



Date: January 24, 2023

BSE Limited,
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
Scrip Code: 540173

National Stock Exchange of India Limited,
Listing Department
“Exchange Plaza”
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051
Symbol: PNBHOUSING

Dear Sir/Madam,

Sub: Submission of Investor Presentation to be made to Analysts/Investors

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find attached herewith the Investor Presentation of the Company for the Quarter and Nine Months ended December 31, 2022.

A copy of the same is placed on the website of the Company <https://www.pnbhousing.com/>

This is for your information and records.

Thanking You.

For PNB Housing Finance Limited

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



Investor Presentation

Quarter Ended December 2022

24-January-2023

Table of Content



1

Key Performance Highlights

2

Strategic Objective

3

Business Update – Retail & Corporate

4

Asset Quality

5

Financial Performance

6

Annexure

Key Performance Highlights

	Retail Segment	Corporate Segment
 Disbursement	INR 10,285 Crore (9M FY23) (42.5% YoY) INR 3,363 Crore (Q3 FY23) (23.0% YoY)	INR 185 Crore (9M FY23) (-44.0% YoY) INR 62 Crore (Q3 FY23) (-34.0% YoY)
 Loan Book	INR 53,123 Crore (6.6% YoY)	INR 4,911 Crore (-38.6% YoY)
 GNPA	2.86% (31-Dec-22) vs 3.39% (30-Sep-22)	26.61% (31-Dec-22) vs 30.37% (30-Sep-22)

Key Performance Highlights



Disbursement

INR 10,470 Crore (38.7% YoY) (9M FY23)

INR 3,425 Crore (21.1% YoY) (Q3 FY23)



Asset Quality

GNPA: 4.87%

(6.06% 30-Sep-22)

Net NPA at 3.22%



AUM

INR 65,753 Crore

(-2.7% YoY)



NIM

3.72% (77 bps YoY) (9MFY23)

4.68% (54 bps QoQ) (Q3Y23)



Loan Book

INR 58,034 Crore

(0.3% YoY)



ROA

1.59% (Annualized)

(1.31% 9M FY22 | 1.24% FY22)



Retail Loan Book

92% of Loan Book

(86% 31-Dec-21)



Capital Position

Gearing Ratio: 4.9x

(-68 bps YoY | -11 bps QoQ)

CRAR: 24.60%

(301 bps YoY | 53 bps QoQ)



Deposits

INR 17,900 Crore

(0.3% YoY)

Public 90% | ICD 10%



Book Value
Per Share

INR 634

(INR 571 31-Dec-21 | INR 586 31-Mar-22)

Business Update

- Disbursements up by 39% YoY to INR 10,470 Crore as against INR 7,548 Crore in 9M FY22 on account of retail segment.
- Retail Loan Asset registered growth of 7% YoY to INR 53,123 Crore as on 31st Dec 2022 and Corporate Loan Asset declined by 39% YoY to INR 4,911 Crore resulting in Total Loan Asset maintained at INR 58,034 Crore
- Retail Loan Asset is at 92% of Loan Asset as compared to 86% as on 31st Dec 2021; Individual Housing Loan Average Ticket Size at INR 29 Lacs
- GNPA declined to 4.87% as on 31st Dec 2022 as compared to 6.06% as on 30th Sept 2022; Total Provision to Total Asset stood at 3.03%

Affordable Segment

- Built separate vertical with dedicated sales, collections and credit underwriting team
- Affordable Business presence is expanded to 82 branches & outreaches as on 31st Dec 2022

Capital Raise

- Draft Letter of Offer (DLoF) for Rights Issue was filed to SEBI on 30th Nov 2022
- Awaiting SEBI approval on the DLoF

1



Accelerate growth by focussing on Retail Lending by leveraging our expertise in retail loan segment

2



Expand affordable Housing loan offering

3



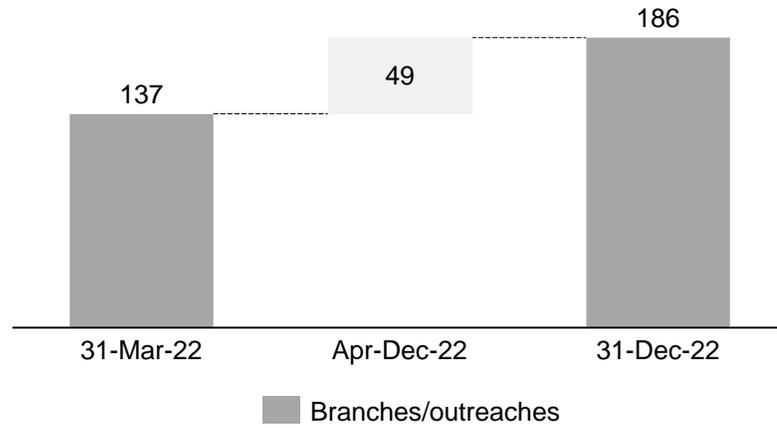
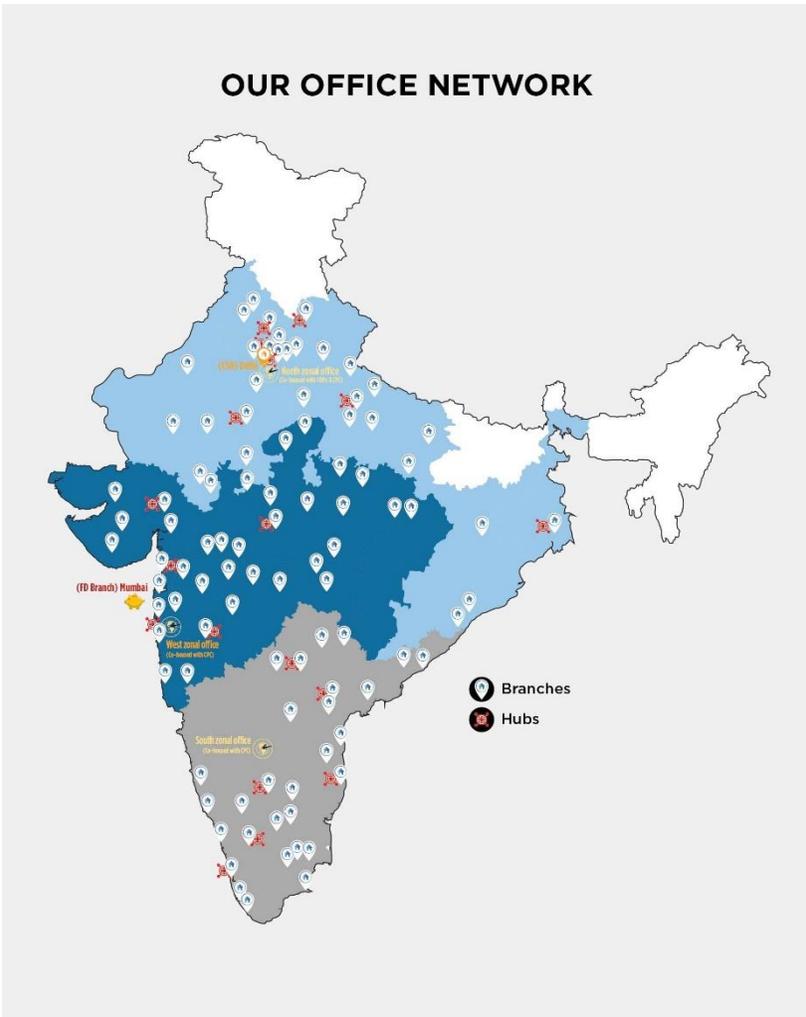
Strengthen our capital position and risk management capabilities
Enhance underwriting and collection efficiencies and improve the credit quality of the portfolio

4



Drive growth through digitisation to enhance efficiencies across verticals

Wide Distribution Network

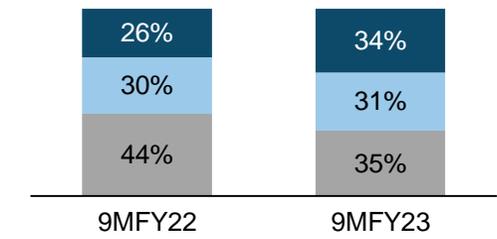


- Affordable Business presence is expanded to **82 branches & outreaches as on 31st Dec 2022**
- 22 decision-making hubs** for credit decision making
- 8,000+ active** Channel Partners for loans & deposits in Q3 FY23
- Network across **113 cities and 20 states and UTs**

AUM – Geographical Breakup

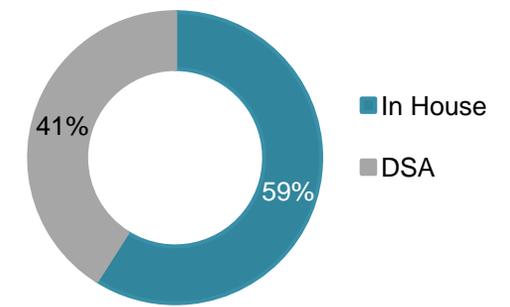


Disbursement - Geographical Break-up



North South West

Disbursement Mix - 9M FY23



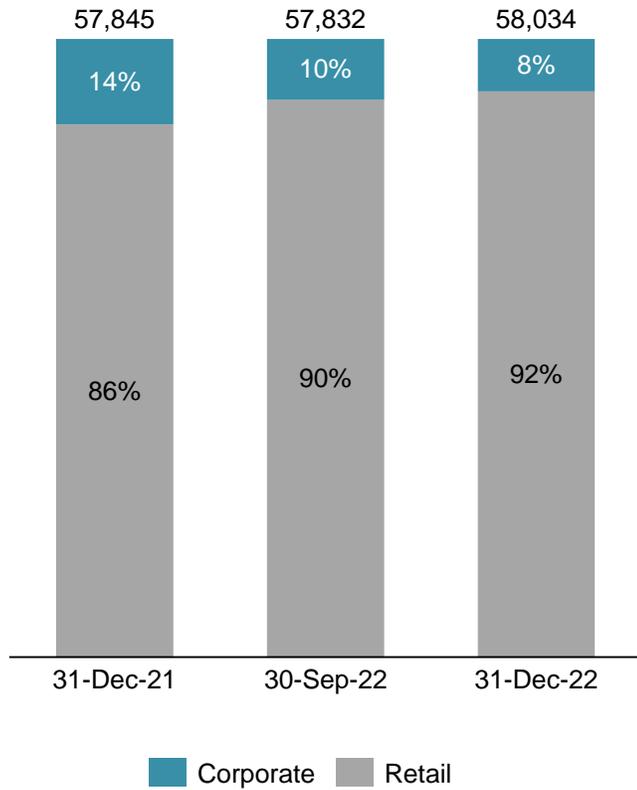
Central Support Office

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

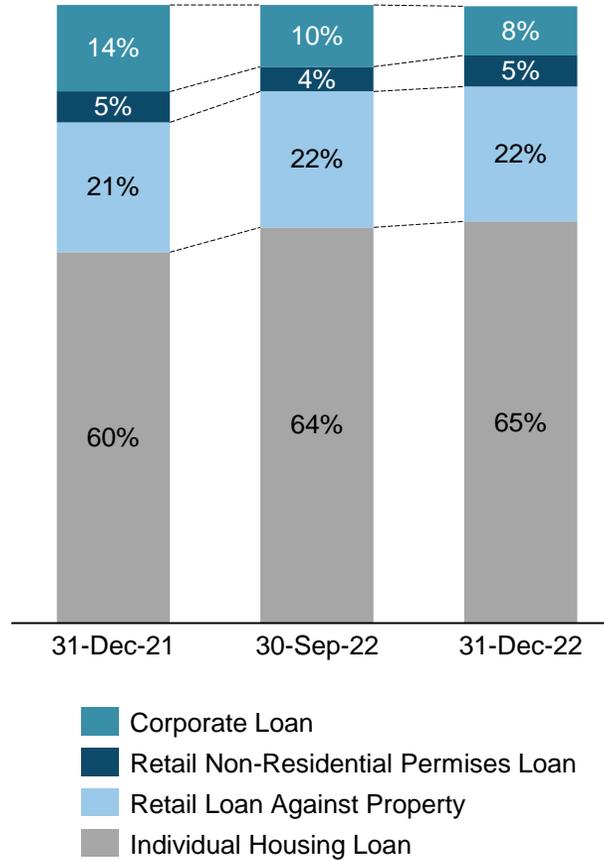
Improved Retail contribution in Loan Asset

(INR Crore)

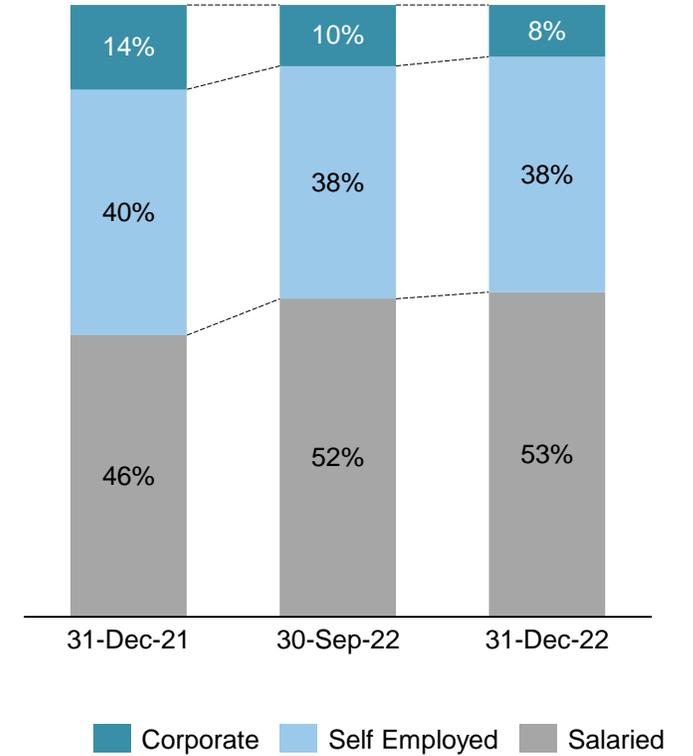
Loan Asset Mix



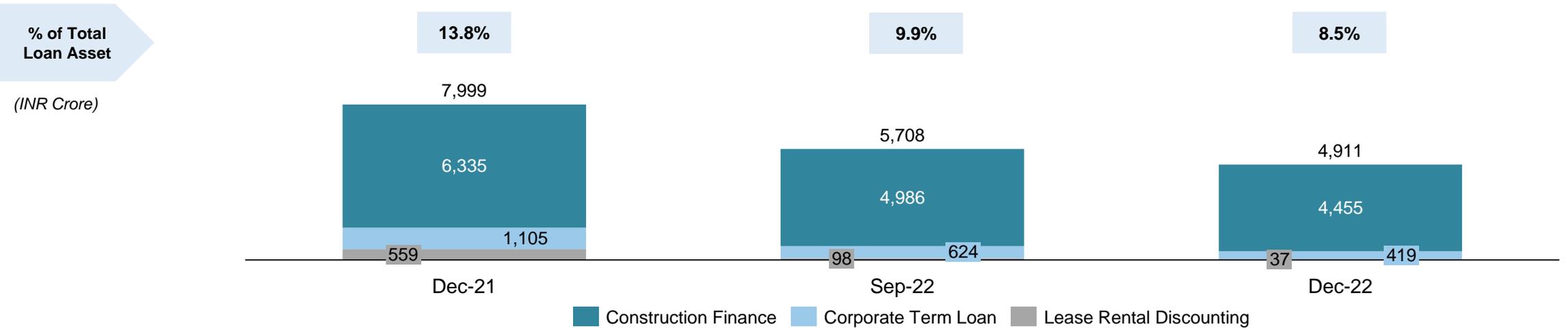
Product-wise Break-up



Segment-wise Breakup

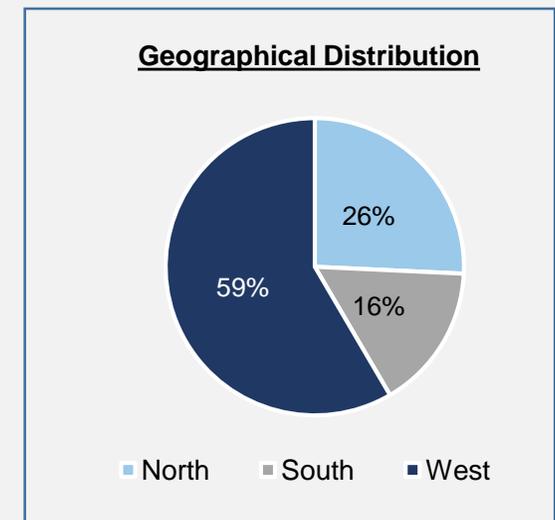


Significant Reduction in Corporate Book



Average Ticket Size (Unique Corporate Houses)

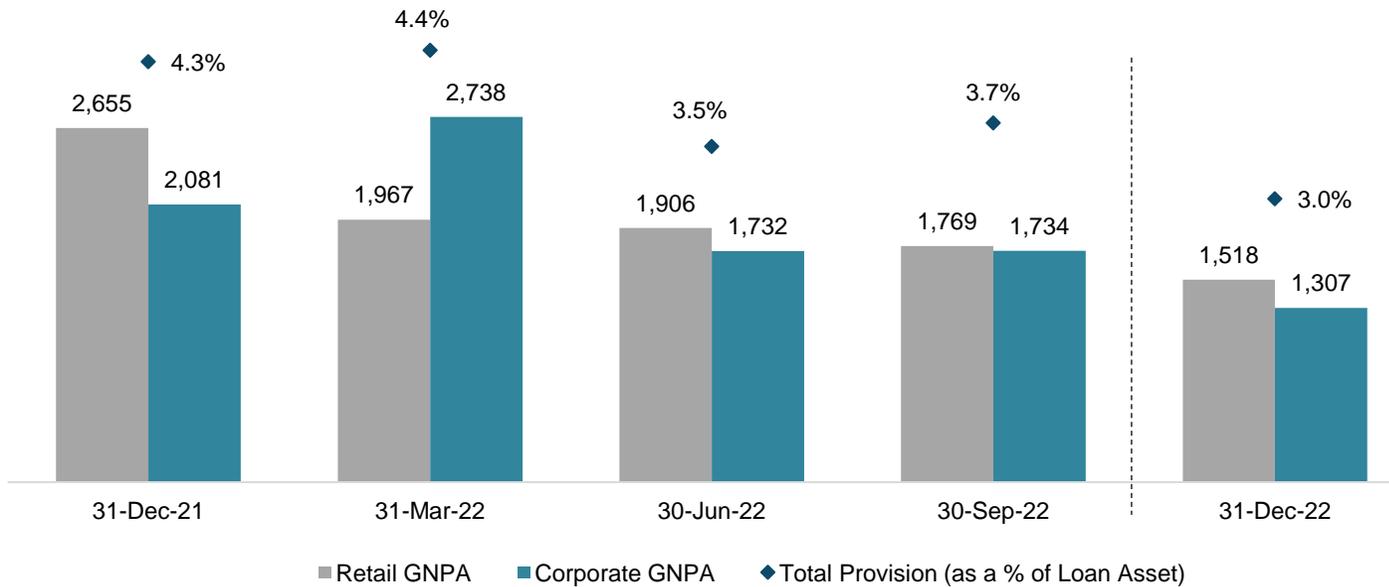
Product Segment	ATS (INR Crore)
Construction Finance	224
Corporate Term Loan	68
Lease Rental Discounting	51



Non-Performing Assets

(INR Crore)

	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22
Gross NPA	4,736	4,705	3,638	3,502	2,824
Loan Asset (IndAS)	57,845	57,895	57,287	57,832	58,034
Gross NPA (%)	8.19%	8.13%	6.35%	6.06%	4.87%
Net NPA (%)	5.46%	5.06%	4.26%	3.59%	3.22%



- Retail GNPA reduced by 14% QoQ and Corporate GNPA by 25% QoQ as on 31st Dec 22
- Retail GNPA is at 2.86% and Corporate GNPA is at 26.61% as on 31st Dec 22
- Retail Collection Efficiency for Q3 FY23 is 98.4%
- Covid Restructured loans of INR 2,037 Crore as on 31st Dec 22

NPA as a % of Loan Asset

As per IND-AS
Consolidated Numbers

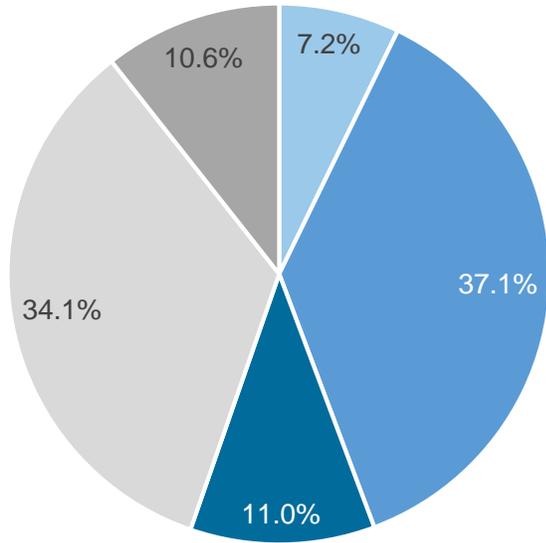
Expected Credit Loss (ECL) Provisions

Particulars (INR Crore)	31-Dec-22	30-Sep-22	31-Dec-21
Gross Stage 1*	53,133	52,438	50,257
Gross Stage 1 as % to Loan Asset	91.56%	90.67%	86.88%
ECL Provision Stage 1	536	539	626
ECL Provision % Stage 1	1.01%	1.03%	1.25%
Gross Stage 2*	2,076	1,892	2,851
Gross Stage 2 as % to Loan Asset	3.58%	3.27%	4.93%
ECL Provision Stage 2	235	199	292
ECL Provision % Stage 2	11.33%	10.50%	10.24%
Gross Stage 3	2,824	3,502	4,736
Gross Stage 3 as % to Loan Asset	4.87%	6.06%	8.19%
ECL Provision Stage 3	989	1,425	1,576
ECL Provision % Stage 3	35.00%	40.69%	33.28%
Total Assets	58,034	57,832	57,845
ECL Provision	1,759	2,162	2,494
Total ECL Provision / Total Assets (%)	3.03%	3.74%	4.31%

Financial Performance

Well Diversified Resource Profile

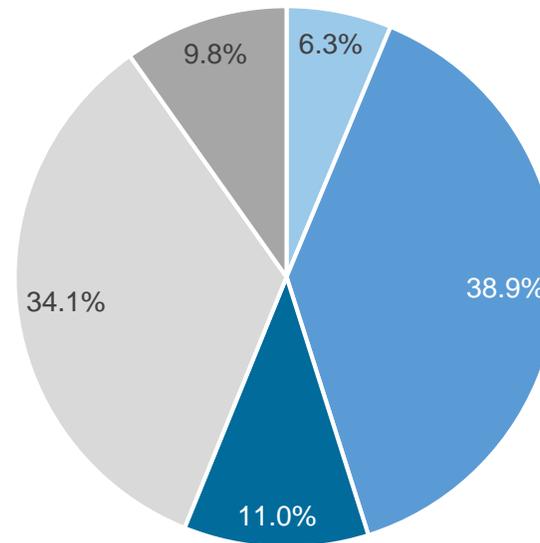
Borrowing Mix – 30-Sep-22 (%)



■ NHB Refinance ■ Loan from Banks ■ ECBs ■ Deposits ■ NCDs

Borrowings INR 52,341 Crore | Total Resource INR 60,294 Crore

Borrowing Mix – 31-Dec-22 (%)



■ NHB Refinance ■ Loan from Banks ■ ECBs ■ Deposits ■ NCDs

Borrowings INR 52,499 Crore | Total Resource INR 60,053 Crore

Credit Rating

- Fixed Deposit: “AA” by CRISIL and 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

- 65% of the total borrowings is floating

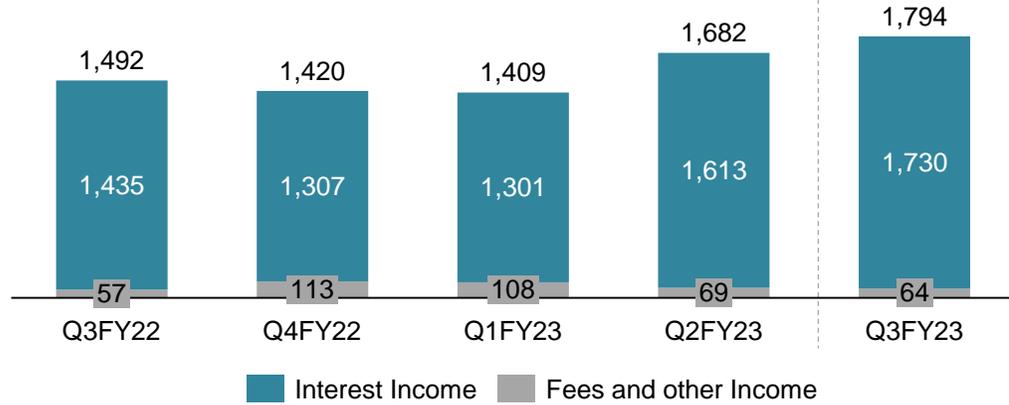
- Average daily Liquidity Coverage Ratio maintained at 117% for 9 Months FY23 against stipulated 60%

- Board approved to raise INR 2,000 crore through Non-Convertible Debentures

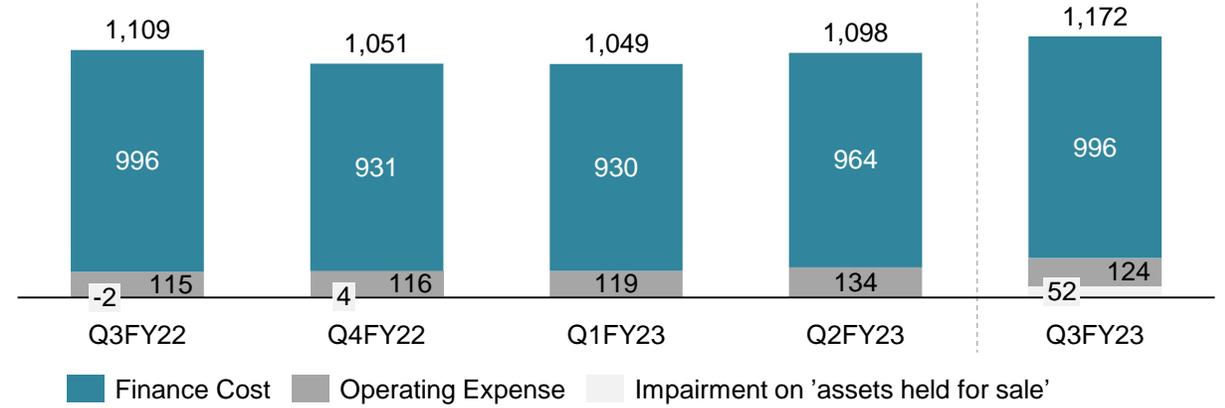
Financial Highlights – Quarter on Quarter

(INR Crore)

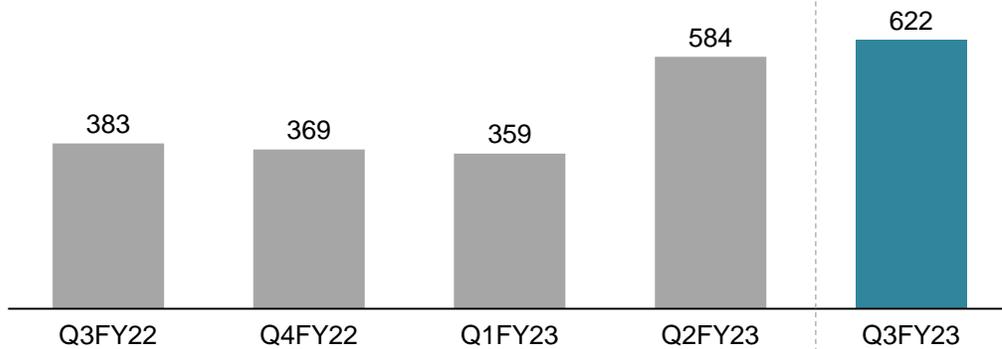
Revenue



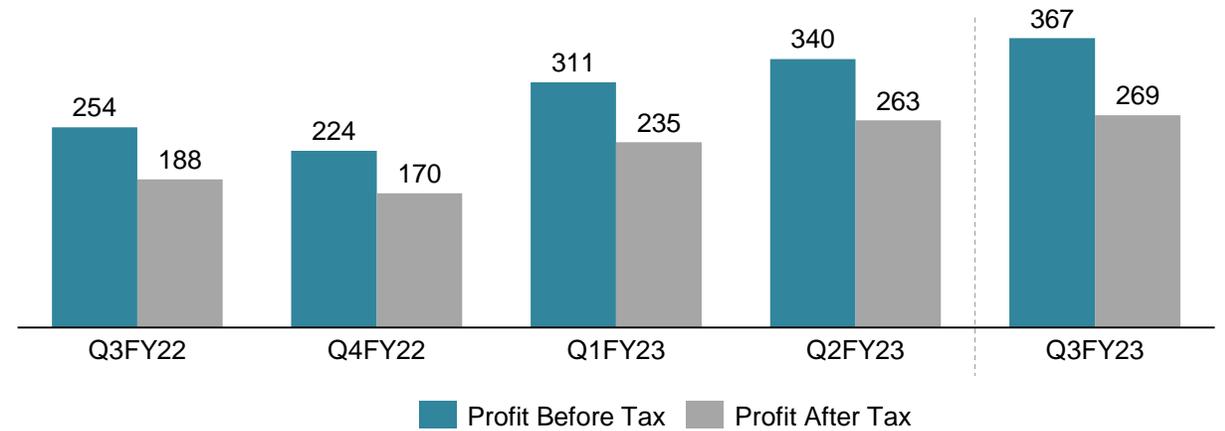
Expense



Pre-provision Operating Profit

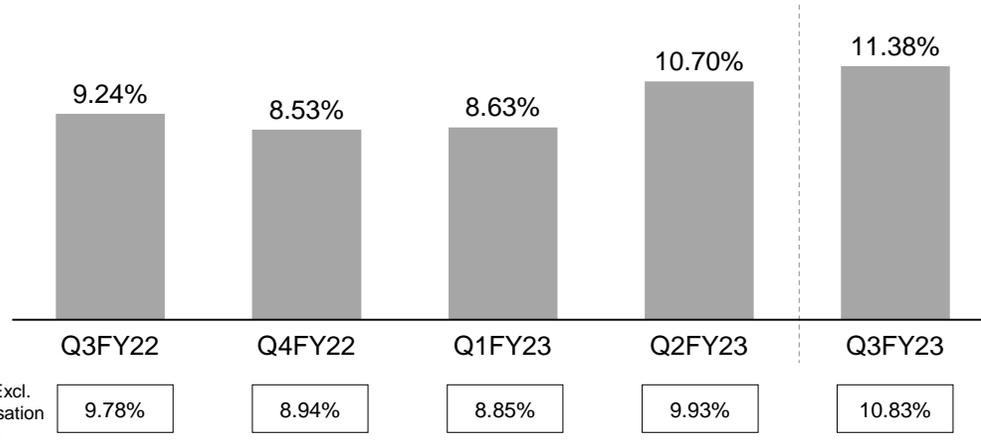


Profit Before Tax & Profit After Tax

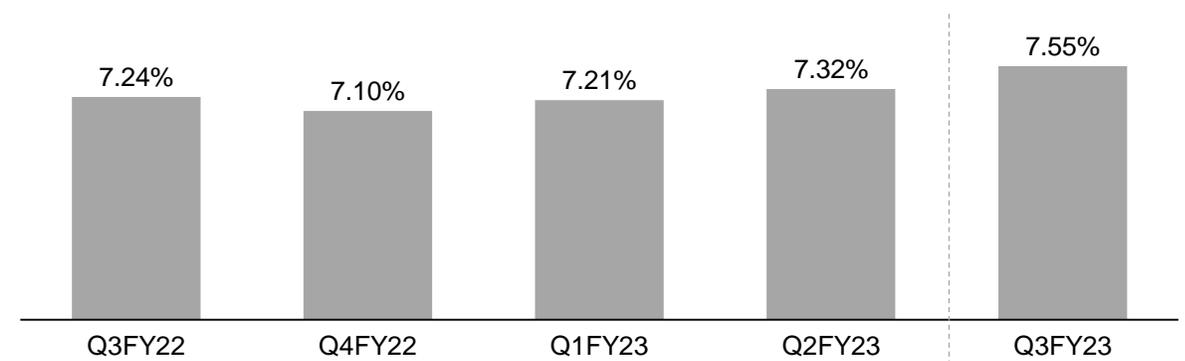


Financial Ratio Highlights – Quarter on Quarter

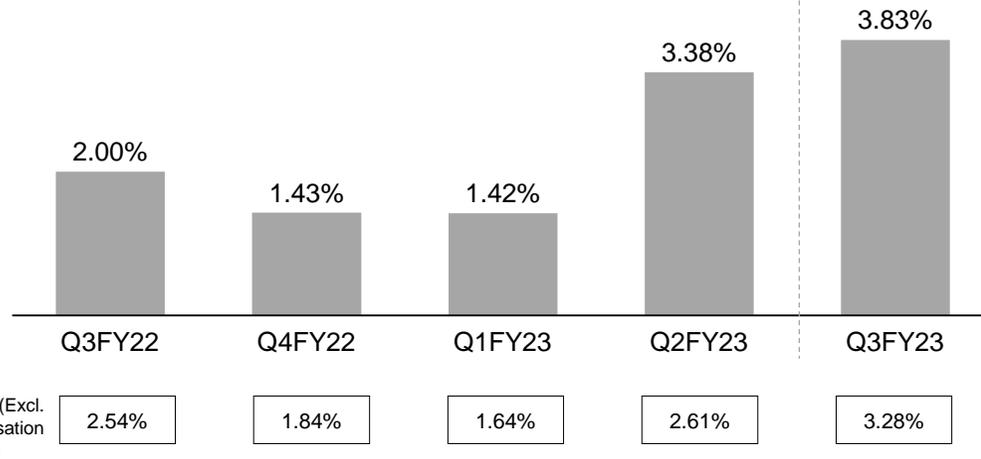
Average Yield



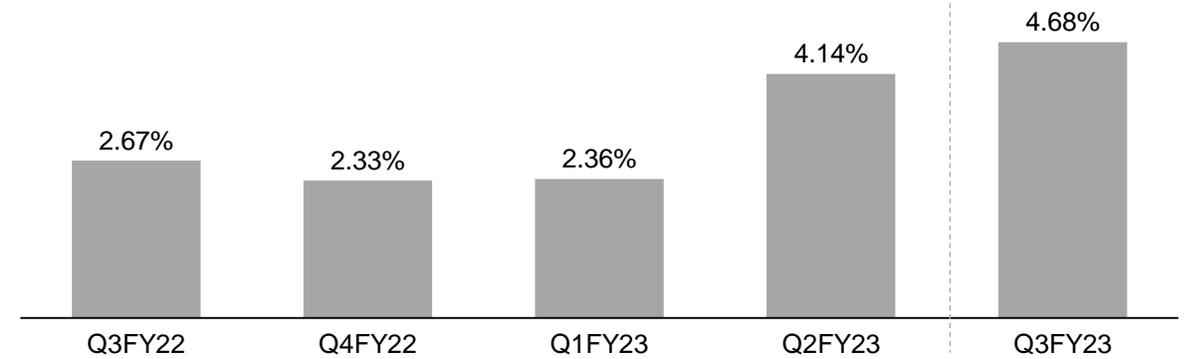
Average Cost of Borrowing



Spread

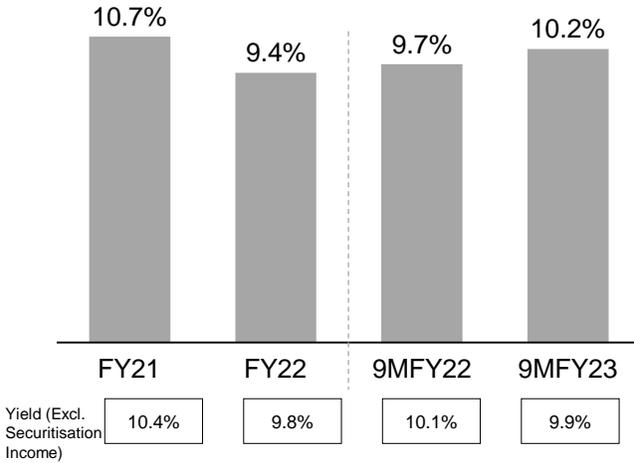


Net Interest Margin

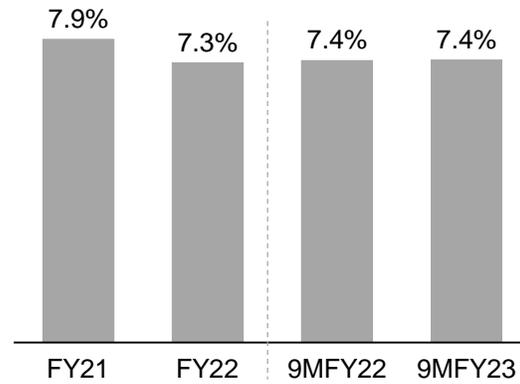


Margin Analysis - Annual

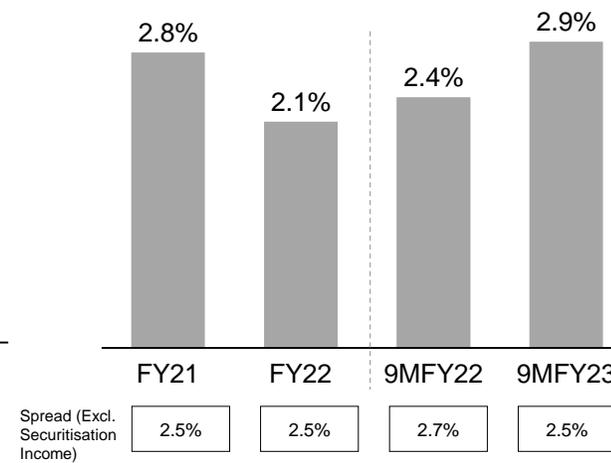
Average Yield



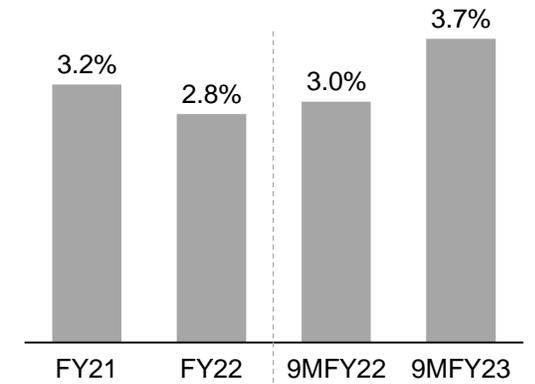
Average Cost of Borrowings



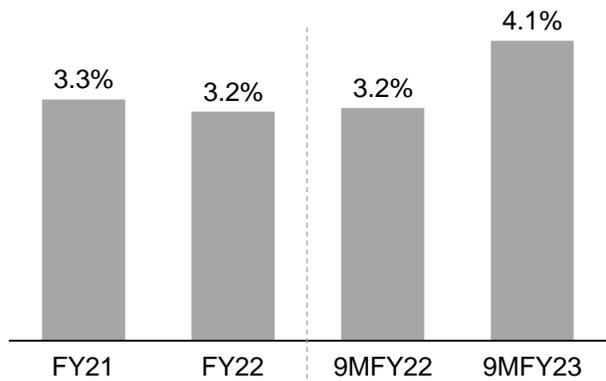
Spread



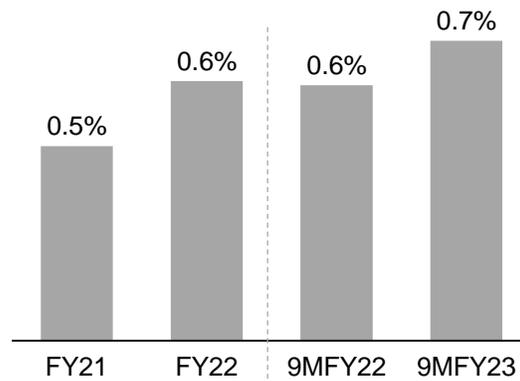
Net Interest Margin



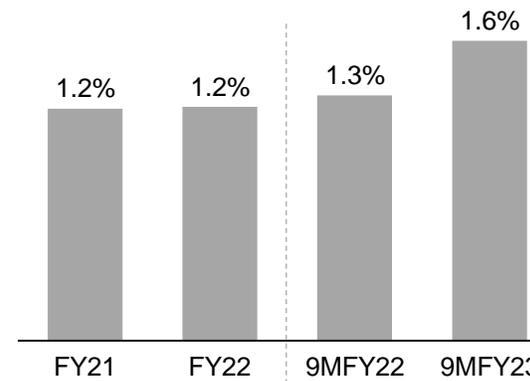
Gross Interest Margin



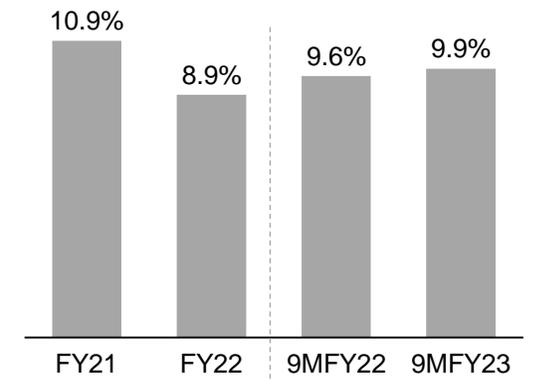
Opex to ATA Ratio



Return on Asset



Return on Equity

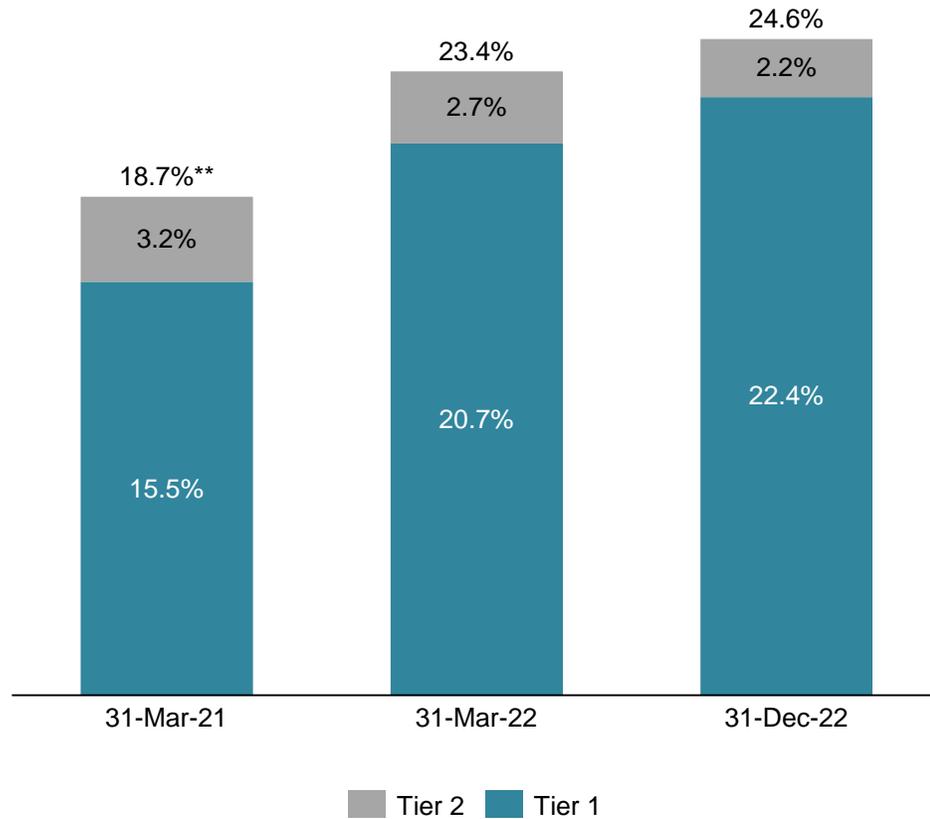


Ratios are calculated on Monthly Average
Gross Interest Margin is net of acquisition cost

Capital Position

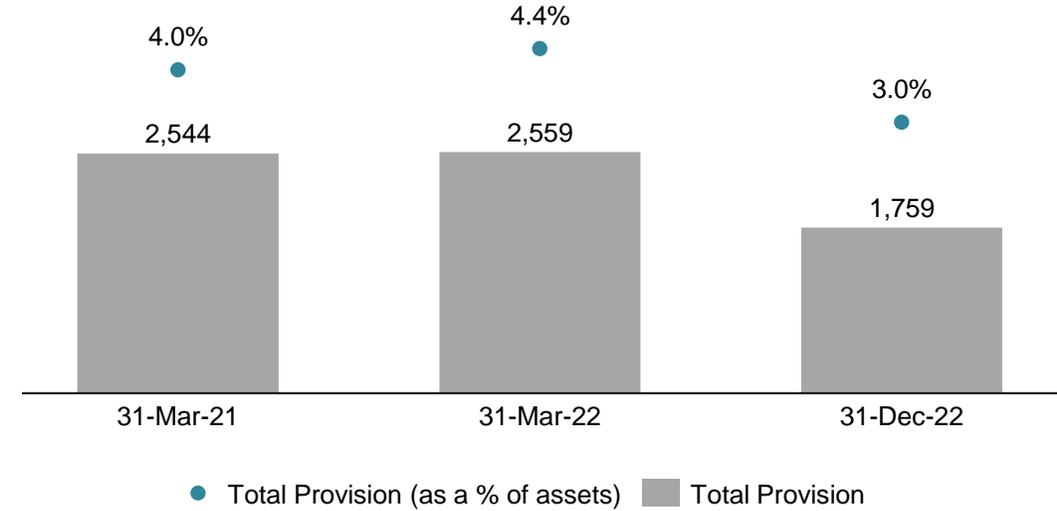
(INR Crore)

Capital to Risk Asset Ratio

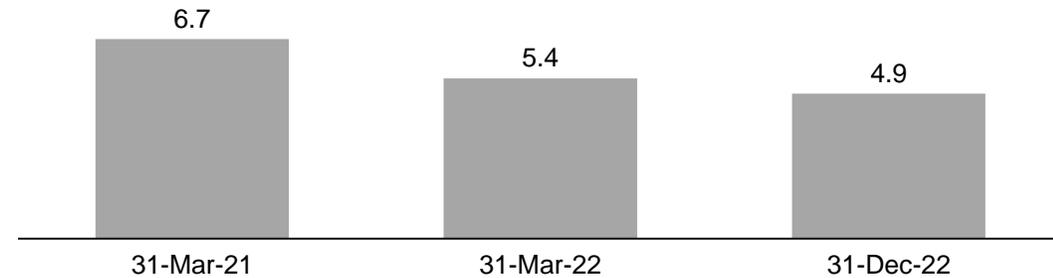


**Adjusted for deposits with companies in same group, which gets deducted from Net owned Funds, the CRAR would have been 20.6%.

Provisions



Gearing (x)



Consolidated Profit & Loss Statement

Particulars (INR Crore)	Q3FY23	Q3FY22	YoY	Q2 FY23	QoQ	9MFY23	9MFY22	YoY	FY22	FY21	FY20
Interest Income	1,714	1,411		1,598		4,610	4,523		5,822	7,190	7,688
Add: Net gain on fair value changes	17	24		6		23	103		111	162	159
Add: Income on derecognized loans assigned during the period	0	0		9		11	0		0	71	336
Less: Finance Cost	996	996		964		2,890	3,134		4,064	5,101	5,875
Net Interest Income	734	439	67.2%	649	13.1%	1,753	1,492	17.5%	1,869	2,322	2,308
Net Fees and other Income	64	57		69		241	143		256	190	298
Gross Income	798	496	60.8%	718	11.1%	1,994	1,635	21.9%	2,125	2,512	2,606
Operating Expenses											
Employee Benefit Expenses	58	50		68		188	162		217	211	233
Net loss on fair value changes	0	-		-1		0	-		-	-	-
Other Expenses	53	52		54		151	139		187	146	189
Impairment on assets held for sale	52	-2		-		52	4		8	27	56
Depreciation and Amortisation	13	13		13		39	39		53	59	66
Operating Profit	622	383	62.2%	584	6.5%	1,565	1,291	21.2%	1,660	2,069	2,062
Impairment on financial instruments & Write-offs (Expected Credit Loss)	255	129		243		546	431		576	862	1,251
Profit Before Tax	367	254	44.6%	340	7.8%	1,018	860	18.4%	1,084	1,207	811
Tax Expense	98	65		78		252	193		247	277	165
Net Profit after Tax	269	188	42.8%	263	2.5%	767	667	15.0%	836	930	646
Other Comprehensive Income	-4	25		51		57	26		97	-21	-55
Total Comprehensive Income	265	213	24.5%	314	-15.5%	824	693	19.0%	934	909	591
EPS (Basic)	16.0	11.2		15.6		45.5	39.6		49.6	55.3	38.5

Consolidated Balance Sheet

	Particulars (INR Crore)	30-Sep-22	31-Mar-22	31-Mar-21	31-Mar-20
	LIABILITIES				
1	Financial Liabilities				
(a)	Derivative financial instruments	-	-	51	-
(b)	Debt Securities	4,073	6,202	11,461	17,837
(c)	Borrowings (Other than Debt Securities)	28,919	27,716	29,746	32,328
(d)	Deposits	17,367	17,649	16,746	16,132
(e)	Subordinated Liabilities	1,438	1,438	1,439	1,439
(f)	Other financial liabilities	2,069	2,537	1,764	1,776
	Sub Total - Financial Liabilities	53,867	55,542	61,208	69,512
2	Non-Financial Liabilities				
(a)	Current Tax Liabilities		-	63	-
(b)	Provisions	22	17	18	19
(c)	Other non-financial liabilities	137	299	1,180	1,401
	Sub Total - Non-Financial Liabilities	160	316	1,261	1,420
3	EQUITY				
(a)	Equity Share capital	169	169	168	168
(b)	Other Equity	10,270	9,703	8,755	7,830
	Sub Total - Equity	10,438	9,872	8,923	7,998
	TOTAL – EQUITY & LIABILITIES	64,465	65,730	71,392	78,930

	Particulars (INR Crore)	30-Sep-22	31-Mar-22	31-Mar-21	31-Mar-20
	ASSETS				
1	Financial Assets				
(a)	Cash and cash equivalents	3,246	5,066	6,969	8,514
(b)	Loans	55,670	55,336	60,645	66,628
(c)	Investments	3,344	3,483	2,045	2,076
(d)	Other Financial Assets	1,417	1,109	952	872
	Sub Total - Financial Assets	63,676	64,994	70,610	78,090
2	Non - Financial Assets				
(a)	Tax Assets (Net)	487	446	430	347
(b)	Property, Plant and Equipment	68	71	82	105
(c)	Right of use assets	65	60	78	120
(d)	Other Intangible assets	16	18	21	25
(e)	Other non-financial assets	45	31	35	35
(f)	Assets held for sale	107	109	136	207
	Sub Total - Non - Financial Assets	789	736	782	839
	TOTAL - ASSETS	64,465	65,730	71,392	78,930

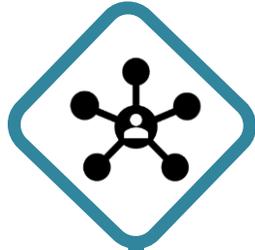
Key Takeaways



Continue to operate in mass housing and merchant segment

Focus on high yielding affordable segment

Focus on Retail Segment



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

Annexure



Environment

- **99%** EMI collections through digital mode
- The Company through its CSR initiative supported
 - Solar Electrification in 20 government school in Haryana & UP
 - Undertaken various programme under Environment and Water Conservation in MP, Rajasthan, UP, Haryana & Maharashtra
 - Setting-up a bottle recycling machines in Maharashtra with aim to save approx. 8 tons of plastic from going into the landfills and ocean in a year.



Social

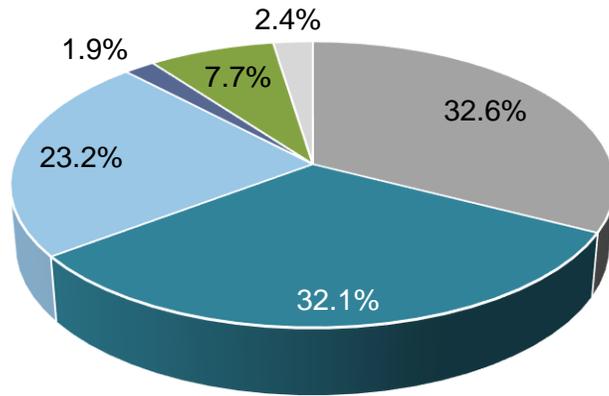
- Promoting quality education through infrastructure development viz. upgradation of Anganwadi Centers & government school, e-learning infrastructure development amongst others
- Strengthening Healthcare infrastructure through medical & laboratory equipment support
- Promoting women entrepreneurship by setting up women owned spice-based enterprises units at Udaipur and Baran, Rajasthan and Rudrapur, Uttarakhand



Governance

- Diversified & highly experienced Board
- All committees except CCB headed by Independent directors
- Strong and experienced management team with extensive industry experience
- Strong grievance addressal mechanism
- Over **94%** of customer requests resolved within TAT

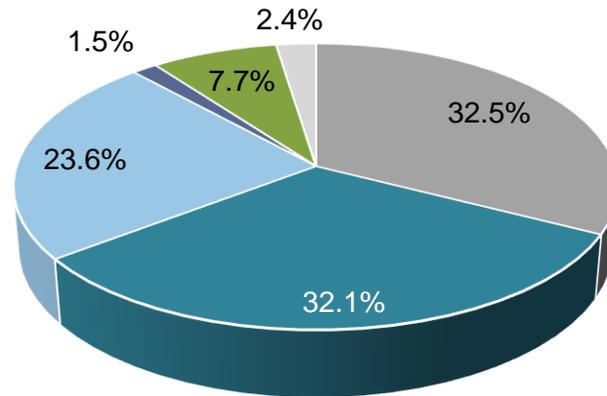
Shareholding as on 30-Sep-22



- Promoters
- Quality Investment Holdings PPC
- Foreign Inst. Investors
- Mutual Funds
- Public & Others
- Bodies Corporates

Outstanding Shares – 16,86,15,638 shares

Shareholding as on 31-Dec-22



- Promoters
- Quality Investment Holdings PPC
- Foreign Inst. Investors
- Mutual Funds
- Public & Others
- Bodies Corporates

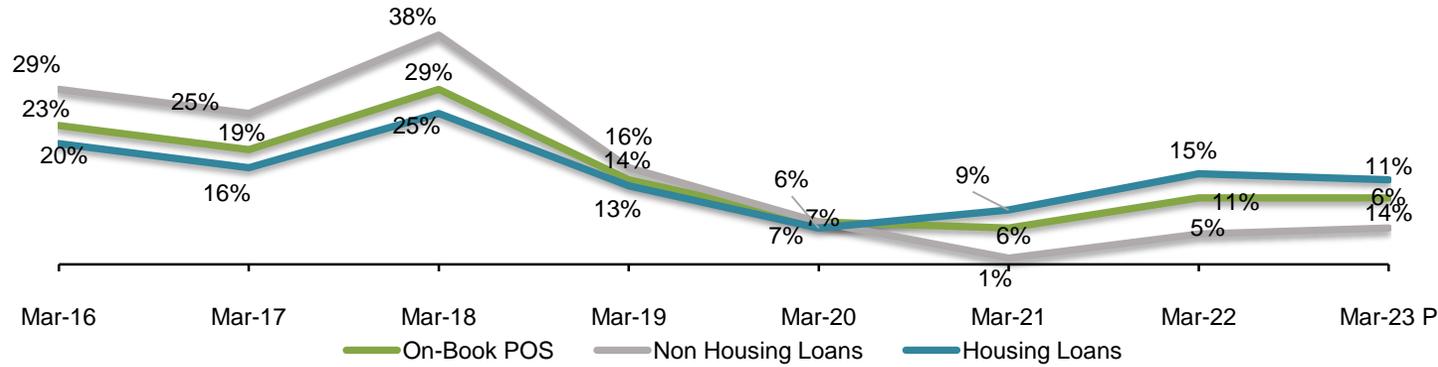
Outstanding Shares – 16,87,93,264 shares

Top Shareholders

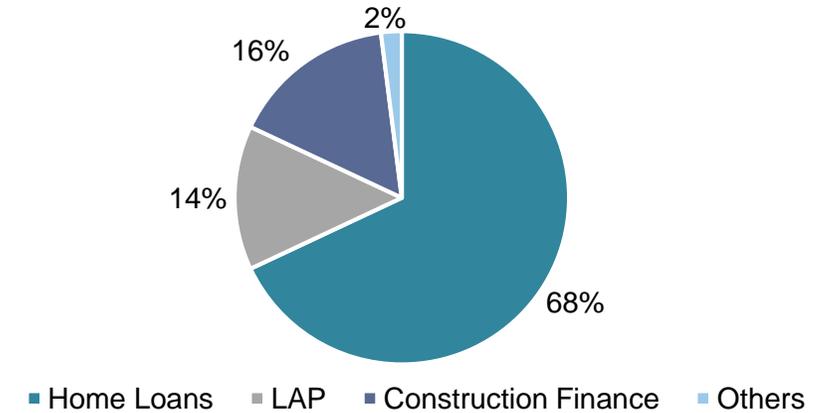
SSG Capital, General Atlantic Singapore Fund, Tata Mutual Fund, Vanguard, Blackrock (ETFs), United India Insurance, Dimensional Fund Advisors, Bajaj Allianz Life Insurance

Growth of Housing Finance Sector

Portfolio Growth of HFCs

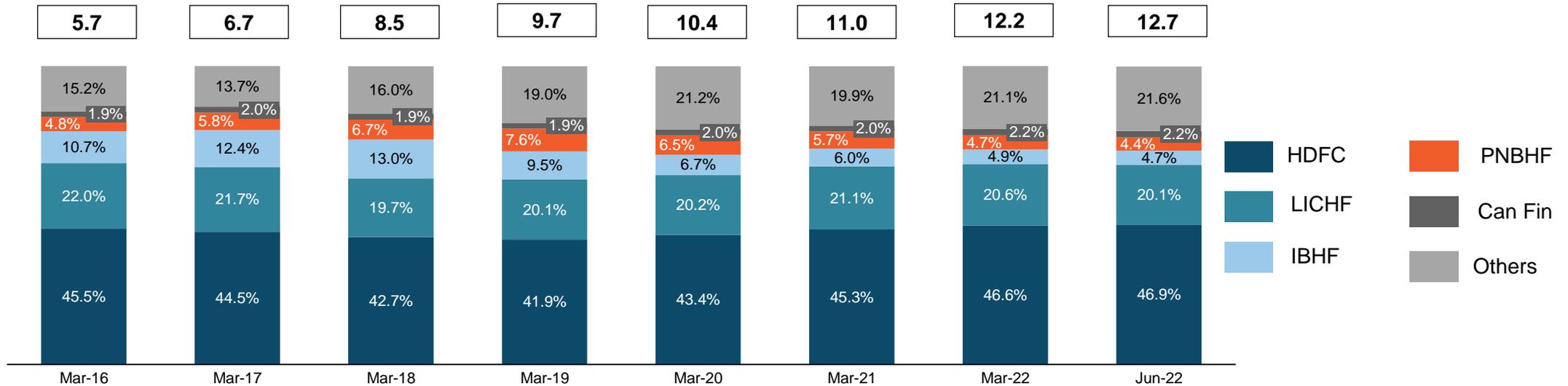


Portfolio Composition of HFCs*



HFCs Share

Total HFC Loans (INR trillion)



Source: ICRA Reports
*as on Jun-22
% 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 (%)	$\text{Operating Expenditure}(\text{Employee Cost} + \text{Other Expenses} + \text{Depreciation} - \text{Acquisition Cost} - \text{ESOP cost} - \text{CSR cost} - \text{Fair value on repossessed assets}) / \text{Average Total Assets as per Balance sheet}$

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

GNPA	Gross Non-Performing Asset
HFCs	Housing Finance Companies
LAP	Loan against Property
LRD	Lease Rental Discounting
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

This presentation and the accompanying slides (the “**Presentation**”), which have been prepared by PNB Housing Finance Limited (the “**Company**”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation, directly or indirectly, in any manner, or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities of the Company in any jurisdiction, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation is not a prospectus, disclosure document, a statement in lieu of a prospectus, an offering circular, an advertisement or an offer document under the Companies Act, 2013, and the rules made thereunder, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, or any other applicable law in India. This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation, and nothing in this Presentation shall be relied upon as a promise or representation in this respect, whether as to the past or the future. Audited financial information of the Company included herein may differ from its quarterly financial information as a result of certain adjustments made during the course of audit. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. The Presentation has not been independently verified and any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. All forward-looking statements are based on judgments derived from the information available to the Company at this time. Forward-looking statements can be identified by terminology such as such as “potential,” “opportunity,” “expected,” “will,” “planned,” “estimated”, “targeted”, “continue”, “on-going” or similar terms. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, natural calamities, inflation, deflation, the performance of the financial markets in India and globally, changes in Indian laws and regulations, including tax, accounting and housing finance companies regulations, changes in competition and the pricing environment in India, and regional or general changes in asset valuations, the Company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections. Given these uncertainties and other factors, viewers of this Presentation are cautioned not to place undue reliance on these forward-looking statements. The information in this Presentation does not constitute financial advice (nor investment, tax, accounting or legal advice) and does not take into account an investor’s individual investment objectives, including the merits and risks involved in an investment in the Company or its securities, or an investor’s financial situation, tax position or particular needs. Past performance information in this Presentation should not be relied upon as an indication of (and is not an indicator of) future performance.

The contents of this Presentation are strictly confidential and may not be copied or disseminated, reproduced, re-circulated, published, advertised or redistributed, in whole or in part, to any other person or in any media, website or otherwise in any manner without the Company’s written consent.

Thank You

Company:

PNB Housing Finance Limited

CIN: L65922DL1988PLC033856

Ms. Deepika Gupta Padhi (Head-Investor Relations & Treasury)

Phone: +91 11 23445214

Investor.relations@pnbhousing.com

www.pnbhousing.com
