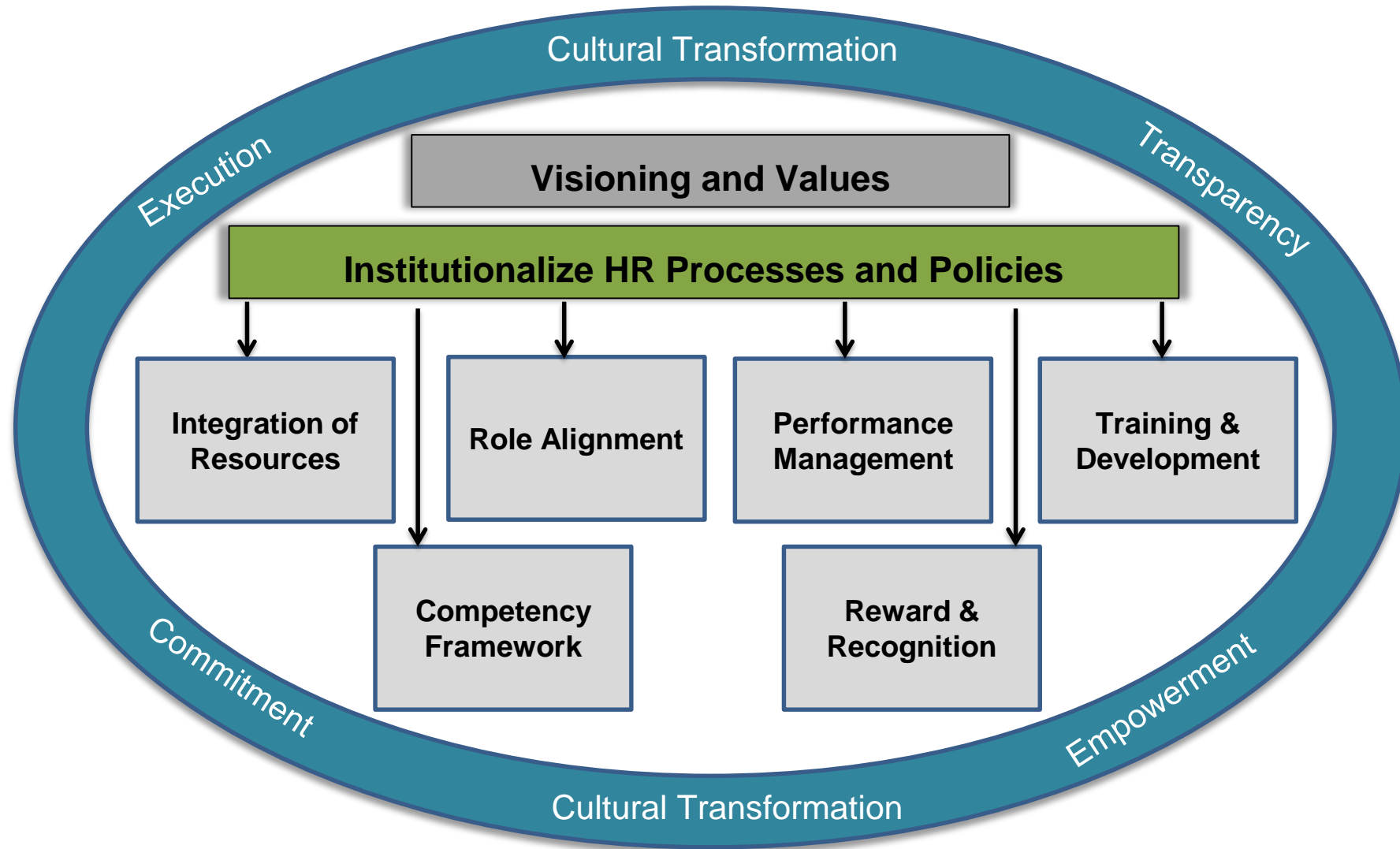
- ❖ Technology enable target operating model
- ❖ Scalable and flexible delivery model.
- ❖ Management of non-customer interface operational activities



- Central Operations and Processing Centre formalized with an objective to implement best practices, standardize processes and provide predictable customer service experience
- All back end activities moved from branches to COPS and CPC
- COPS & CPC secured **ISO Certification 9001:2015**; a reflection of quality management and operational excellence
- Documentation digitization unit of CPC is **ISO 9001:2015** certified

Leading to Branches being more customer focussed

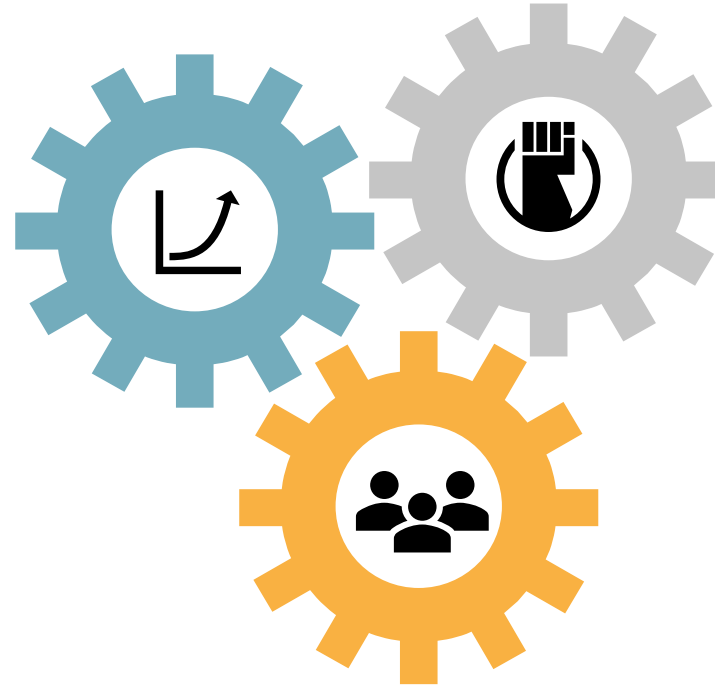
COPS: Central Operations, CPC: Central Processing Centre





## **Shifting Gears:**

- Focus on mass housing and capital efficient retail segment
- Digital transformation – sourcing to sanction, through e medium and enhance our digital interventions in underwriting, collections and other functions
- Tightening of underwriting policy incorporating changes arising due to Covid-19
- Focus on reducing operating expenses
- Reprioritisation of IT initiatives



## **Survive:**

- Health and Safety of our employees is of paramount importance
- 100% offices closed post the directive issued by the Government
- 80% employees worked from home
- Maintain moral and emotional connect with the employees

## **Sustain:**

- Continue business in a secured manner and with sufficient precautions
- Focussed on customers service, collections and treasury operations
- 100% of our branches are now operational

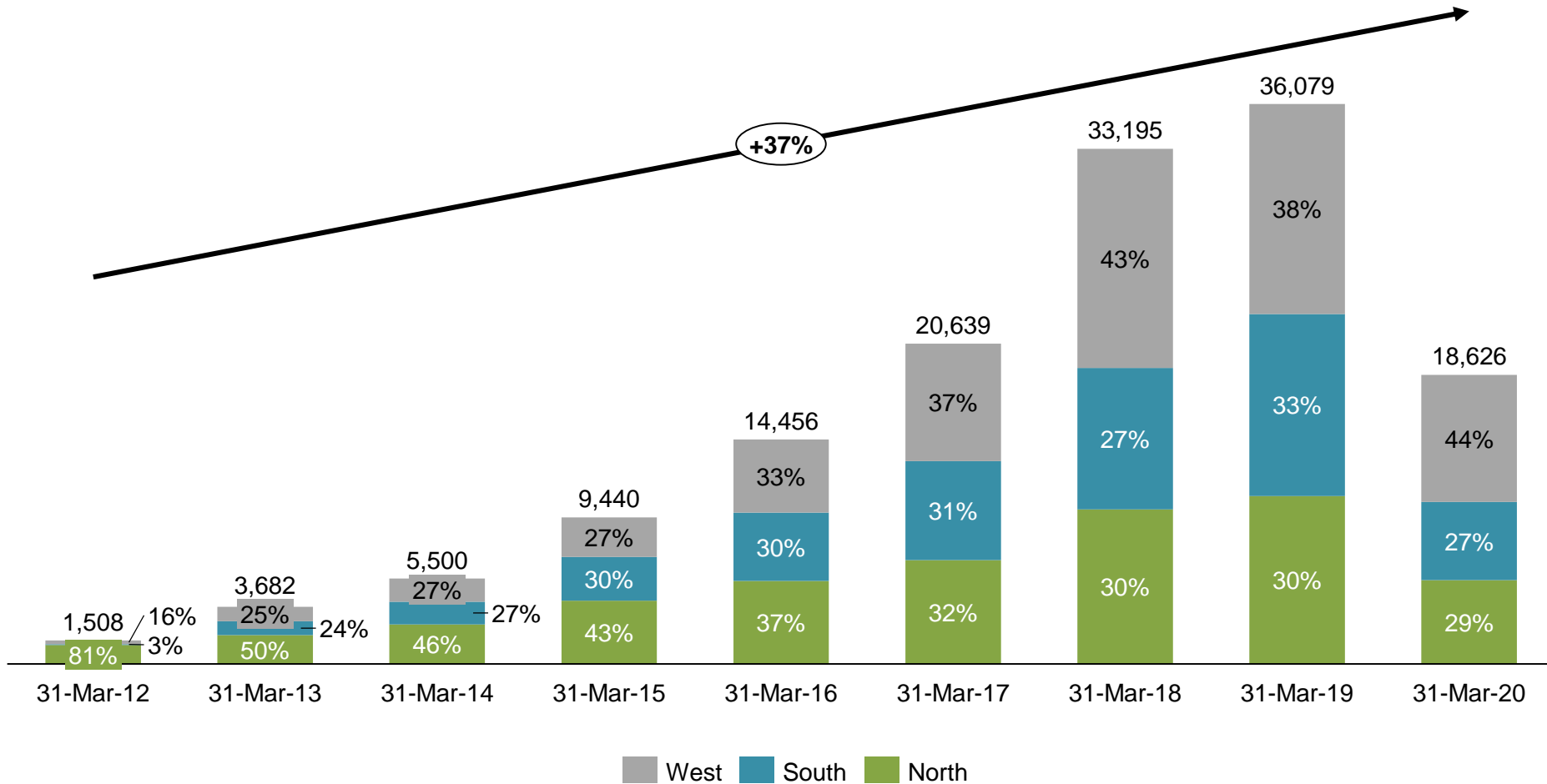


# *The Growth Journey*

## Year on Year Trends



# Disbursements Trend



- De risked over a period of time with pan India presence
- Focus on lower risk weighted Retail Assets
- FY2019-20 was a year of consolidation

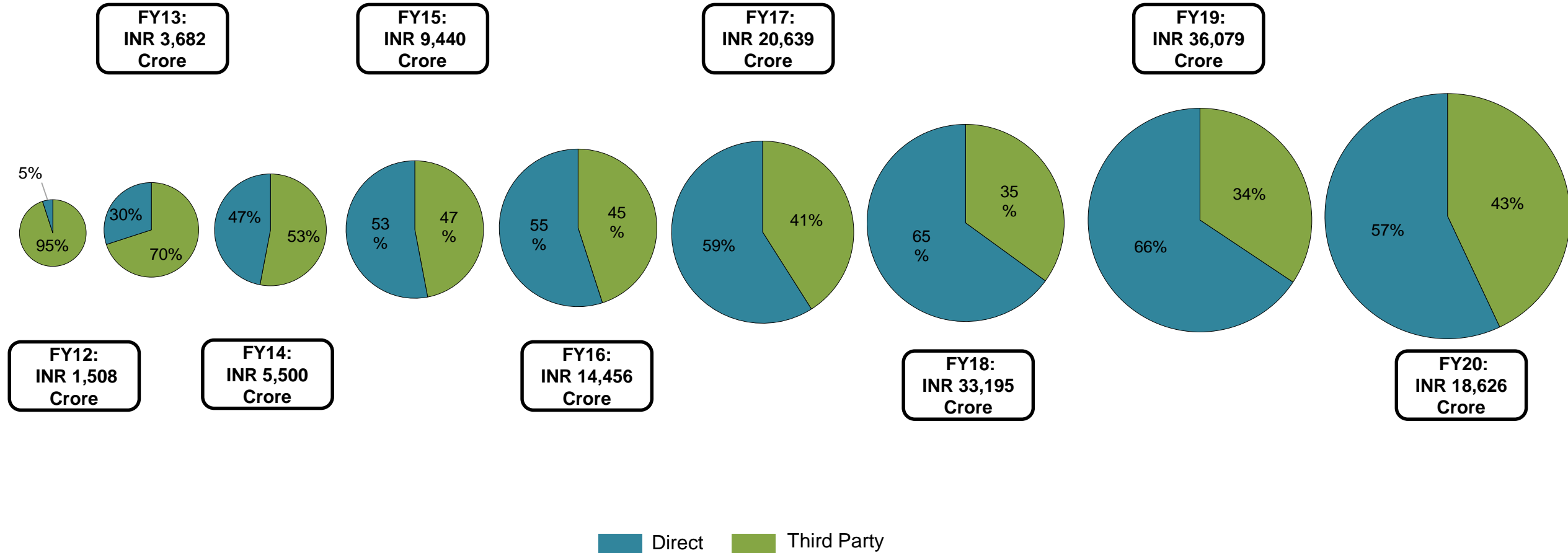
Values in INR Crore  
One Crore = 10 Million



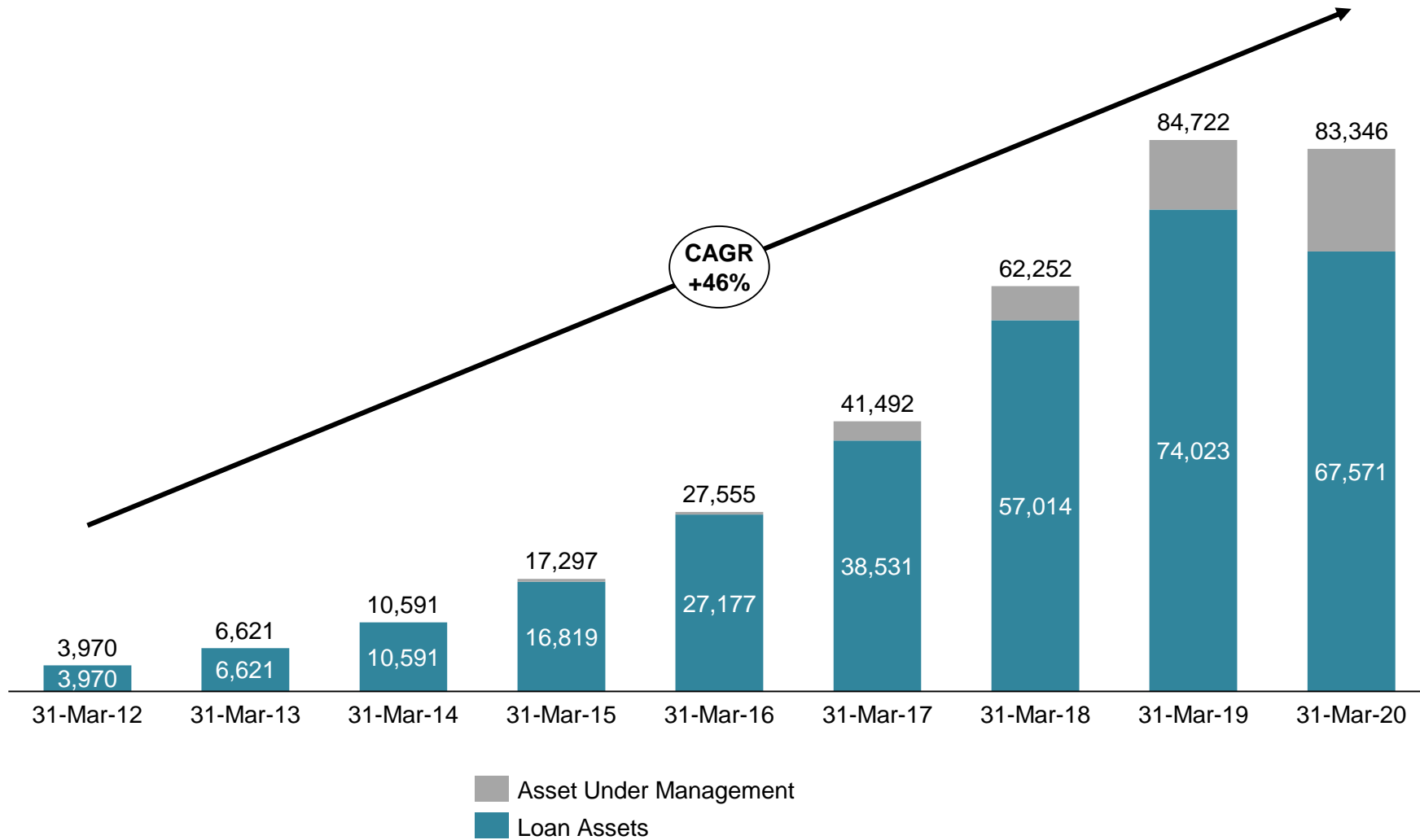
# Balanced Sourcing Channel



## % Disbursement



# Asset Growth

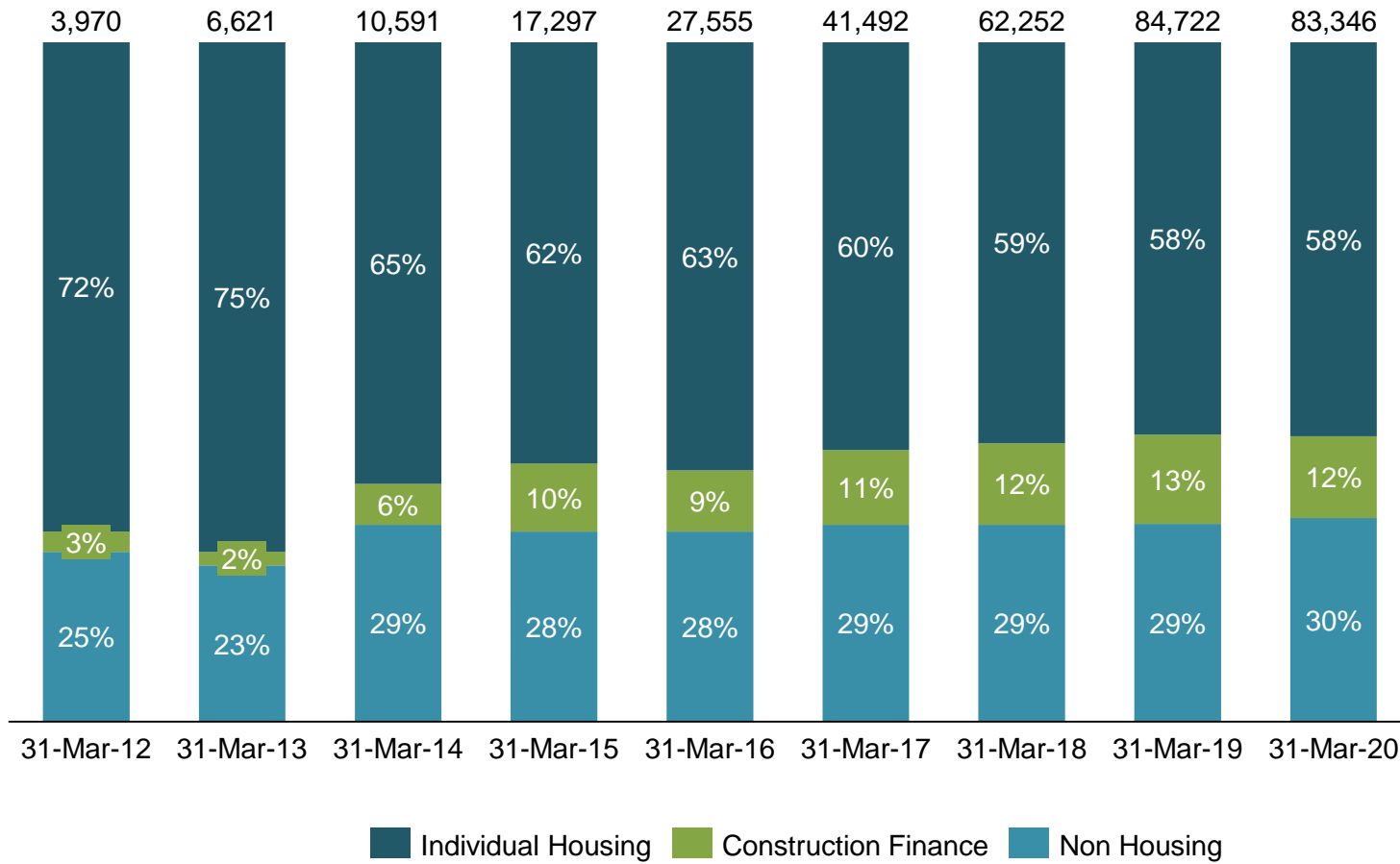


- Strong growth in AUM with smaller base
- PNB Housing share amongst the HFC sector increased from 2.5% in FY14 to 6.2% in Dec 2019\*
- One of the Top 4 HFCs in the Country

Values in INR Crore  
One Crore = 10 Million

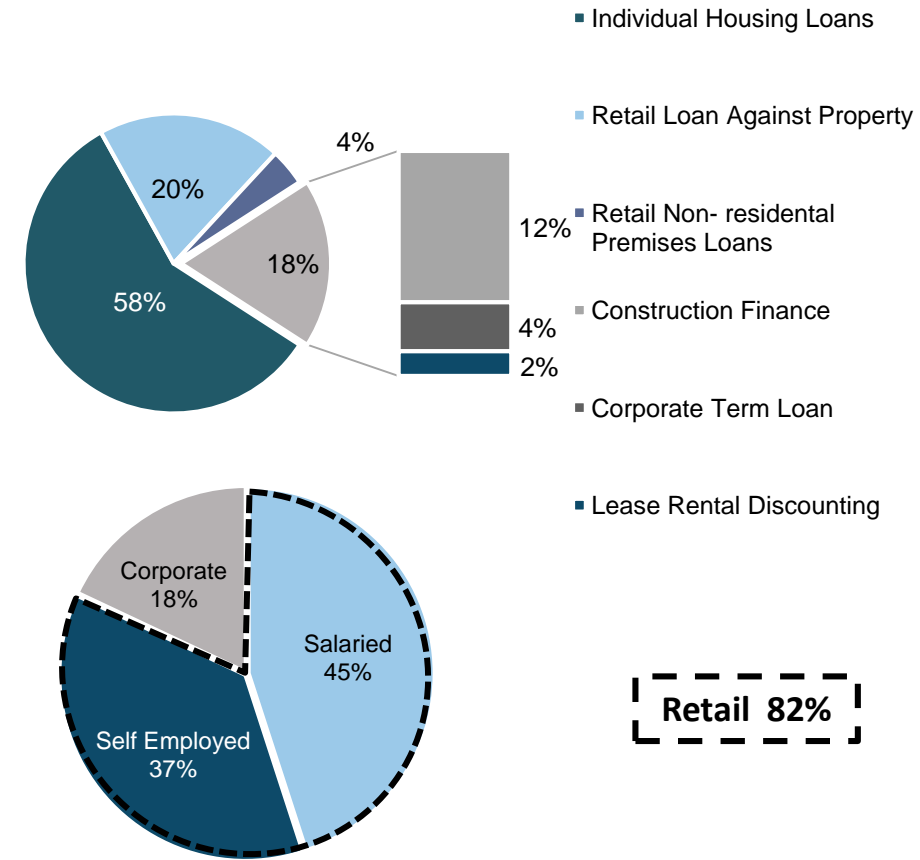
\*Source: ICRA Industry Update April 2020

# Well Balanced AUM Mix



## Product-wise AUM Break-up

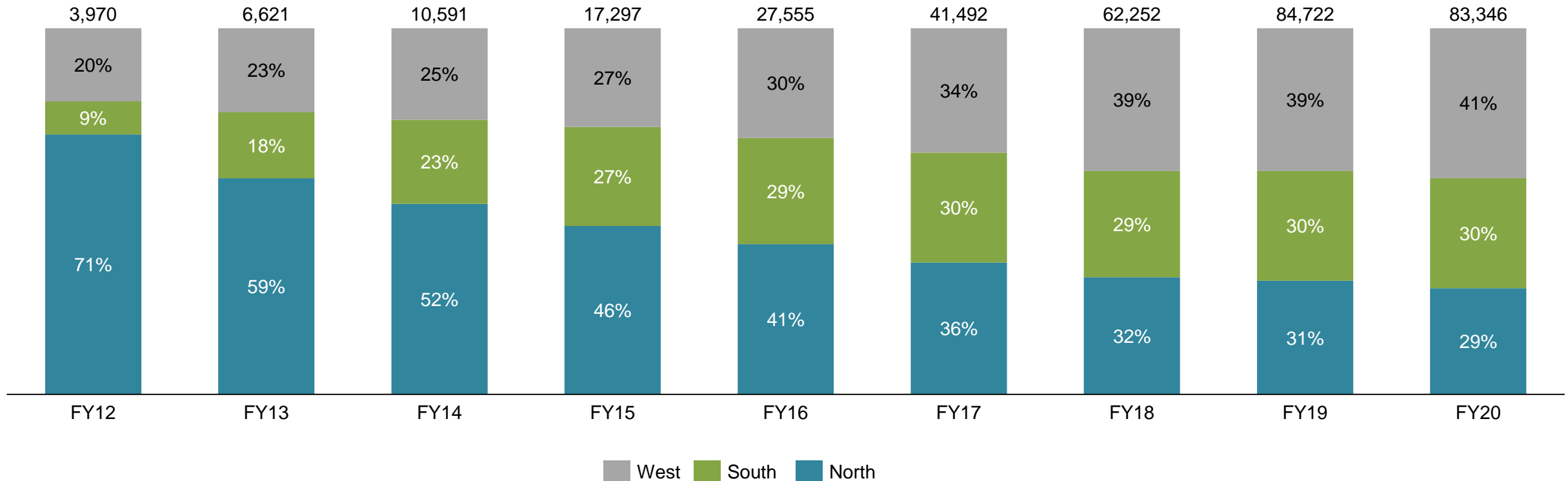
Total AUM of 83,346 Crore  
(As on 31-Mar-20)



# De-risked Geographical Concentration



## % of Asset Under Management

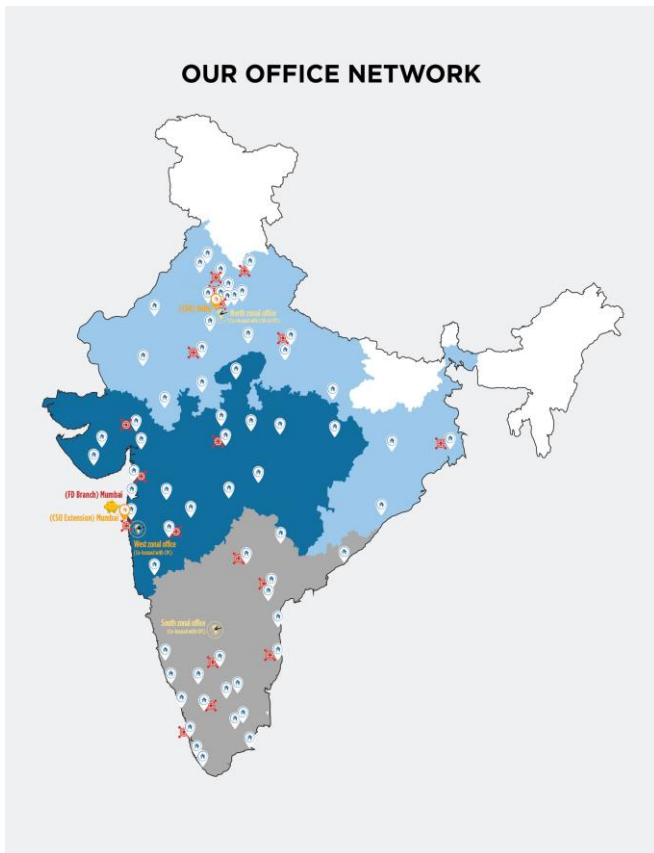


Values in INR Crore  
One Crore = 10 Million

# Business Operations

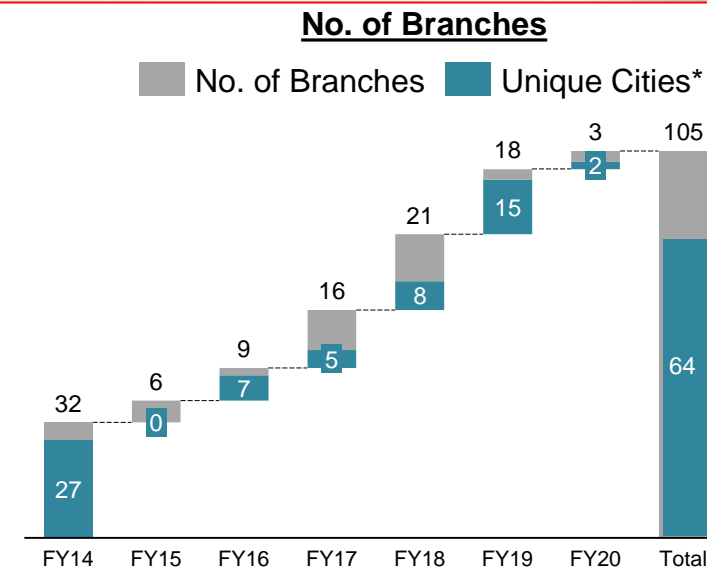


**Branches** – Point of Sales & Services  
**Processing Hubs** – Fountain head for Decision Making

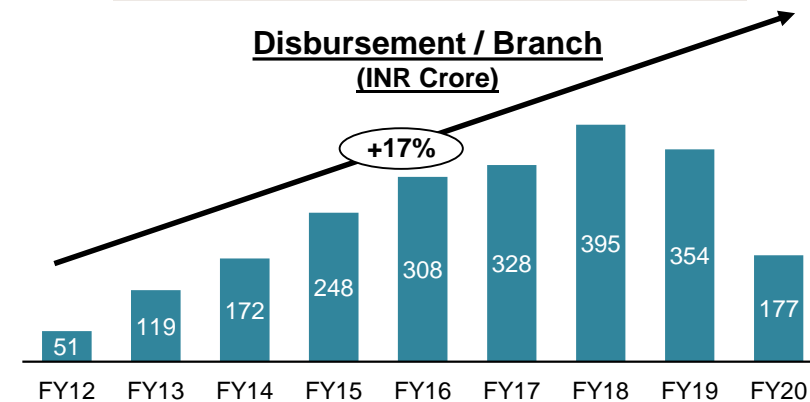


Geography	Hub	Branches
North	8	33
South	8	35
West	7	37

- In-depth analysis of demographics and growth prospects
- Establish branches as per business potential
- Market deepening strategy
- Hubs aid and support branch expansion
- Track operational break-even for each establishment



**New Branches<sup>^</sup> contributes 23% of Retail Disbursement**



\*Unique cities are part of Branches

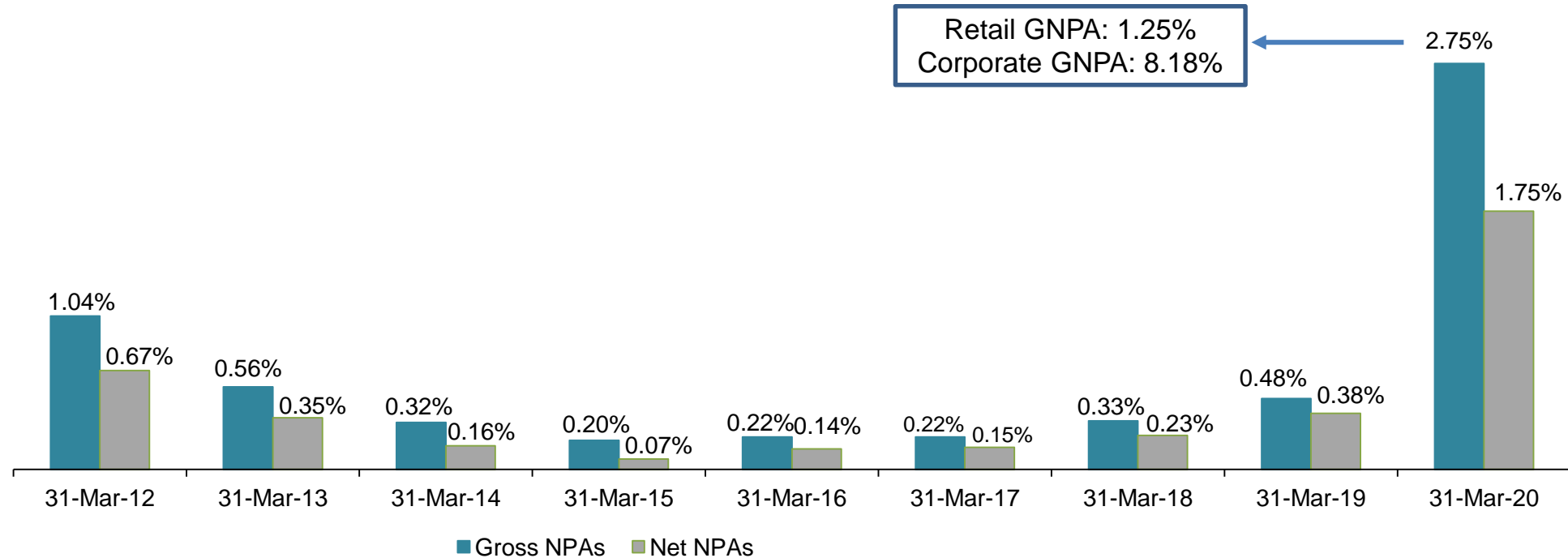
<sup>^</sup> Branches made operational in current FY and two FY prior i.e. FY17 onwards

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

Central Support Office

As on 31-Mar-20

# Gross Non-performing Assets



Retail GNPA: 1.25%  
 Corporate GNPA: 8.18%

As on 31-Mar-2020	INR Crore
Gross NPA	1,856.23
ECL Provision	1,765.60
Regulatory provision including Standard asset and NPA	620.47
Total ECL provision to Total Asset	2.61%

Excess Provision of  
 INR 1,145 crore  
 created as  
 compared to  
 regulatory provision

**Write-offs since Inception (on cumulative disbursement) is 10 bps**

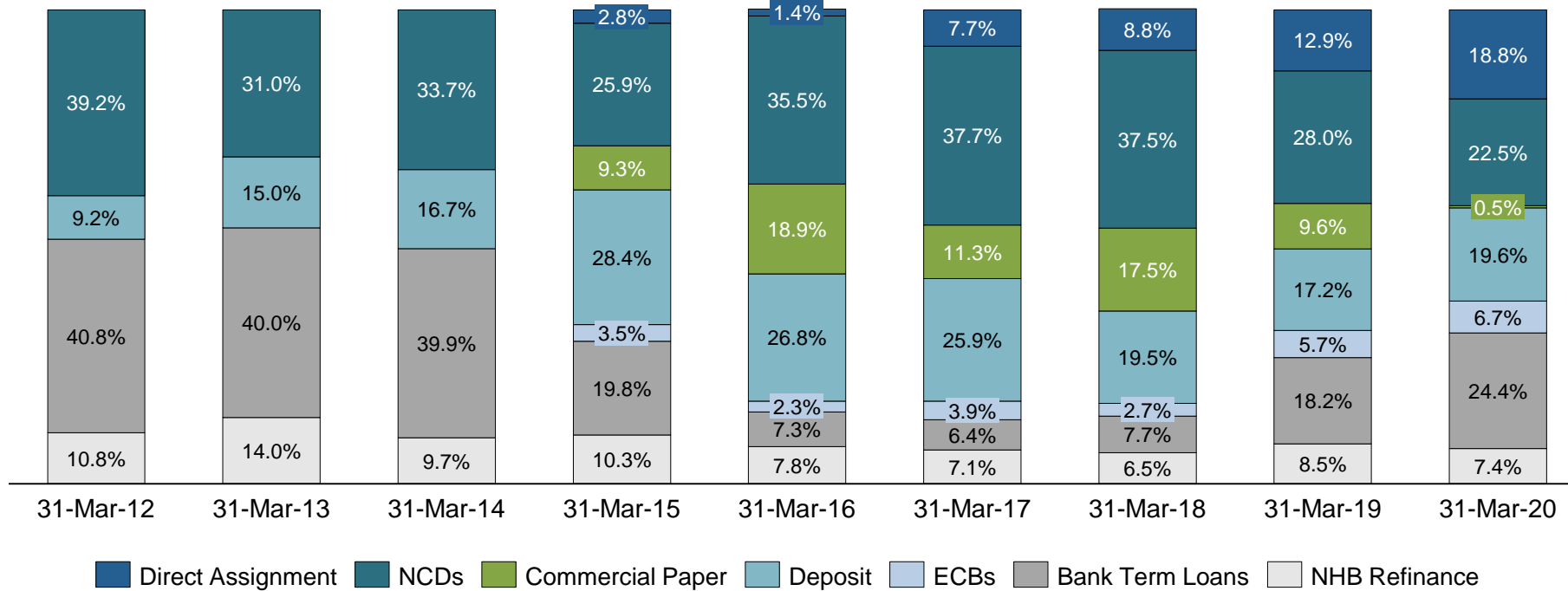
# Credit Rating



Rating Agency	Fixed Deposit	NCDs	Bank Loans	Commercial Paper
CRISIL	FAA+ (Outlook Negative)	AA (Outlook Negative)	AA (Outlook Negative)	A1+
ICRA	-	AA (Outlook Negative)	-	-
CARE	AA (Outlook Stable)	AA (Outlook Stable)	AA (Outlook Stable)	A1+
India Ratings		AA (Outlook Negative)	-	-

Updated as on 7-July-20

# Well Diversified Borrowing Composition



- First HFC to sign a funding of USD 75 million via ECB from JICA (Japan International Corporation Agency) in April 2020 with co-financing of US\$ 25 Mn by Citibank(Citi)
- First HFC to raise funds through Green Bonds
- Deposits of 16,470 Crore; 2<sup>nd</sup> largest deposit taking HFC
- De-risked liabilities by reducing dependency on CPs to less than 1%

	31-Mar-12	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20
<b>Borrowing</b>	3,962	6,787	10,241	16,752	26,159	35,657	54,268	72,362	68,216
<b>Assignment</b>	0	0	0	478	378	2,961	5,238	10,699	15,775
<b>Total Resource</b>	<b>3,962</b>	<b>6,787</b>	<b>10,241</b>	<b>17,230</b>	<b>26,537</b>	<b>38,618</b>	<b>59,506</b>	<b>83,061</b>	<b>83,991</b>

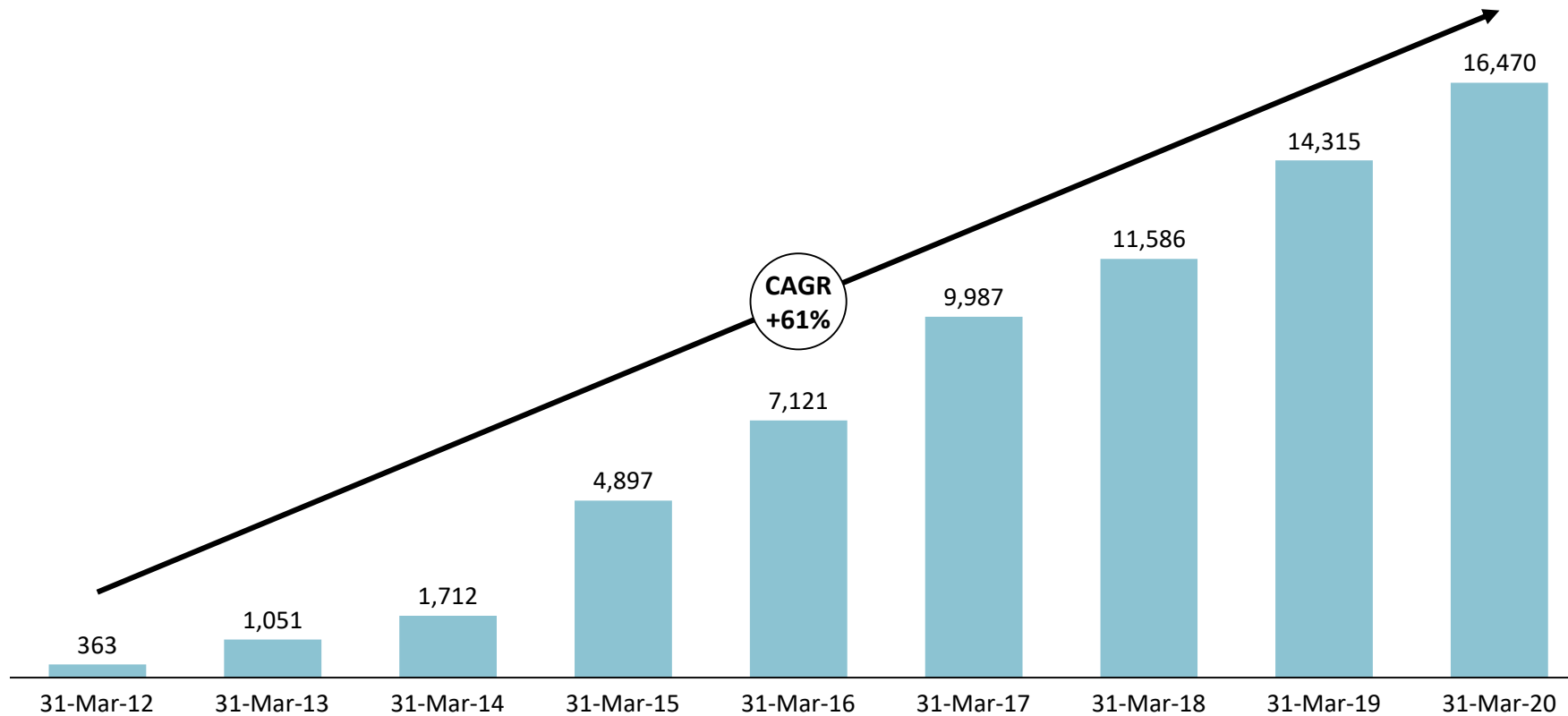
**Well diversified borrowing mix**

**Maintained adequate Cash & Liquid Investments of INR 8,514 Crore as on 31-Mar-20**

One Crore = 10 Million



# Growth in Deposit Outstanding



- Second largest deposit mobilizer among HFCs\*
- Deposit growth of over 45 times from FY12 to FY20 on back of high credit rating and service quality
- Strong and predictable distribution channel- the base grew from over 300 brokers in FY12 to more than 13,000 brokers end FY20
- Over 84% of outstanding deposits is public deposit

Values in INR Crore  
One Crore = 10 Million

\*Source: Company Report

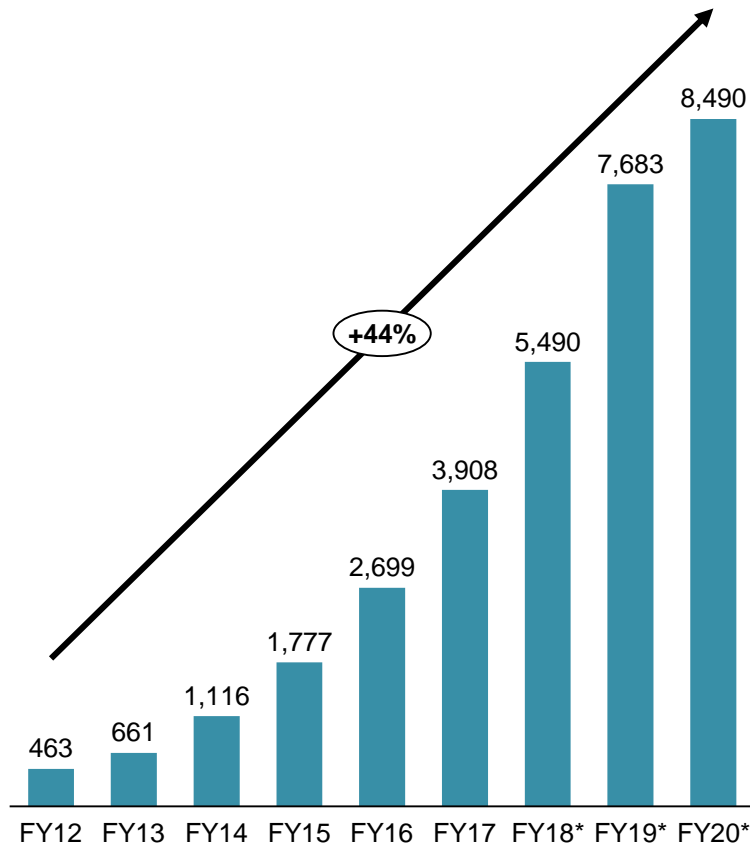


# Financial Performance

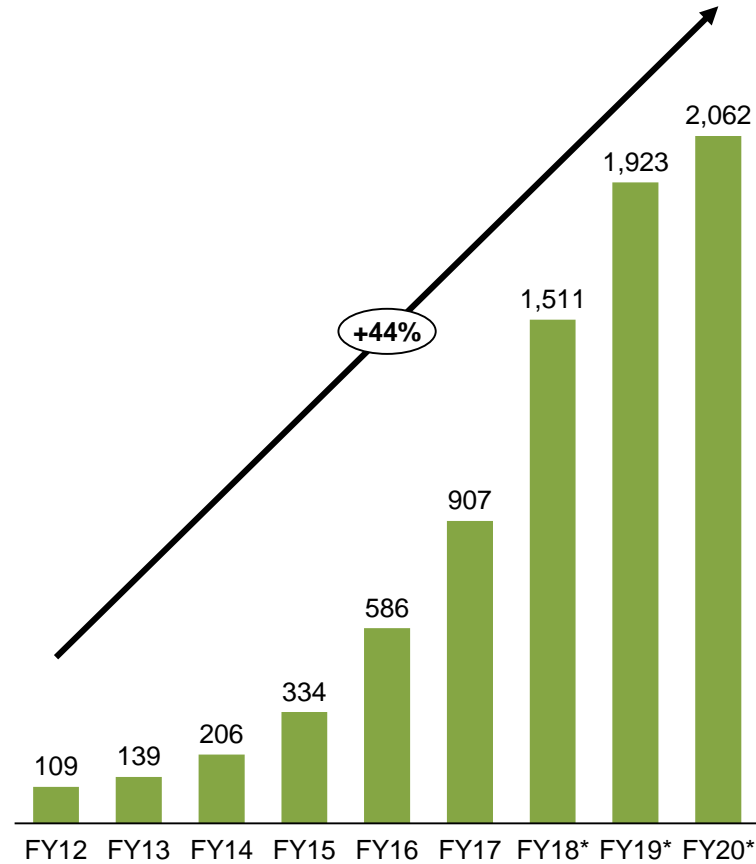
# Strong Revenue & Profit growth



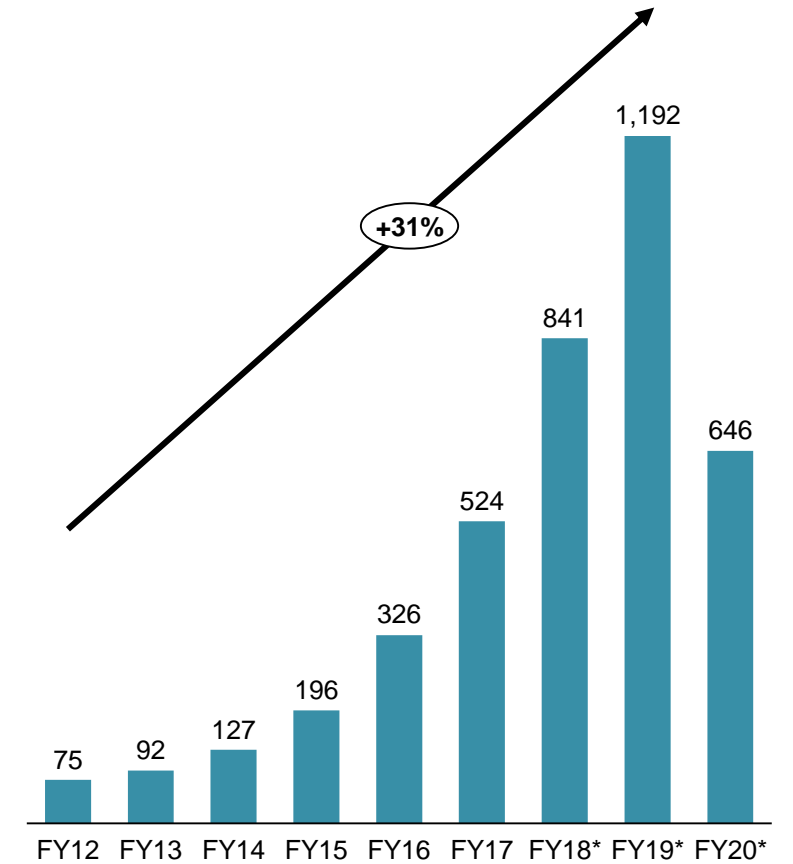
### Total Revenue



### Operating Profit



### Profit After Tax

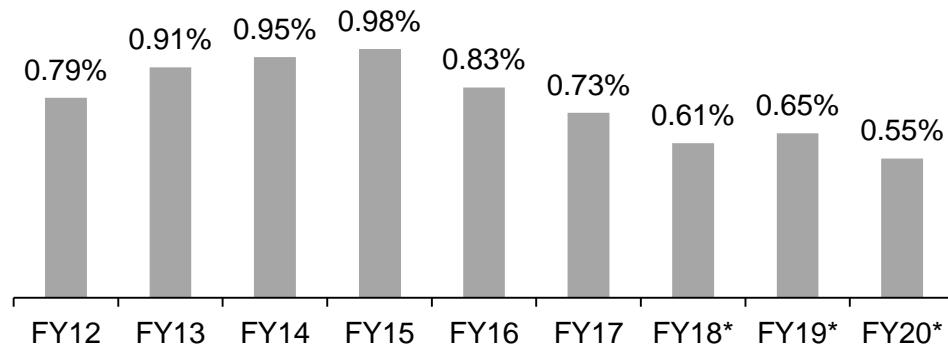


\* FY18, FY19 & FY20 numbers are on Consolidated basis and as per Ind-AS  
Values in INR Crore  
One Crore = 10 Million

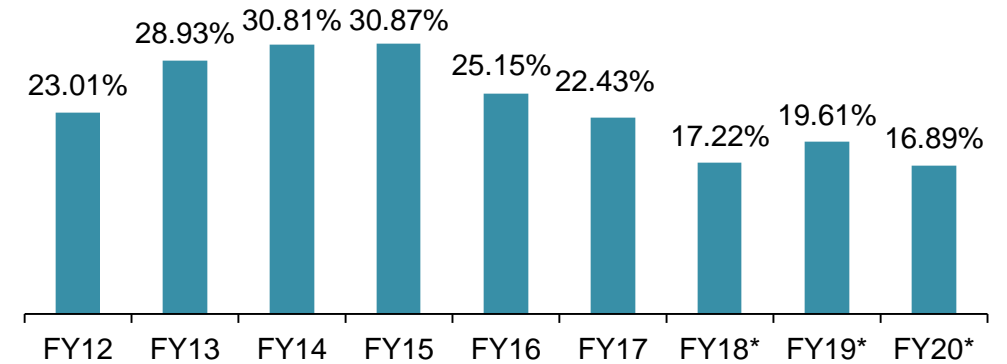
# Operating Leverage and Return Profile



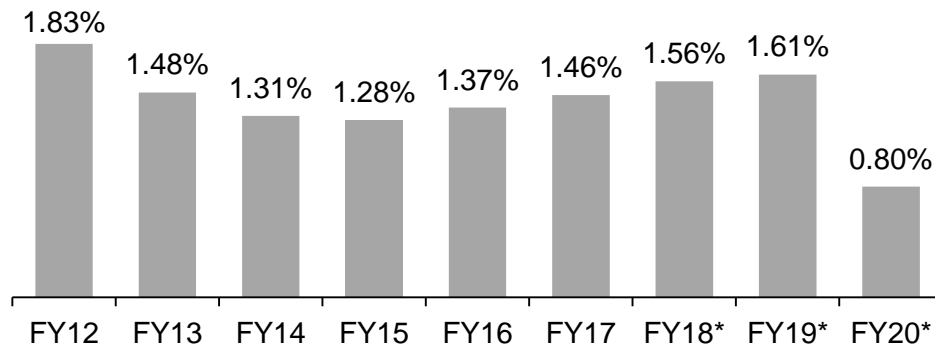
**Opex to Average Total Asset Ratio**



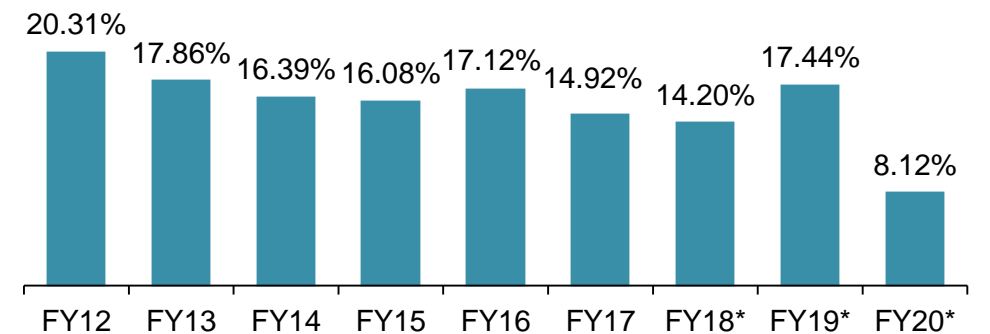
**Cost to Income Ratio**



**Return on Total Asset**



**Return on Equity**



Ratios are calculated on Monthly Average

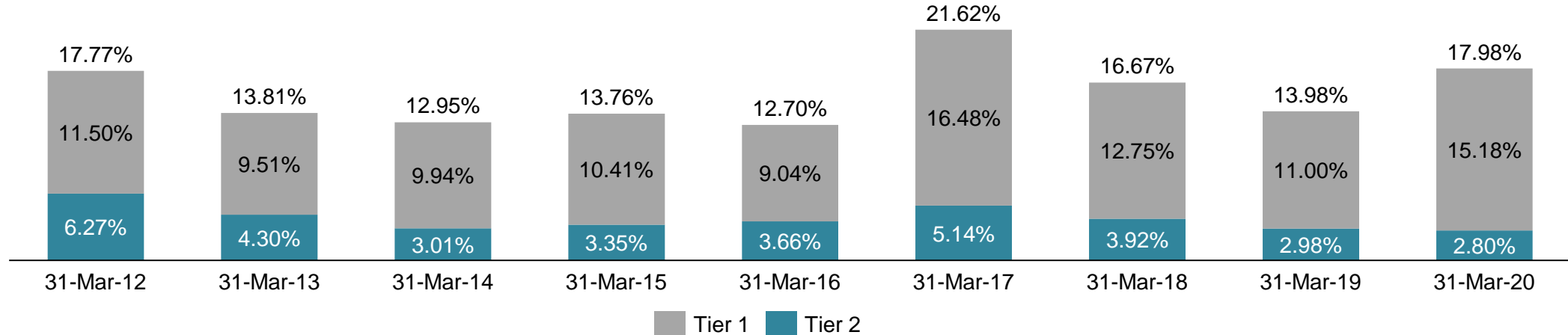
Opex to ATA is calculated as Operating Expenditure(Employee Cost + Other Expenses + Depreciation - Acquisition Cost - ESOP cost - CSR cost)/Average Total Assets as per Balance sheet

Cost to Income Ratio: Operating Expenditure(Employee Cost + Other Expenses + Depreciation - Acquisition Cost - ESOP cost - CSR cost) / (Net Revenue-Acquisition Cost)

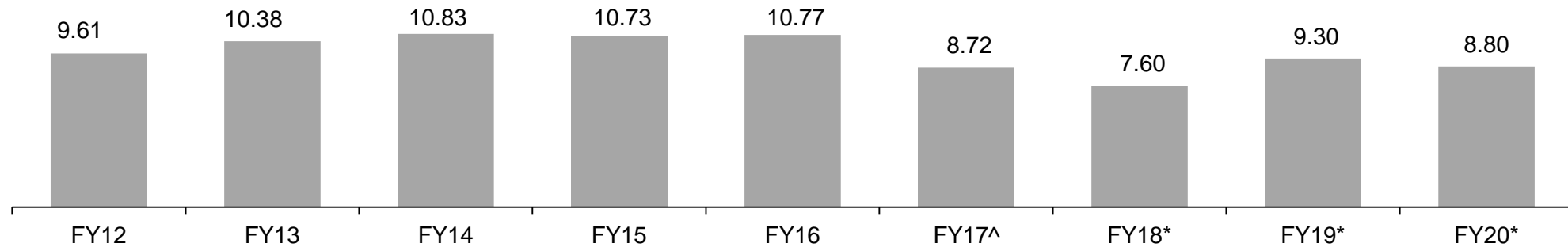
\* For the calculation of ratios, P&L numbers for FY18, FY19 & FY20 are as per Ind AS



## Capital to Risk Asset Ratio



## Average Gearing (x)



Listed on Indian stock exchanges on 07-Nov-16

Ratios are calculated on Monthly Average

\* For the calculation of ratios, P&L numbers for FY18, FY19 & FY20 are as per Ind AS

^Capital of INR 3,000 Crore raised through IPO of 3,87,19,309 fresh equity shares

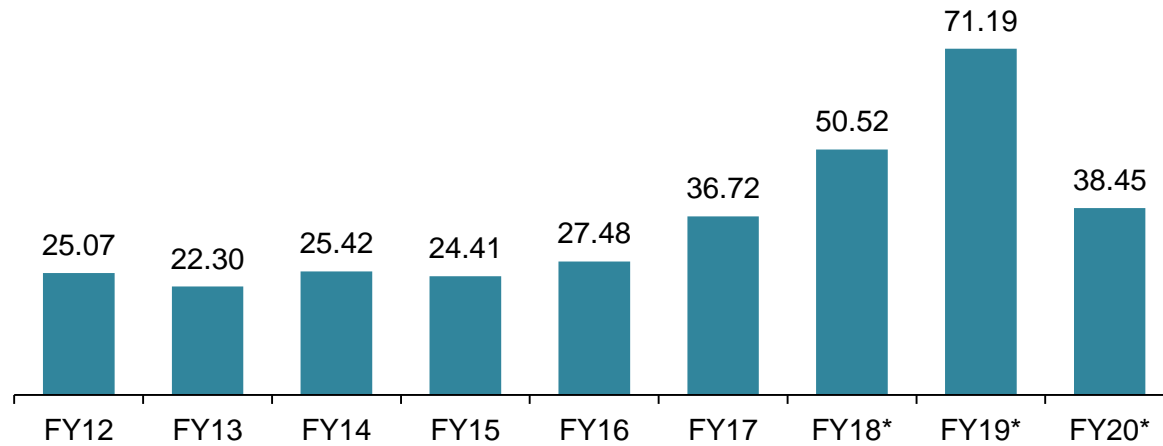


# Valuation & Shareholding

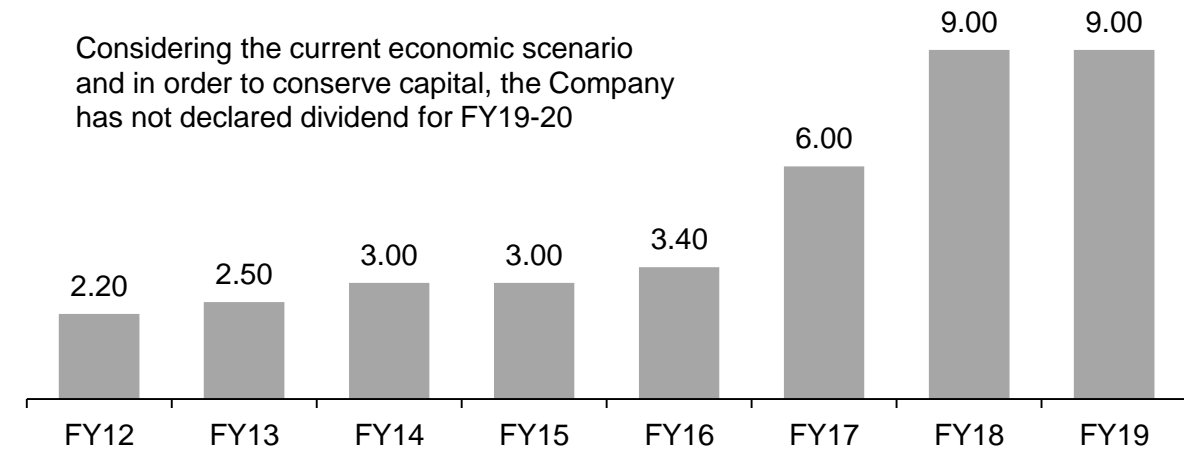
# Return to Shareholders



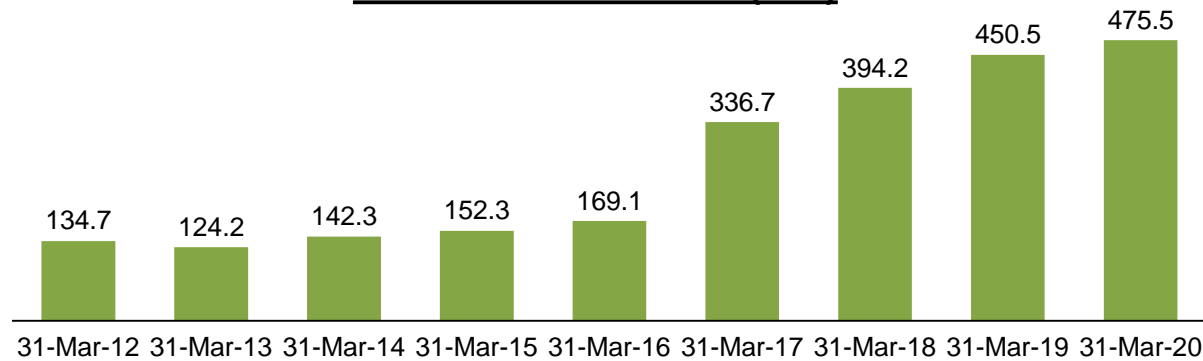
## Earning Per Share (INR)



## Dividend Per Share (INR)



## Book Value Per Share (INR)

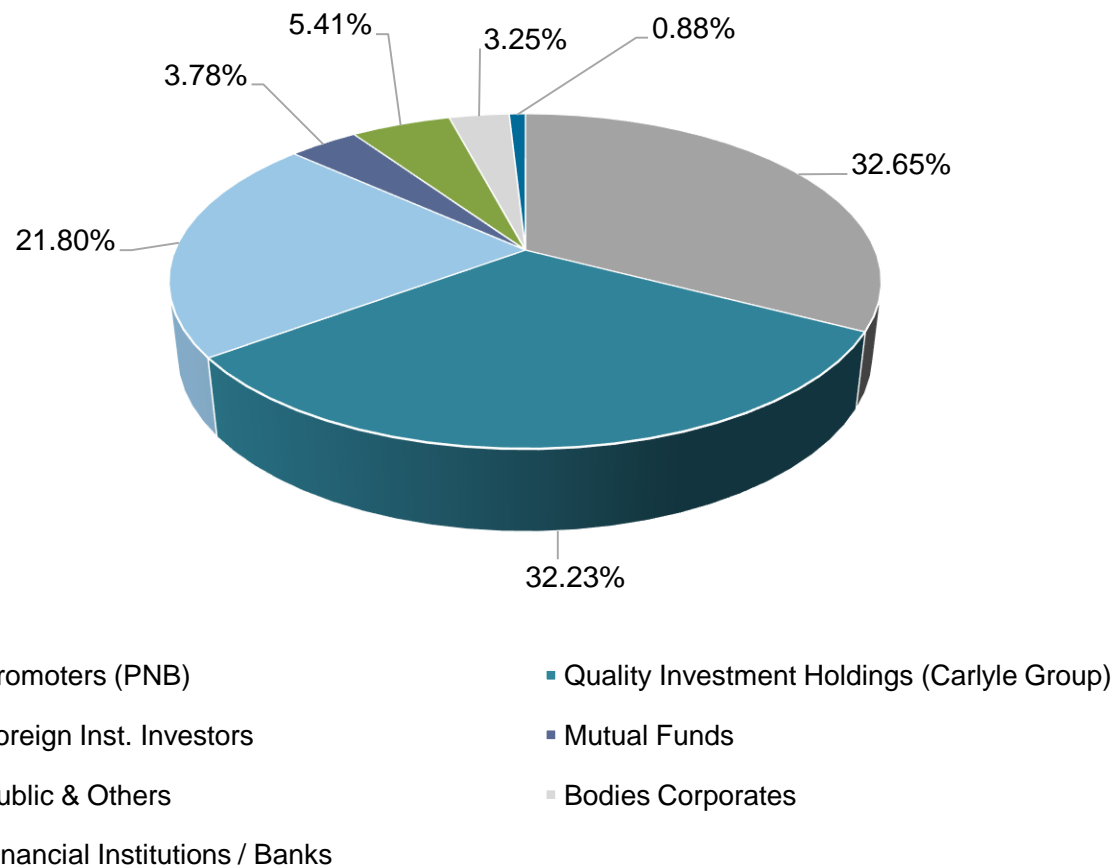


\* As per Ind AS

\*\* IPO price of INR 775 per share



## Shareholding as on 31-Mar-20



Outstanding Shares – 16,81,86,908 shares

Listed on Indian Stock Exchanges  
on 7<sup>th</sup> November 2016



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

### Also Included in

- NIFTY500 Value 50
- NIFTY 500
- NIFTY Midcap 100
- Nifty 200
- NIFTY MIDCAP 150
- NIFTY MIDSML 400
- NIFTY LargeMidcap250
- BSE 200
- BSE 500
- BSE ALLCAP
- S&P BSE Midcap
- BSE Finance
- BSE 150 MIDCAP
- BSE 250 LARGEMIDCAP
- BSE 400 MIDSMLLCP

### Punjab National Bank (PNB) stated position

- Continue to be the promoter of the Company.
- Maintain a minimum shareholding in PNB Housing at 26%.
- PNB Housing Finance shall continue to use the PNB brand.





# Detailed Financials

# Profit & Loss Statement - Consolidated



Particulars (INR Crore)	FY20*	FY19*	FY18*	FY17	FY16	FY15	FY14	FY13	FY12	% CAGR
	IndAS			IGAAP						
Revenue from Operations	8,482	7,679	5,489	3,908	2,698	1,777	1,116	642	454	
Other Income	8	4	1	0	1	-	-	19	9	
<b>Total Revenue</b>	<b>8,490</b>	<b>7,683</b>	<b>5,490</b>	<b>3,908</b>	<b>2,699</b>	<b>1,777</b>	<b>1,116</b>	<b>661</b>	<b>463</b>	44%
Expenditure:										
Finance Cost	5,875	5,166	3,537	2,644	1,860	1,265	801	462	315	
Employee Benefit Expenses	233	304	144	101	75	67	40	26	16	
Other Expenses	253	258	273	237	162	106	63	34	23	
Depreciation Expense	66	31	24	19	15	5	5	2	0	
<b>Total Expenditure</b>	<b>6,427</b>	<b>5,760</b>	<b>3,978</b>	<b>3,001</b>	<b>2,112</b>	<b>1,443</b>	<b>910</b>	<b>523</b>	<b>354</b>	44%
<b>Operating Profit</b>	<b>2,062</b>	<b>1,923</b>	<b>1,511</b>	<b>907</b>	<b>586</b>	<b>334</b>	<b>206</b>	<b>139</b>	<b>109</b>	44%
Provisions and Write-Offs	1,251	189	277	103	83	38	30	12	6	
<b>Profit Before Tax</b>	<b>811</b>	<b>1,734</b>	<b>1,235</b>	<b>804</b>	<b>503</b>	<b>296</b>	<b>176</b>	<b>126</b>	<b>103</b>	29%
Tax Expenses	165	543	393	280	177	100	48	35	27	
<b>Net Profit After Tax</b>	<b>646</b>	<b>1,192</b>	<b>841</b>	<b>524</b>	<b>326</b>	<b>196</b>	<b>127</b>	<b>92</b>	<b>75</b>	31%
<b>EPS (Basic)</b>	<b>38.5</b>	<b>71.2</b>	<b>50.5</b>	<b>36.7</b>	<b>27.5</b>	<b>24.4</b>	<b>25.4</b>	<b>22.3</b>	<b>25.1</b>	

One Crore = 10 Million

# Balance Sheet Statement (IND-AS Consolidated)



	Particulars (INR Crore)	31-Mar-20	31-Mar-19	31-Mar-18
	<b>LIABILITIES</b>			
<b>1</b>	<b>Financial Liabilities</b>			
(a)	Derivative financial instruments	0.0	210.8	38.6
(b)	Payables			
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises	0.0	0.0	
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	86.9	127.2	119.6
(c)	Debt Securities	17,836.5	29,604.9	31,088.3
(d)	Borrowings (Other than Debt Securities)	32,328.1	26,793.2	9,950.7
(e)	Deposits	16,131.9	14,023.0	11,339.8
(f)	Subordinated Liabilities	1,438.6	1,437.7	1,397.9
(g)	Other financial liabilities	1,690.0	2,091.3	854.5
	<b>Sub Total - Financial Liabilities</b>	<b>69,512.0</b>	<b>74,288.1</b>	<b>54,789.3</b>
<b>2</b>	<b>Non-Financial Liabilities</b>			
(a)	Provisions	18.9	25.2	18.7
(b)	Other non-financial liabilities	1,401.0	2,011.8	1,639.1
	<b>Sub Total - Non-Financial Liabilities</b>	<b>1,420.0</b>	<b>2,037.0</b>	<b>1,657.8</b>
<b>3</b>	<b>EQUITY</b>			
(a)	Equity Share capital	168.2	167.5	166.6
(b)	Other Equity	7,829.6	7,376.4	6,400.8
	<b>Equity attributable to equity holders of the parent</b>	<b>7,997.8</b>	<b>7,543.9</b>	<b>6,567.4</b>
	Non-controlling interest		-	-
	<b>TOTAL – EQUITY &amp; LIABILITIES</b>	<b>78,929.7</b>	<b>83,869.0</b>	<b>63,014.5</b>

	Particulars (INR Crore)	31-Mar-20	31-Mar-19	31-Mar-18
	<b>ASSETS</b>			
<b>1</b>	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	8,514.3	4,034.0	2,817.0
(b)	Bank Balance other than (a) above	0.1	0.1	0.0
(c)	Derivative Financial instruments	125.7	0.0	0.0
(d)	Trade Receivables	44.9	38.8	0.3
(e)	Loans	66,628.0	74,287.9	57,164.8
(f)	Investments	2,075.7	4,560.7	2,413.0
(g)	Other Financial Assets	701.7	513.0	240.8
	<b>Sub Total - Financial Assets</b>	<b>78,090.4</b>	<b>83,434.5</b>	<b>62,635.9</b>
<b>2</b>	<b>Non - Financial Assets</b>			
(a)	Current tax assets (Net)	61.0	115.6	48.5
(b)	Deferred tax Assets (Net)	285.9	61.0	45.5
(c)	Investment Property	0.6	0.6	0.6
(d)	Property, Plant and Equipment	105.3	78.3	58.4
(e)	Right of use assets	119.8	0.0	0.0
(f)	Capital work-in-progress	1.23	3.8	8.2
(g)	Other Intangible assets	25.4	24.2	17.1
(h)	Intangible assets under development	2.8	1.4	1.5
(i)	Other non-financial assets	30.7	18.5	20.2
(j)	Assets held for sale	206.6	131.1	178.7
	<b>Sub Total - Non - Financial Assets</b>	<b>839.3</b>	<b>434.5</b>	<b>378.6</b>
	<b>TOTAL - ASSETS</b>	<b>78,929.7</b>	<b>83,869.0</b>	<b>63,014.5</b>

# Balance Sheet Statement- Equity & Liabilities (I-GAAP)



Particulars (INR Crore)	Mar-17	Mar-16	Mar-15	Mar-14	Mar-13	Mar-12
<b>Equity and Liabilities</b>						
<b>Shareholder's Funds</b>	<b>5,577</b>	<b>2,146</b>	<b>1,581</b>	<b>935</b>	<b>621</b>	<b>404</b>
Share Capital	166	127	104	66	50	30
Reserves and Surplus	5,412	2,019	1,477	869	571	374
<b>Non-Current Liabilities</b>	<b>24,477</b>	<b>16,938</b>	<b>11,453</b>	<b>8,130</b>	<b>5,579</b>	<b>2,818</b>
Long-Term Borrowings	24,084	16,646	11,105	7,947	5,536	2,802
Deferred Tax Liabilities (Net)	47	30	8	-	-	-
Other Long-Term Liabilities	104	101	259	134	15	-
Long-Term Provisions	242	161	82	49	28	16
<b>Current Liabilities</b>	<b>12,905</b>	<b>10,587</b>	<b>5,999</b>	<b>2,465</b>	<b>1,666</b>	<b>1,310</b>
Short-Term Borrowings	7,947	7,448	3,447	452	-	-
Short-Term Provisions	28	71	53	36	176	138
Trade Payables	94	75	57	22	6	3
Other Current Liabilities	4,836	2,992	2,442	1,956	1,484	1,170
<b>Total</b>	<b>42,960</b>	<b>29,671</b>	<b>19,033</b>	<b>11,530</b>	<b>7,866</b>	<b>4,533</b>

One Crore = 10 Million

# Balance Sheet Statement- Assets (I-GAAP)



Particulars (INR Crore)	Mar-17	Mar-16	Mar-15	Mar-14	Mar-13	Mar-12
<b>Assets</b>						
<b>Non-Current Assets</b>	<b>37,744</b>	<b>26,656</b>	<b>14,782</b>	<b>8,868</b>	<b>6,449</b>	<b>3,845</b>
<b>Fixed Assets</b>	<b>60</b>	<b>62</b>	<b>58</b>	<b>26</b>	<b>16</b>	<b>4</b>
-Tangible Assets	48	48	38	23	13	4
-Intangible Assets	11	10	1			
-Capital Work-in-Progress	2	4	18	3	4	1
Non-Current Investments	961	782	219	119	74	54
Deferred Tax Assets (Net)				15	12	12
Loans and Advances	36,444	25,624	14,382	8,641	6,318	3,774
Other Non-Current Assets	278	188	123	68	29	1
<b>Current Assets</b>	<b>5,216</b>	<b>3,015</b>	<b>4,251</b>	<b>2,662</b>	<b>1,417</b>	<b>688</b>
Current Investments	2,318	840	1,367	527	719	325
Cash and Bank Balances	151	249	293	138	188	11
Short-Term Loans and Advances	40	18	20	9	459	315
Other Current Assets	2,706	1,908	2,571	1,988	50	37
<b>Total</b>	<b>42,960</b>	<b>29,671</b>	<b>19,033</b>	<b>11,530</b>	<b>7,866</b>	<b>4,533</b>

One Crore = 10 Million



# Strong Management Team

# Management Team



Age : 62 Years

No. of Years with PNBHF : 1\*\* Year

Prior Engagements :  
State Bank of India

**Neeraj Vyas**  
Managing Director & CEO\*

\* interim



Age : 54 Years

No. of Years with PNB HF : 7 Years

Prior Engagements :  
Religare Finvest Ltd  
GE Money Indiabulls  
Financial Services

**Ajay Gupta**  
ED - Risk Management



Age : 58 Years

No. of Years with PNB HF : 9 Years

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

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



Age : 47 Years

No. of Years with PNBHF : 2 Years

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

**Kapish Jain**  
Chief Financial officer



Age : 56 Years

No. of Years with PNB HF : 25 Years

Prior Engagements :  
Ansal Buildwell Limited

**Sanjay Jain**  
Company Secretary & Head Compliance



Age : 53 Years

No. of Years with PNB HF : 8 Years

Prior Engagements :  
ARMS (Arcil)  
Indian Army

**Anshul Bhargava**  
Chief People Officer

Collective experience of >160 years in the Finance sector

# Highly Experienced Board



**Sh CH. S. S. Mallikarjuna Rao**  
Non Executive Chairman

Age: 58 Years  
MD & CEO of PNB



**Sunil Kaul**  
Non Executive Director

Age: 60 Years  
MD, Carlyle  
Head, SE Asia, FIG,  
Carlyle



**Shital Kumar Jain**  
Independent Director

Age: 80 Years  
Former Banker & Credit  
Head India, Citi



**Gourav Vallabh**  
Independent Director

Age: 42 Years  
Professor of Finance,  
XLRI



**R Chandrasekaran**  
Independent Director

Age: 62 Years  
Founder and Former  
Executive Vice  
Chairman, Cognizant



**Nilesh S. Vikamsey**  
Independent Director

Age: 55 Years  
Sr. Partner, Khimji  
Kunverji and Co  
Past President-ICAI



**Ashwani Kumar Gupta**  
Independent Director

Age: 65 Years  
Financial Consultant



**Shubhalakshmi Panse**  
Independent Director

Age: 66 Years  
Former Banker, CMD,  
Allahabad Bank



**Tajendra Mohan Bhasin**  
Independent Director

Age: 64 Years  
Former CMD Indian  
Bank



**Neeraj Vyas**  
Managing Director & CEO

Age: 62 Years  
MD & CEO, PNB  
Housing Finance





## Board of Directors

Under the provisions of the Companies Act, 2013. It has 10 members, 1 is non-executive chairman, 1 is non-executive director, 7 are independent directors and Managing Director.

## Audit Committee (ACB)

Under section 177 of the Companies Act, 2013. It has 3 members, all are independent directors.

## Risk Management Committee (RMC)

Committee to oversee various types of risks. It has 5 members, 2 are independent directors, 2 are non-executive directors and Managing Director.

## Credit Committee of the Board (CCB)

Under section 179 of the Companies Act, 2013. It has 3 members, 2 are independent directors and Managing Director.

## Nomination and Remuneration Committee (NRC)

Under section 178 of the Companies Act, 2013. It has 4 members, 2 are independent directors and 2 are non-executive directors.

## Stakeholders Relationship Committee (SRC)

Under section 178 of the Companies Act, 2013. It has 5 members, 2 are independent directors, 2 are non-executive directors and Managing Director.

## Corporate Social Responsibility Committee (CSR)

Under section 135 of the Companies Act, 2013. It has 3 members, 2 are independent directors and Managing Director.

**7 out of 10 are independent directors including independent women director, 1 Non-Executive Chairman**



# Saksham – Contributing to the Society

# Glimpses of Social Interventions



## Enhancing Human Potential

- Partnered with Confederation of Real Estate Developers Association of India (CREDAI) to conduct Onsite & Offsite skill enhancement training for 13,000+ construction workers
- Launched construction worker skills enhancement training in partnership with NAREDCO



## Reaching Out, Reaching Far

- Collaborated with various NGOs & real estate developers to establish 52 day care centres at construction sites where children were provided with health services, education, hygiene and nutrition



## Investing in Education

- Adopted two schools with VIDYA to provide quality education to the underprivileged children
- Higher education scholarship program for underprovided
- In partnership, initiated a badminton training programme for sports development in 20 Government schools



## Improving Access to Health Care

- Supported operational cost to run cancer patient helpline and outreach clinic for the patients and caregivers
- Launched a reproductive health and hygiene programme for young adolescent girls in five villages in UP
- Partnered with HelpAge India for mobile health unit
- Donated advanced equipment to various hospitals
- Supported two mental wellness programs- Counselling center and Vocational skill development



**More than 43,000 lives Impacted**

(National Real Estate Development Council)  
Number on cumulative basis

# Awards and Recognitions



Won **Gold Award for Annual Report FY2018-19** at the 10th Public Relations Council of India (PRCI) Excellence Awards in Bengaluru



Won the **Gold award** at Outlook Money Awards 2019 under the 'Home Loan (overall) Provider of the Year' category



Won the **Gold Award** at the League of American Communications Professionals LLC (LACP) Vision Awards 2018-19 for the Annual Report and has been ranked 37th among top 100 Annual Reports worldwide



Felicitated as winner for **Excellence in Operations** at the IDC India Insights Awards 2019 held in Bengaluru



Awarded for **Best Customer Engagement** Initiative of the Year- by a HFC and Best CSR Practice of the Year



**Mr. Nitant Desai** awarded amongst **Top 100 CIOs of India** for the fourth consecutive year



Recognized at the prestigious **6th CSR Impact Awards**, organized by CSRBOX in association with Dalmia Bharat



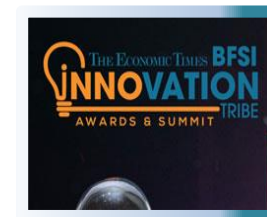
Awarded for **Excellence in Project Management 2019** by Talisma (leading provider of digital customer) amongst 1,700 existing clients



Once again, awarded **Housing Finance Firm of the Year** at the 11th Annual Estate Awards in Delhi.



Recognized for the second time at the prestigious **The Economic Times Best BFSI Brands 2019** held at a grand event in Dubai.



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



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

# Awards and Recognitions



*Listing of PNB Housing on National Stock Exchange'*



*Recognized for Contribution in Promoting Green Buildings' Initiative*



*Adjudged Winners for Brand excellence in Banking, Finance and Insurance sector*



*Felicitated for Valuable Contribution to CREDAI Skilling Programme at CREDAI Conclave 2017*



*PNB Housing recognized among the Top 100 CIOs of 2016*



*PNB Housing felicitated at the RICS Cities Conference 2016*



*Awarded 'Certificate of Merit' as 'Housing Finance Company of the Year'*



*Awarded for Brand Excellence in NBFC Category*



*Awarded 'Housing Finance Company of the Year'*



*Certified as a "Great Place to Work" by building a 'High Trust, High Performance Culture*



*Awarded for 'Excellence in Financial Services'*



*'Best Adversity Management Stories of Asia Study 2016''*



*'PNB Housing awarded for contribution towards CSR at the India Pride Awards*



## Strong Industry Growth

Indian Housing Finance Sector Poised for Strong Growth



## Wide Spread Retail Distribution Network and Unique Operating Model

Wide spread retail distribution network with pan India presence and over 22,000 channel partners across India



## Robust Technology

Robust Technology Platform in place as Growth Enabler



## Brand Recognition & Delivery Model

Strong Brand Recognition Coupled with Robust Delivery Model



## Mortgage backed Loans

100% of loan Assets owned by the Company are Mortgage backed



## Focus on Retail

Focus on low risk weight Retail business for future growth and better capital efficiency



## Diversified Liability Profile

Well Diversified Borrowing Profile with access to Multiple Sources of Funding



## Strong Balance Sheet

Conservative provisioning to withstand challenging market dynamics



## Improving Cost to Income Ratio

Operating leverage playing out, thereby improving C/I Ratio



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
EIR	Effective Interest Rate
EPS	Earning Per Share
EWS	Economically Weaker Section

GNPA	Gross Non-Performing Asset
HFCs	Housing Finance Companies
LAP	Loan against Property
LIG	Low Income Group
LRD	Lease Rental Discounting
NCDs	Non-Convertible Debentures
NII	Net Interest Income
NIM	Net Interest Margin
NNPA	Net Non-Performing Asset
NPA	Non-Performing Asset
NRPLs	Non-Residential Premises Loans
PAT	Profit After Tax
PCR	Provision Coverage Ratio
ROA	Return on Asset
ROE	Return on Equity



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





# Thank You

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## Contact

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