



Investor Presentation

June 2020





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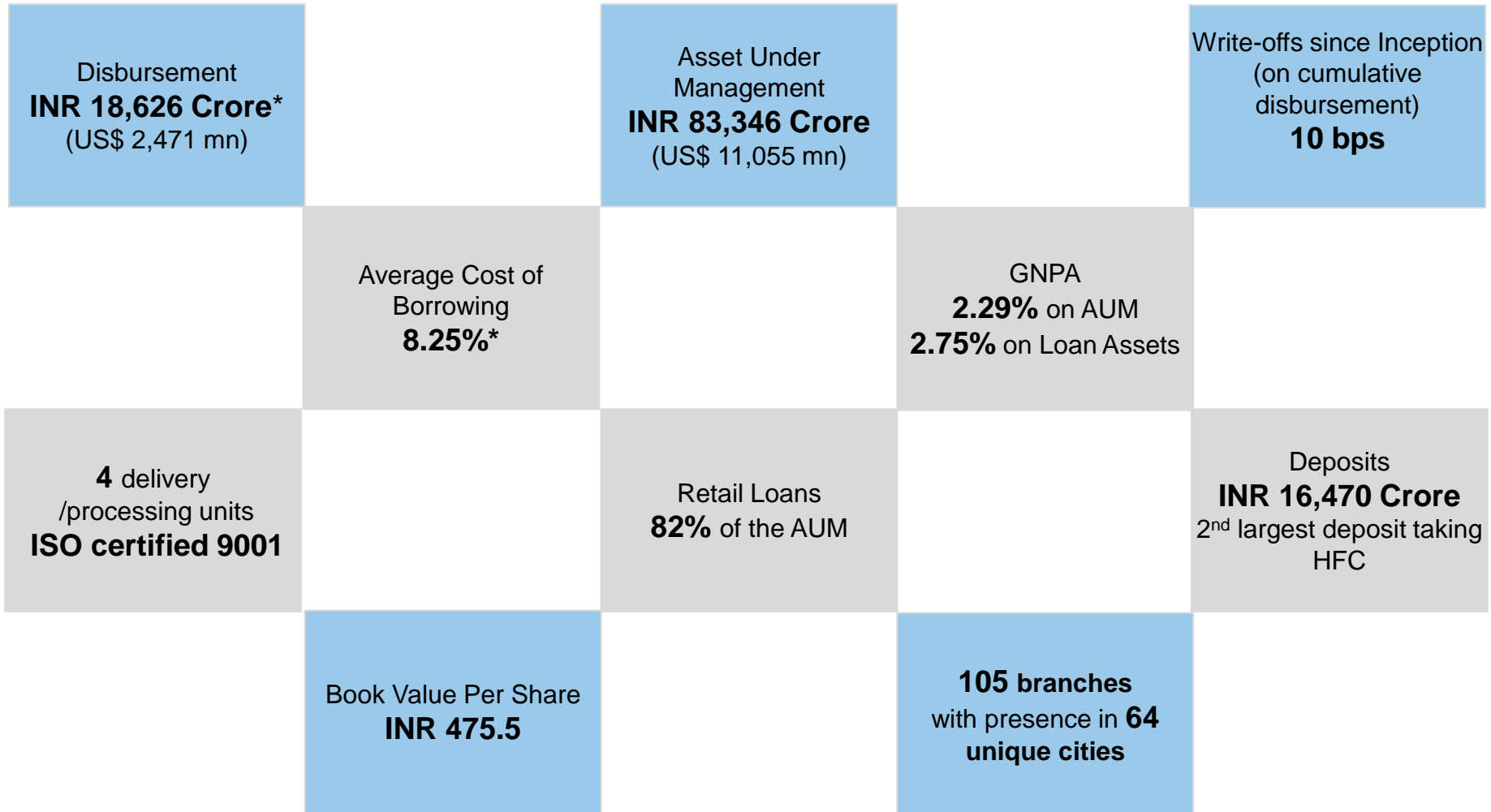
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About PNB Housing Finance



Leading Housing Finance Company



All US\$ numbers in the presentation are converted at 1US\$ = INR 75.39

1 Crore= 10 mn

Data as on 31-Mar-20

*Data for FY20



HFC Sector well placed...



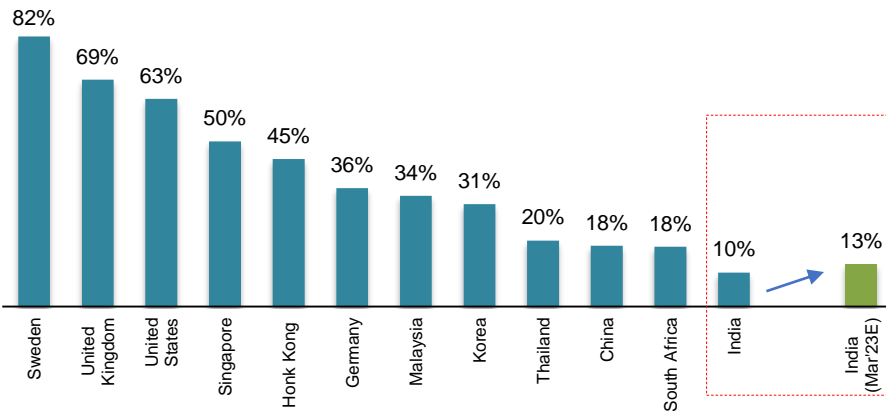
India's Mortgage Market



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

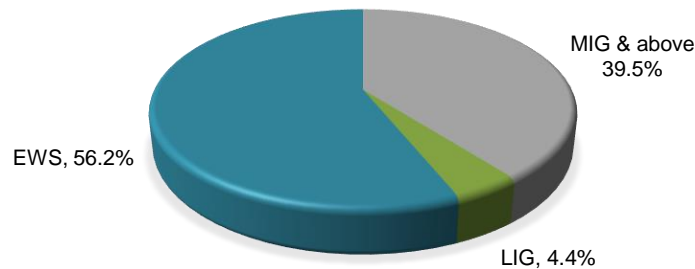
Mortgage to GDP Ratio (%)



Source: ICRA (a division of Moody's) Reports

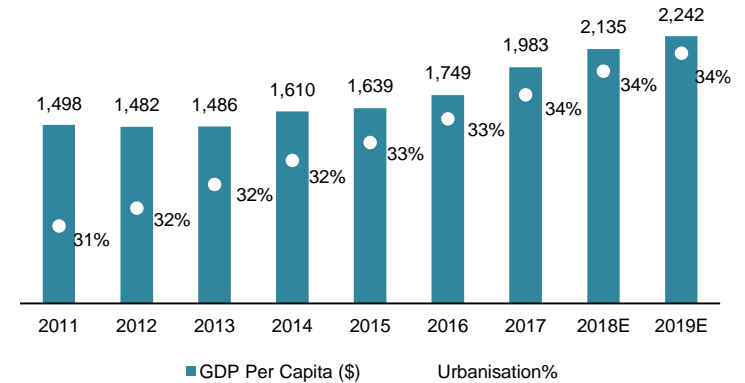
Significant urban housing shortage

Split of Urban Housing Shortage in FY2012 – 18.8 mn units



Source: Ministry of Housing and Urban Poverty Alleviation

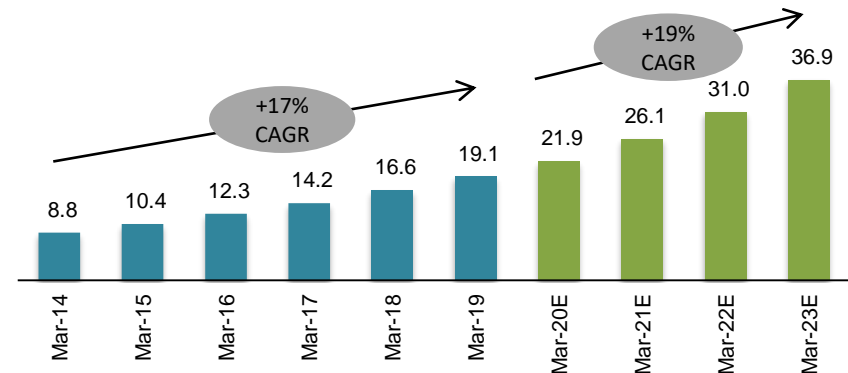
Trend in urbanization of population



Source: United Nations Department of Economic and Social affairs, IMF

Ramp-up expected in Indian mortgage market

Loan Assets (INR trillion)

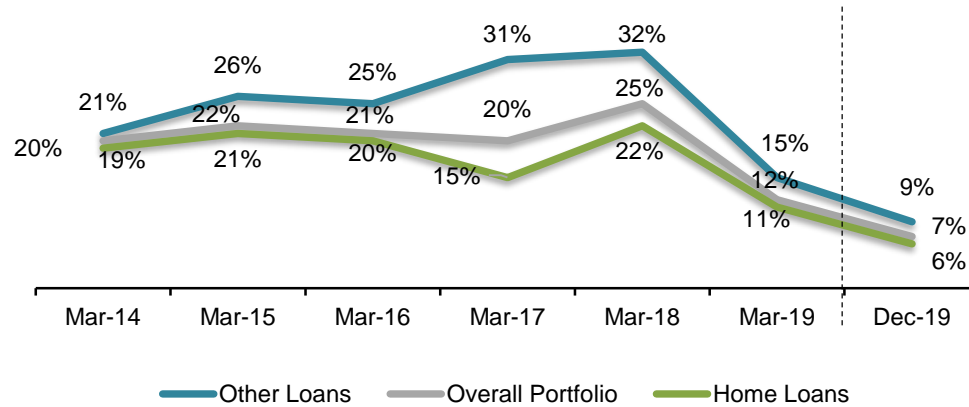


Source: ICRA, Moody's Indian subsidiary, Reports

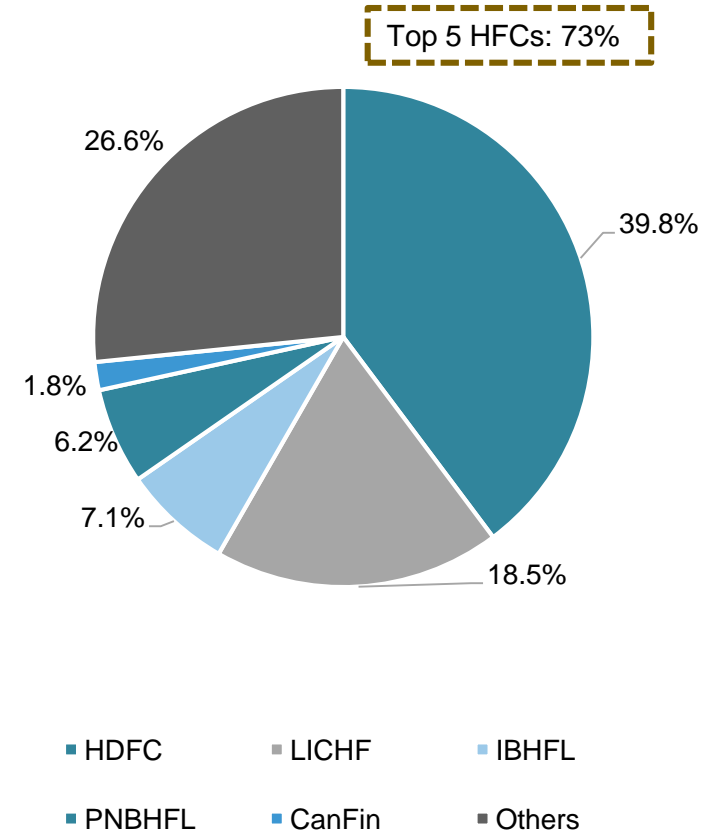
Sustainable Growth of HFCs



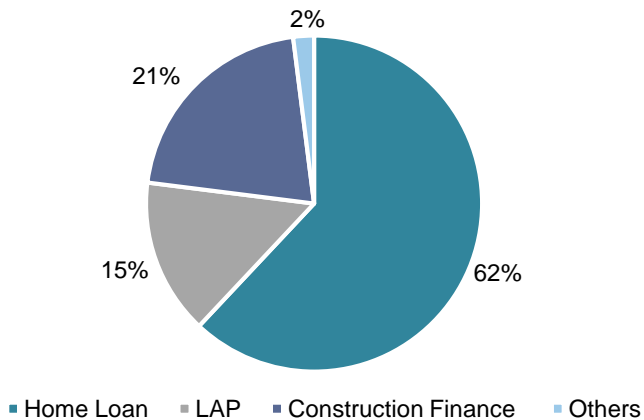
Portfolio Growth of HFCs



Total Loan of all HFCs: INR 11.1 trillion as on Dec-19



Portfolio Composition of all HFCs as on Dec-19



Source: ICRA Indian Mortgage Finance Market Update for April 2020
% Change is YoY



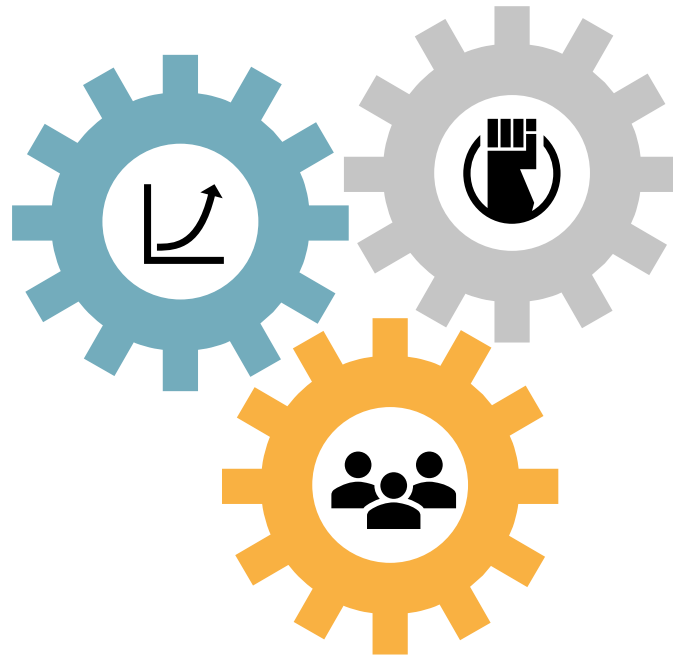
COVID-19 Update

Covid-19 Pandemic – the 3S Approach



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 for the Financial year



Survive:

- Health and Safety of our employees is of paramount importance
- 100% offices closed during lockdown 1
- 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
- Strong deposit franchise with mobilisation of INR 9,120 crore in FY20
- Over 90% of our branches are now operational

Covid-19 Business Update



Human Capital

- Initiated functional and behavioral online trainings and workshops for its employees, subsidiaries, vendors etc.
 - ✓ 95% employees undertook a training during lockdown
 - ✓ Over 44,000 manhours spent on training
- Insurance policy enhanced to cover the pandemic

Information Technology

- Heavily leveraged on the technology investments; Enterprise System Solution platform ensured that the business activities are done under Work from Home environment
- Implemented a cloud based Virtual System Interface solution that facilitated secured access to PNB Housing enterprise applications & data from home

Business Operations

- During lockdown 1.0, all our offices including branches, outreaches, hubs, CSO were closed, Currently over 90% of branches are now operational
- SOPs in place to be followed post branch opening
- Following hygiene and safe distancing protocols and teams are working on rotation basis to ensure business continuity

Customer Service & Operations

- Enablement of multiple digital channels to customers viz emails, webchat, IVR built over a period of time resulted in Customer service being operational from the first day of lockdown on real time basis while WFH
- 95% of the requests serviced within defined TAT

Collection Efficiencies

- Cross functional teams involved in recovery
- Alternate mode of payments like Airpay, Paytm etc
- Collection efficiency (excluding moratorium) maintained at 98.63% and 98.47% in Q4 FY20 and FY 20 respectively

Disbursements

- Q4 FY20 disbursements were at INR 2,826 crore; adjusting for lockdown, the disbursements in Q4 FY20 would have been around INR 3,725 crore

Covid-19 Business Update



Moratorium

- RBI announced 3 months of moratorium on 27th March 2020 that was extended by another 3 months upto August
- Adopted “opt in” route for accepting customer requests
- As of 5th June 2020, approx. 56% of Asset under Management opted for moratorium under phase 1 and approx. 31% of AUM under phase 2
- ✓ Retail Loans under moratorium phase 1 account for 49% of the Retail AUM and 20% under moratorium phase 2

Liquidity Management

- Maintained sufficient Cash and liquid investments of INR 5,850 crore as on 5th June 2020. Additionally sanctioned but undrawn lines are of over INR 4,500 crore
- Didn't avail moratorium from lenders
- Borrowed INR 750 crore from NHB under Special Refinance Facility announced by RBI in April 2020
- 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)

Income Statement

- Pre provision operating profit for FY 2020 is INR 2,062 crore
- Consolidated Loss for Q4 FY 19-20 was INR 242.07 crore; adjusting for provision considered on account of Covid-19, the PAT would have been approx. INR 122 crore
- Consolidated PAT for FY 19-20 was INR 646.24 crore; adjusting for provision considered on account of Covid-19, the PAT would have been approx. INR 1,010 crore

ECL Provisions

- Provision for Q4 FY20 was INR 712.2 crore; this includes Covid-19 related provisions of INR 471 crore
- Provision for FY20 is INR 1,173 crore
- Total ECL provision as on 31st March 2020 is INR 1,765.6 crore; higher by INR 1,145 crore as compared to regulatory provision

EMI Payments

- 98% of the EMI payments happen through electronic mode and the balance is primarily through PDCs
- 13 EMI cycles successfully handled from home
- Monthly EMI collections is ~INR 670 crore; adjusting for current lockdown and moratorium the collections for April and May 2020 is at INR 400 crore and INR 375 crore respectively

Corporate Social Responsibility

- Made contribution of INR 2.04 Crore towards Covid-19 relief in the Country

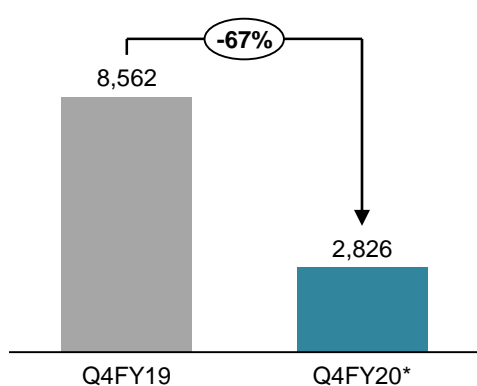


Financial Performance of the Company

Highlights – Q4FY20 vs Q4FY19

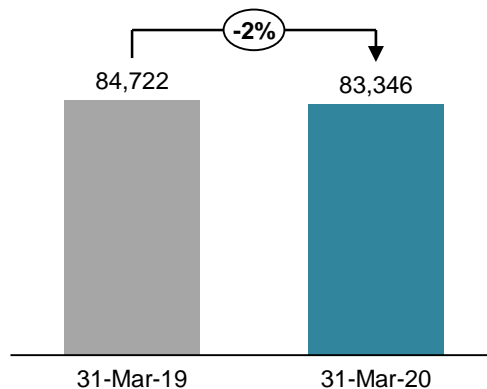


Disbursement (INR Crore)

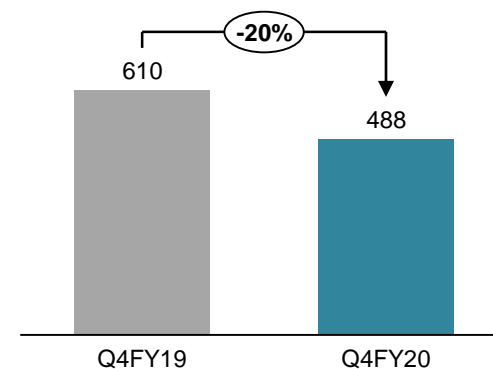


*Retail and Corporate disbursement degrew by 35% (YoY) and 84% (YoY) respectively

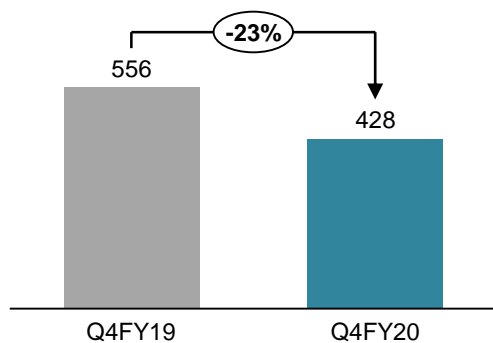
AUM (INR Crore)



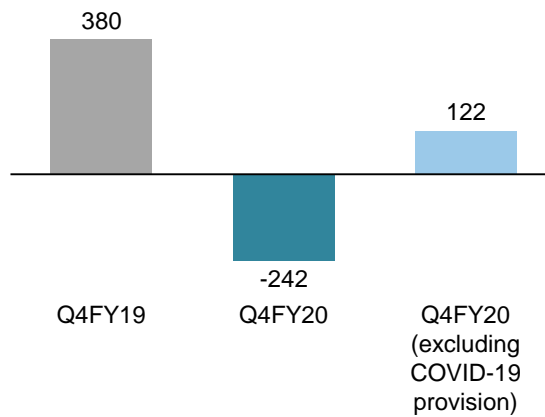
NII (INR Crore)



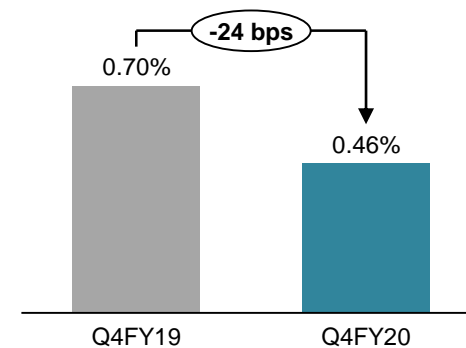
Operating Profit (INR Crore)



PAT (INR Crore)



Opex to ATA



Ratios are calculated on Monthly Average

P&L numbers are as per Ind AS

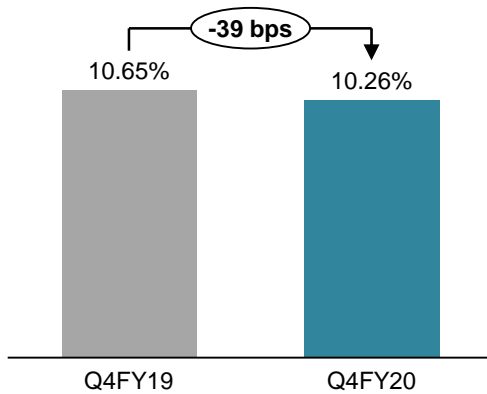
Opex to ATA is calculated as Operating Expenditure(Employee Cost + Other Expenses + Depreciation - Acquisition Cost - ESOP cost - CSR cost)/Average Total Assets as per Balance sheet

1 Crore = 10 mn

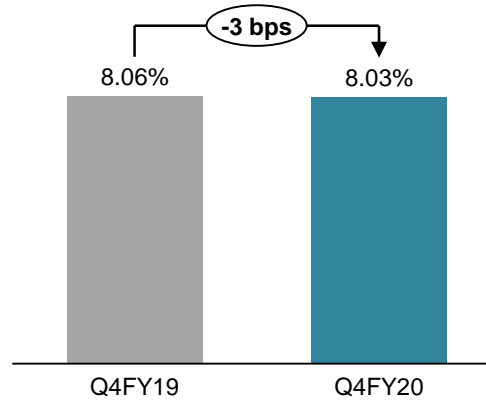
Highlights – Q4FY20 vs Q4FY19



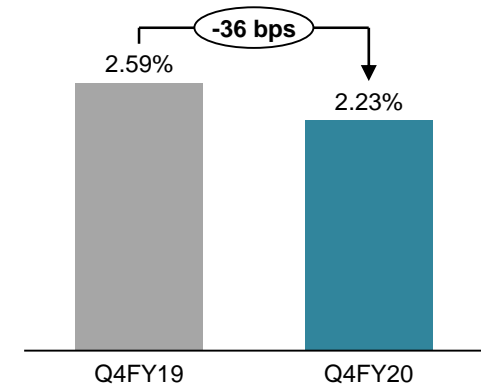
Average Yield



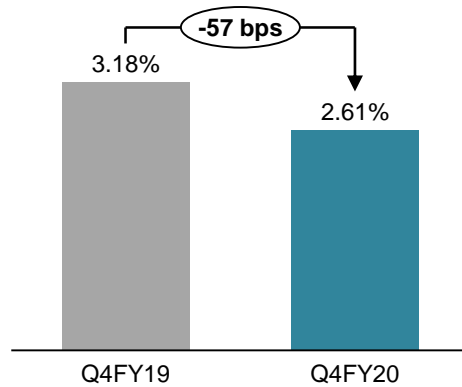
Average Cost of Borrowing



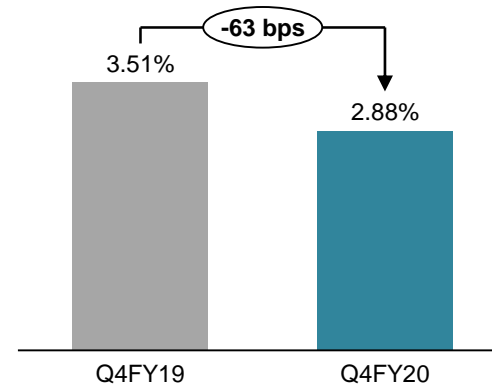
Spread



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

Long Term Resource Mobilisation

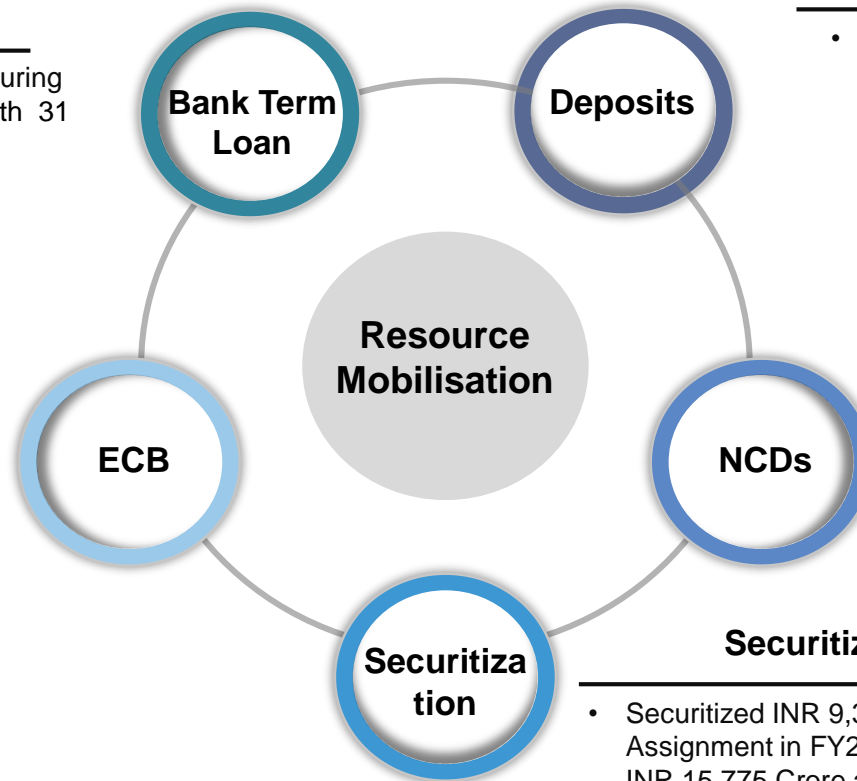


Bank Term Loan

- Borrowed INR14,396 Crore during FY20; existing relationship with 31 banks

Deposits

- 2nd highest deposit mobilizer among HFCs; mobilized INR 9,120 crore during FY20



NCDs

- Raised Non Convertible Debentures aggregating to INR 3,000 Crore

ECB

- Raised US\$ 175 mn (INR 1,211 Crore)

Securitization

- Securitized INR 9,311 Crore through Direct Assignment in FY20 with outstanding pool at INR 15,775 Crore as on 31-Mar-20

Incremental resource mobilization of INR 37,037 crore in FY20

Maintained adequate Cash & Liquid Investments of INR 8,514 Crore as on 31-Mar-20 with reduced exposure to Commercial Papers

Deposits



(INR Crore)

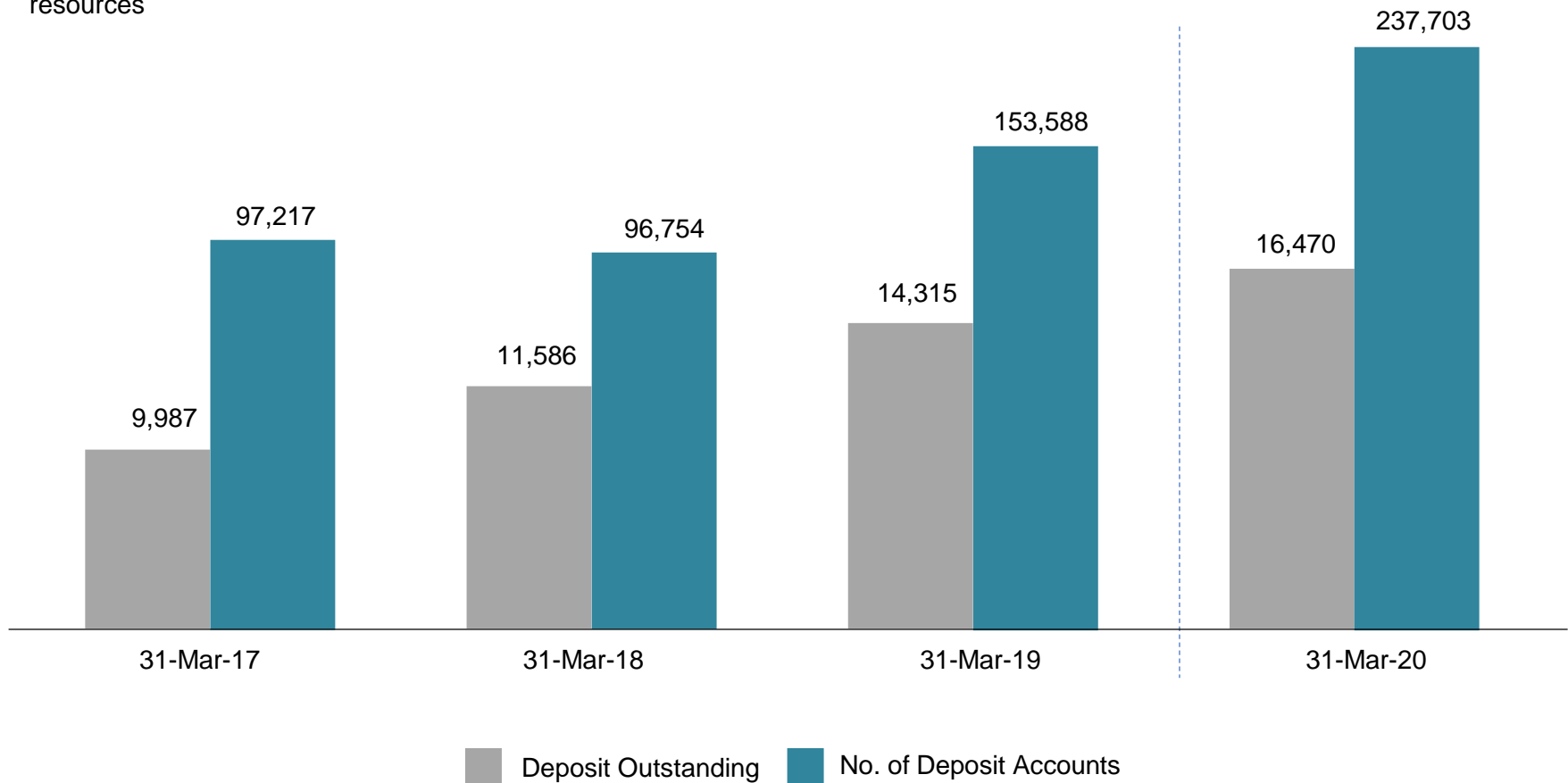
Deposits as
% of total
resources

26%

19%

17%

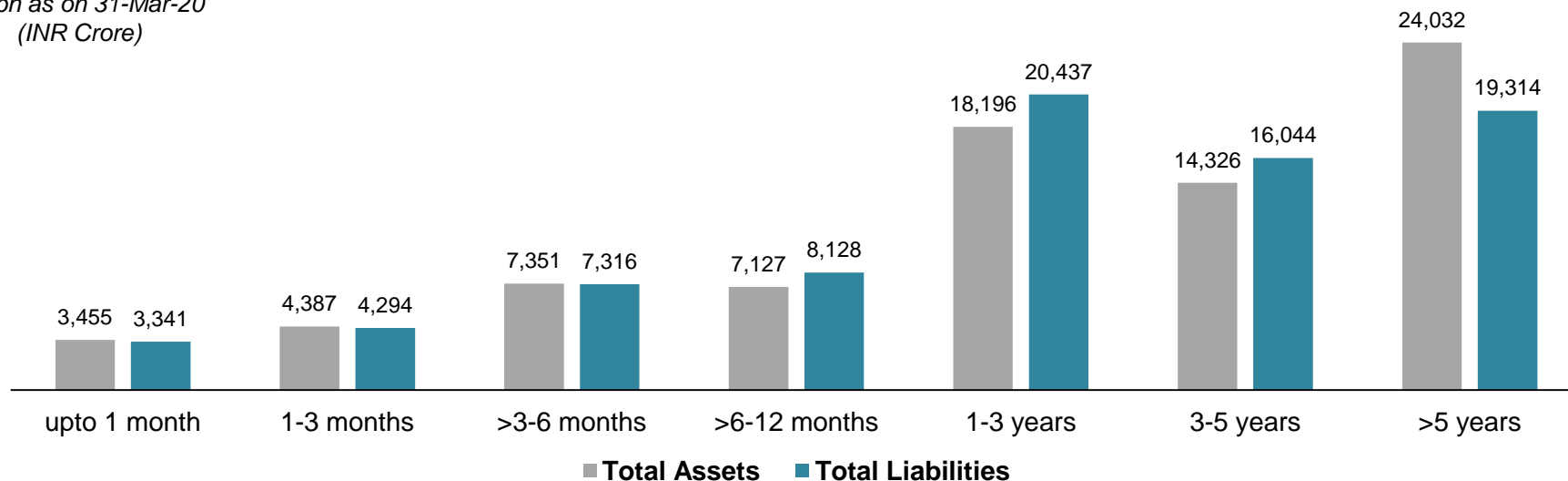
20%



Asset Liability Maturity profile



Graph as on 31-Mar-20
(INR Crore)



Particulars	As On	upto 1 month	1-3 months	>3-6 months	>6-12 months	1-3 years	3-5 years	>5 years
Cumulative Inflow/(Outflow)	31-Mar-20	114	207	242	(759)	(3,000)	(4,718)	0
Moratorium given to the customers have resulted in lower cash inflows Didn't avail moratorium from lenders								
Cumulative Inflow/(Outflow)	31-Mar-19	37	47	(937)	(1,959)	(5,723)	(9,989)	0

Significant reduction in short term ALM gaps through long term borrowings

Expected Credit Loss (ECL) Provisions



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

Particulars (INR Crore)	31-Mar-19	31-Dec-19	31-Mar-20
Gross Stage 3 (GNPA)	354.86	1,212.76	1,856.23
% portfolio in Stage 3 (GNPA%)	0.48%	1.75%	2.75%
ECL Provision Stage 3*	74.34	344.83	672.45
Net Stage 3	280.52	867.93	1,183.79
Coverage Ratio % Stage 3	20.95%	28.43%	36.23%
Gross Stage 1 & 2	73,668.14	67,980.97	65,714.58
% portfolio in stage 1 & 2	99.52%	98.25%	97.25%
ECL Provision Stage 1 & 2	363.25	540.04	1,093.17
Net Stage 1 & 2	73,304.89	67,440.93	64,621.41
ECL Provision % Stage 1 & 2	0.49%	0.79%	1.66%
Total Assets	74,023.01	69,193.73	67,570.81
% portfolio	100%	100.00%	100.00%
ECL Provision	437.59	884.87	1,765.62
Net Stage	73,585.43	68,308.86	65,805.19
Total ECL Provision %	0.59%	1.28%	2.61%
Steady State Provision	156.5	168.54	0.00
Total Provision (including Steady state Provision)	594.09	1,052.87	1,765.60
Total Provision (including Steady state) / Total Assets (%)	0.80%	1.52%	2.61%
Provision Coverage Ratio (%)	167%	87%	95%

Net NPA is
1.75%

Stage 2 includes
~INR 1,100 crore of
voluntary SICR
which otherwise
would have been
classified in stage 1

Includes Covid-19
provision of INR 471
crore; 40% of
additional provision
made during FY20

ECL provision of INR 1,765.6 crore; higher by INR 1,145 crore as compared to regulatory provision

Expected Credit Loss (ECL) Provisions - Retail



Particulars (INR Crore)	31-Mar-19	31-Mar-20
Gross Stage 3 (GNPA)	325.00	660.88
% portfolio in Stage 3 (GNPA%)	0.58%	1.25%
ECL Provision Stage 3*	64.48	167.94
Net Stage 3	260.52	492.95
Coverage Ratio % Stage 3	19.84%	25.41%
Gross Stage 2	1,303.44	1,566.45
% portfolio in stage 2	2.32%	2.96%
ECL Provision Stage 2	52.57	173.10
Net Stage 2	1,250.87	1,393.34
ECL Provision % Stage 2	4.03%	11.05%
Gross Stage 1	54,508.64	50,729.81
% portfolio in stage 1	97.10%	95.80%
ECL Provision Stage 1	27.89	233.56
Net Stage 1	54,480.75	50,496.24
ECL Provision % Stage 1	0.05%	0.46%
Total Assets	56,137.08	52,957.14
ECL Provision	144.94	574.61
Net Stage	55,992.14	52,382.53
Total ECL Provision / Total Assets (%)	0.26%	1.09%

Inclusive of under construction assets of INR 720 crore of voluntary SICR which otherwise would have been classified in stage 1

Provision Coverage ratio of 87%

Expected Credit Loss (ECL) Provisions - Corporate



Particulars (INR Crore)	31-Mar-19	31-Mar-20
Gross Stage 3 (GNPA)	29.87	1,195.35
% portfolio in Stage 3 (GNPA%)	0.17%	8.18%
ECL Provision Stage 3*	9.86	504.51
Net Stage 3	20.01	690.84
Coverage Ratio % Stage 3	33.01%	42.21%
Gross Stage 2	1,119.85	913.78
% portfolio in stage 2	6.20%	6.25%
ECL Provision Stage 2	170.34	254.37
Net Stage 2	949.51	659.41
ECL Provision % Stage 2	15.21%	27.84%
Gross Stage 1	16,903.67	12,504.54
% portfolio in stage 1	93.63%	85.6%
ECL Provision Stage 1	112.45	432.13
Net Stage 1	16,791.22	12,072.41
ECL Provision % Stage 1	0.67%	3.46%
Total Assets	18,053.39	14,613.67
ECL Provision	292.65	1,193.01
Net Stage	17,760.74	13,422.66
Total ECL Provision / Total Assets (%)	1.62%	8.15%

Includes 3 new and 1 existing account identified for SICR having total outstanding of INR 389 crore of voluntary SICR which otherwise would have been classified in stage 1

Provision Coverage ratio of ~100%

67% of total ECL is for Corporate book



Business Update and Operating Model

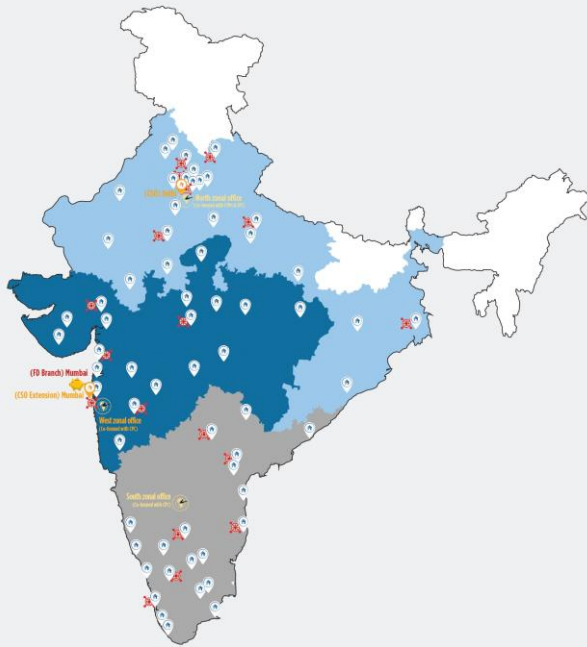
Business Operations



Branches – Point of Sales & Services

Hubs – Fountain head for Decision Making

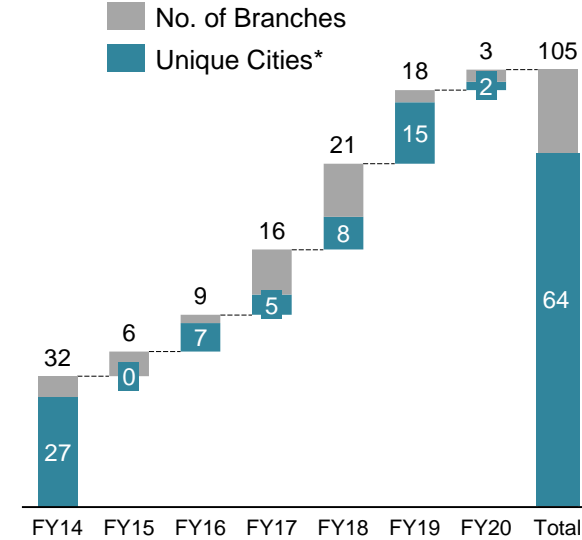
OUR OFFICE NETWORK



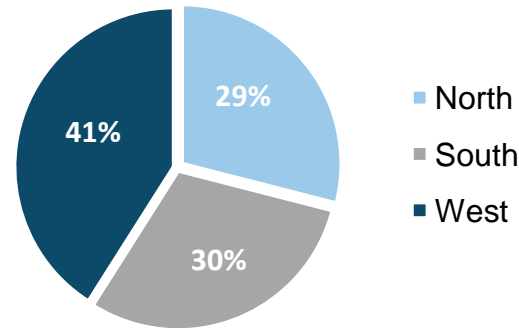
Geography	Hub	Branches
North	8	33
South	8	35
West	7	37

New Branches (opened in FY18, FY19 & FY20) contribute ~23% of Retail Disbursement

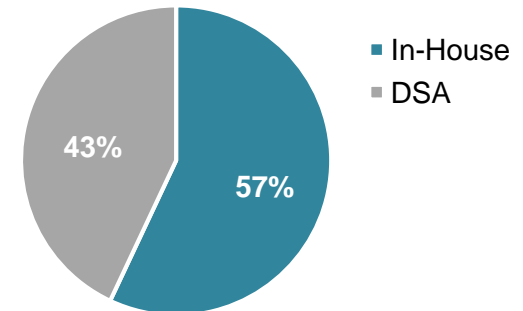
No. of Branches



AUM - Geographical Distribution



Disbursement Origination (FY20)



Central Support Office

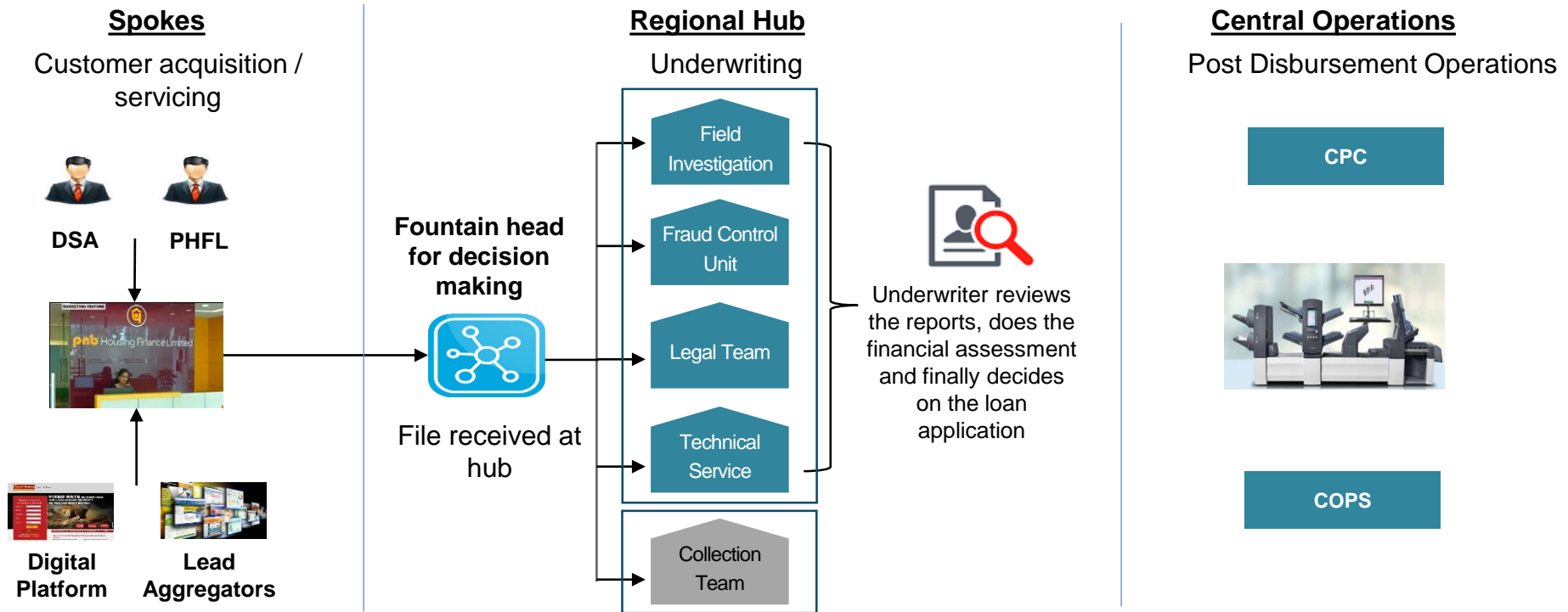
Map not to scale. All data, information and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness.

*Unique cities are part of Branches

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

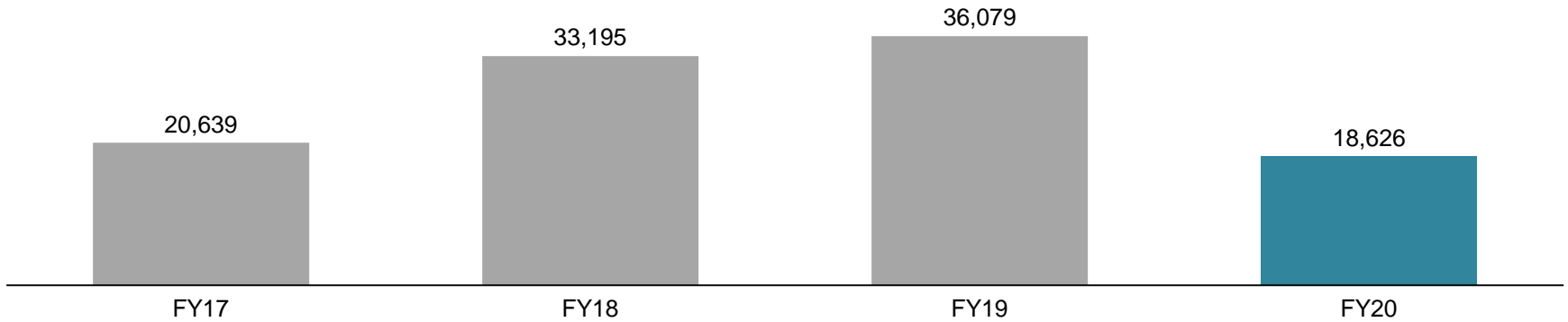
Enterprise Risk Management framework

Business Update

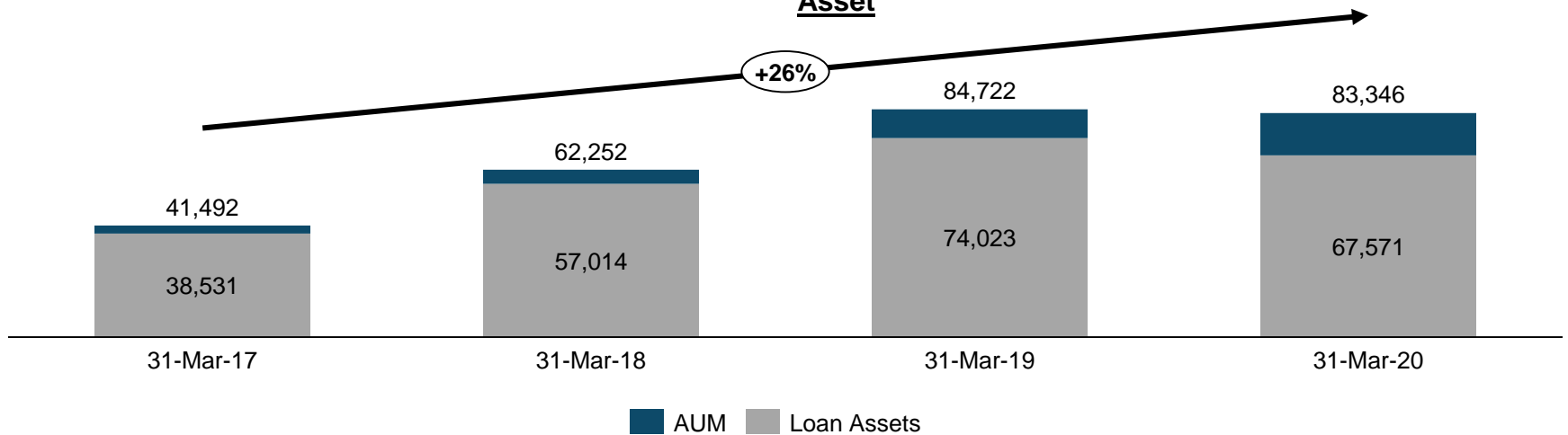


(INR Crore)

Disbursement



Asset

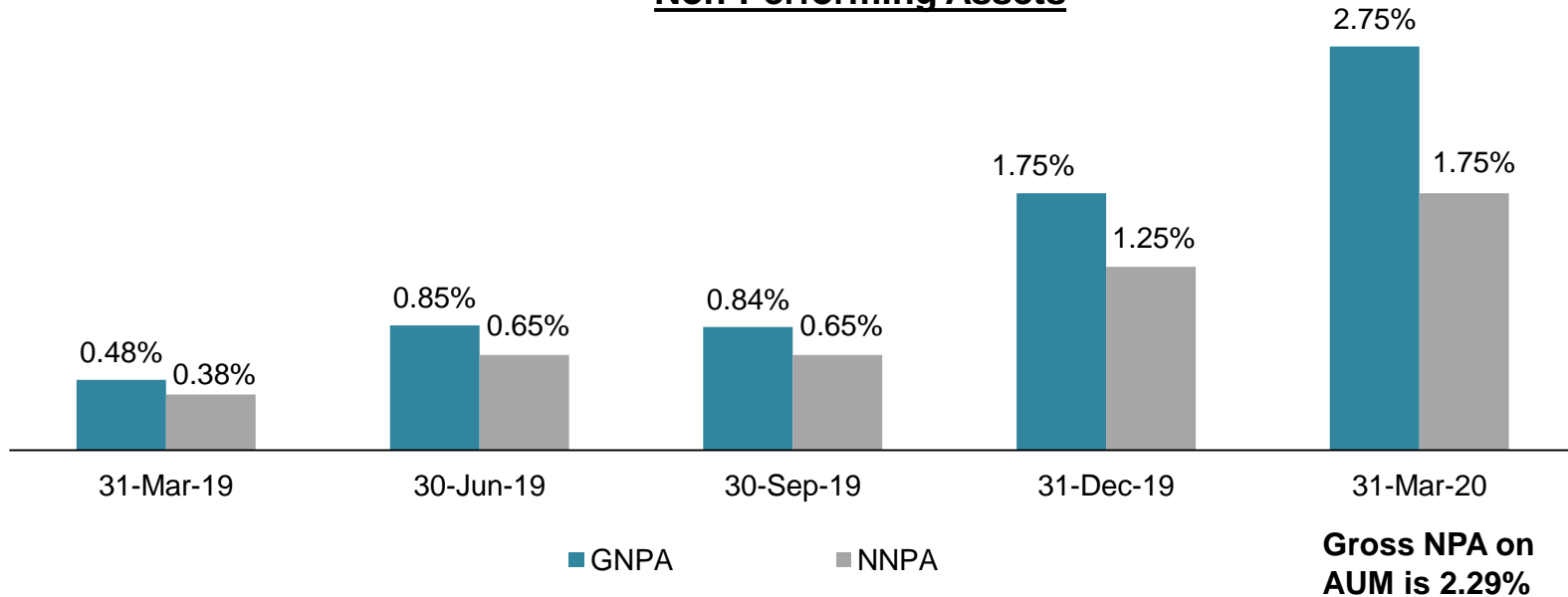


1 Crore = 10 mn

Gross Non-Performing Assets



Non-Performing Assets



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

1 Crore = 10 mn



Sustainable Portfolio Mix

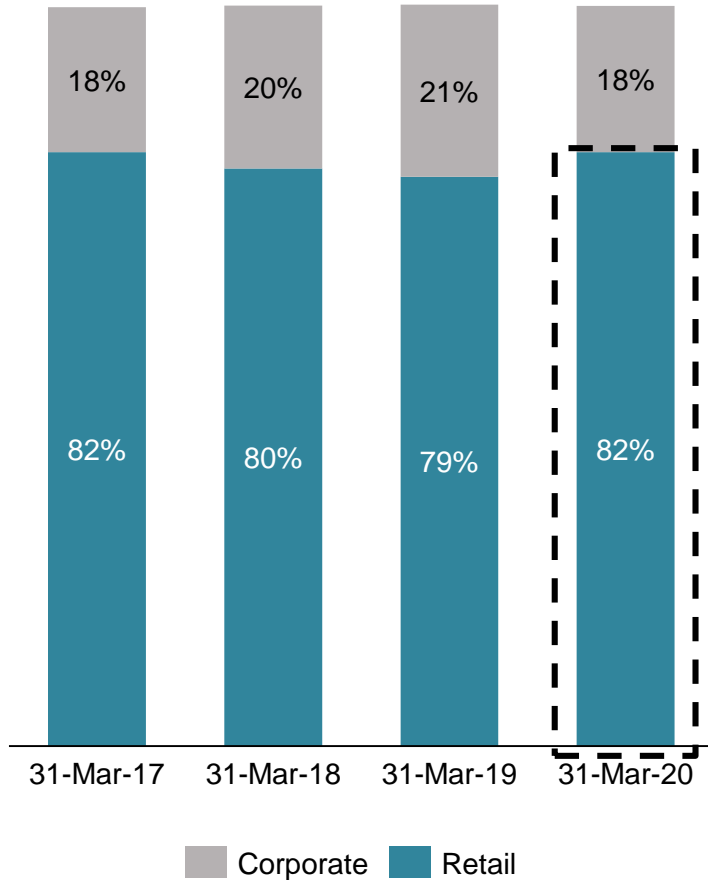


Asset Under Management

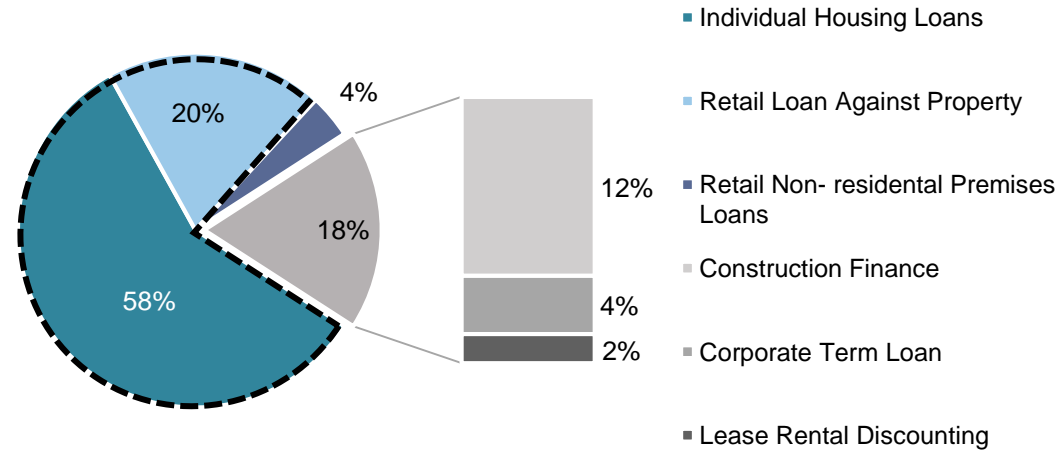


As % to AUM

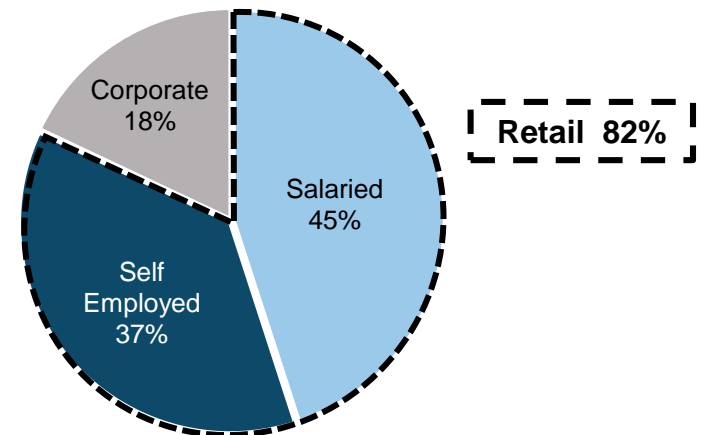
Consistent Segment Mix



Product-wise Break-up



Segment-wise Breakup

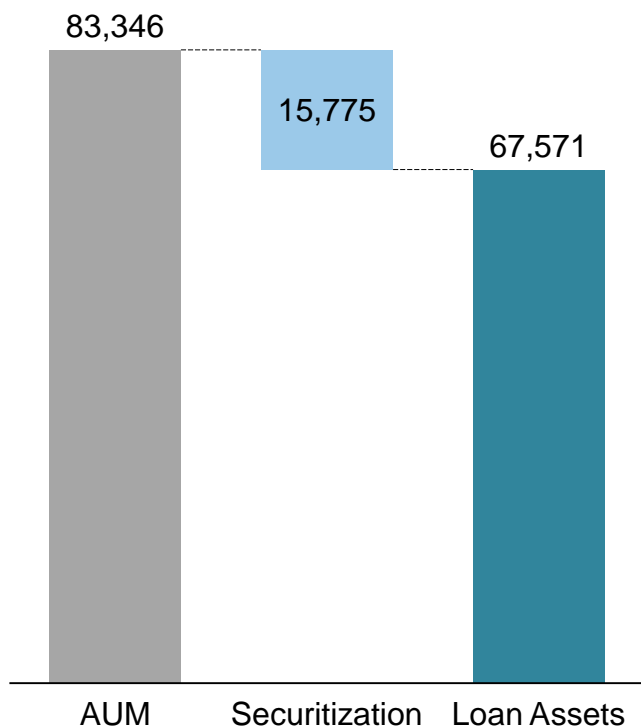


Data as on 31-Mar-20

Loan Assets Walk and Securitized Pool Highlights



Asset Bridge (INR Crore)



Highlights of Sold Portfolio

- Sold Corporate Finance portfolio worth INR 2,307 Crore during FY20
 - Help in improving CRAR
- Reported AUM is net of Sell Down portfolio

Highlights of Securitized Pool

- Developed expertise in Securitization
- Securitization done through Direct Assignment Route
- Securitized book (IHL and LAP) outstanding at ~19% of AUM
- Substantial demand from public / private sector Banks & NBFCs for pool buyout
- Superior asset quality; GNPA at 0.33% with average MOB of 39 months as on 31-Mar-20

Retail Focused Lending Operations



Retail segment contribute 92% of the FY20 disbursement

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

Focus on mass housing and capital efficient product segment

Focus on completed properties

Established expertise in self employed segment; mandatory touch base with customers, evidence based income assessment and banking relations

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

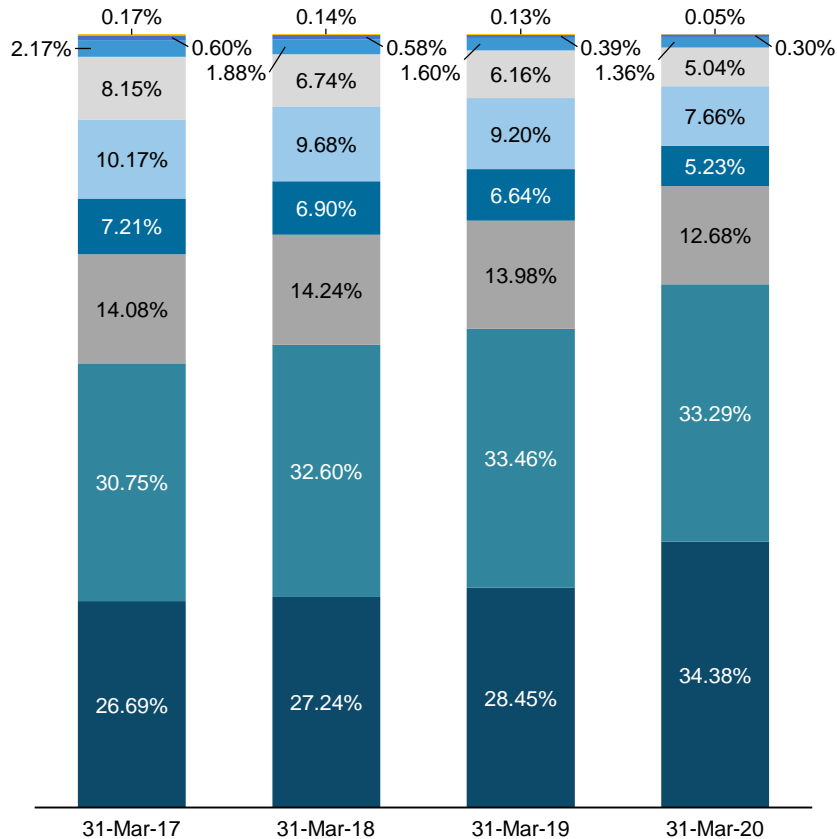
Digitisation of processes at various stages of loan resulting into increased efficiencies

Quality of Loan Portfolio stress tested **thrice** in the last 3 years through Demonetisation, GST and tight Liquidity

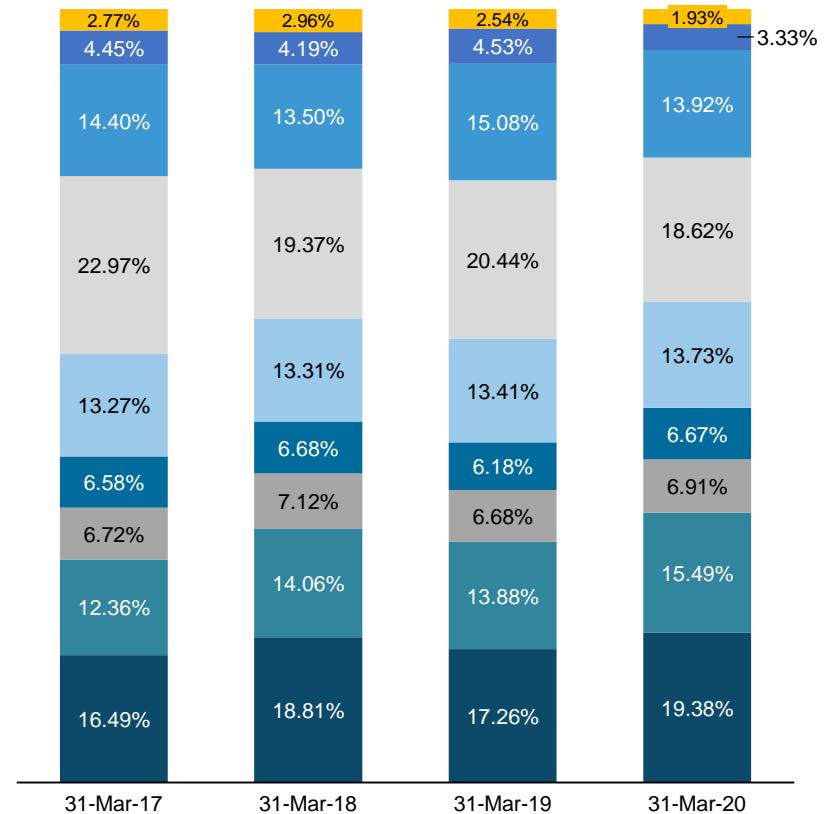
Average Ticket size (ATS) Range



Individual Housing Loan



Retail Loan Against Property



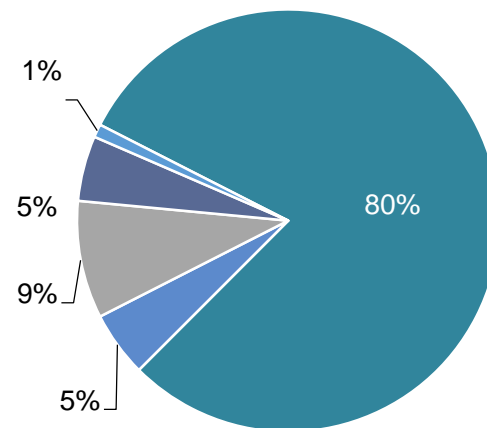
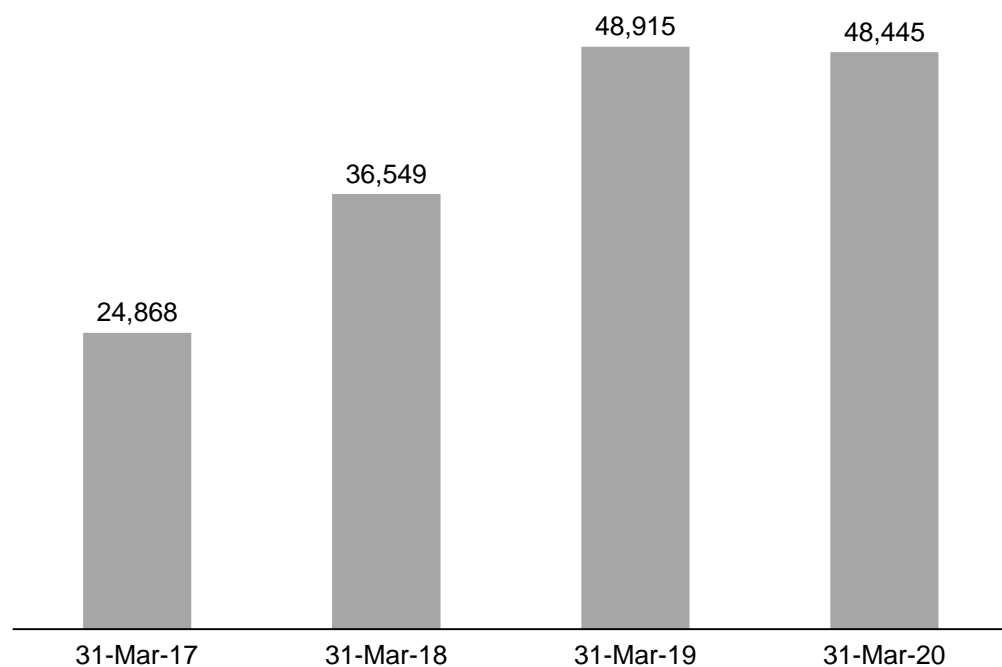
■ >15 Crore
 ■ 10-15 Crore
 ■ 5-10 Crore
 ■ 2-5 Crore
 ■ 1-2 Crore
 ■ 75 Lakh -1 Crore
 ■ 50-75 Lakh
 ■ 25-50 Lakh
 ■ Up to 25 Lakh

Individual Housing Loans breakup



(INR Crore)

Individual Housing Loans
58% of AUM

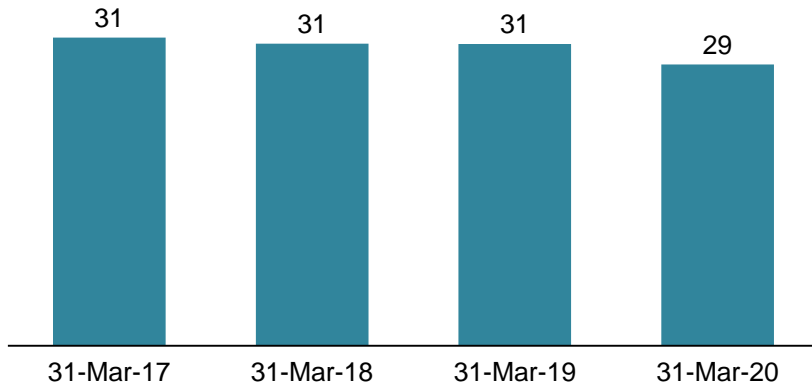


- Home Purchase
- Residential Plot
- Residential Plot cum Constn
- Self Construction
- Home Improvement/Extn

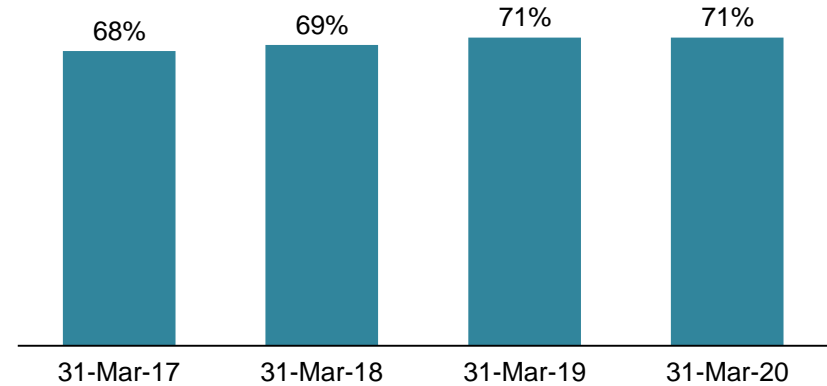
Individual Housing Loan key Loan Profile



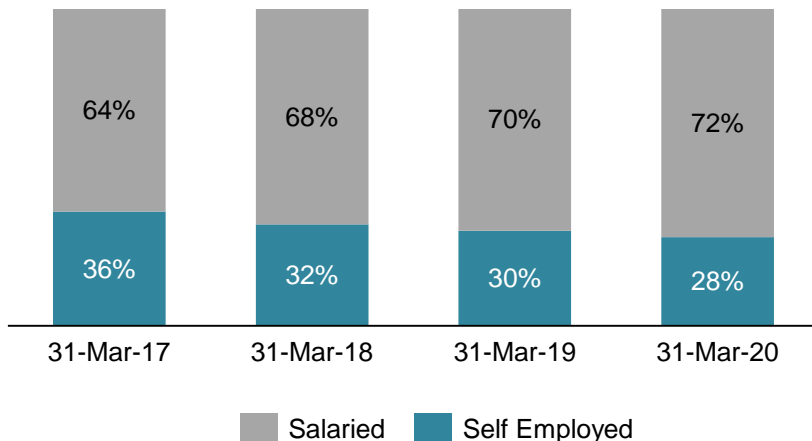
Average Ticket Size



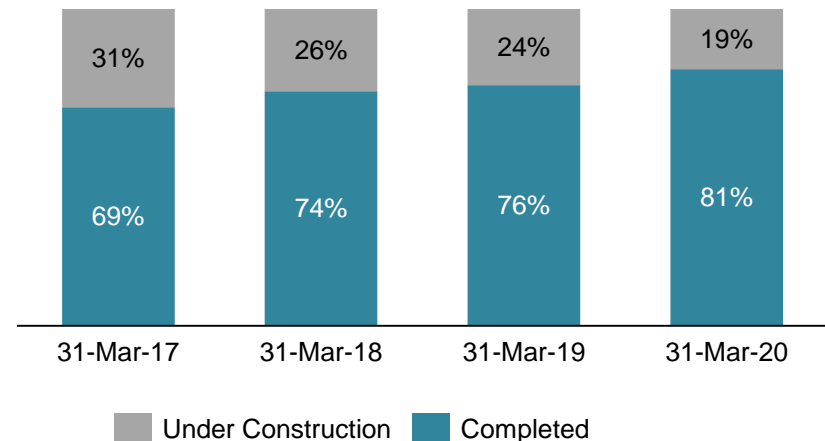
Weighted Average Loan to Value (at Origination)



Salaried vs Self-Employed



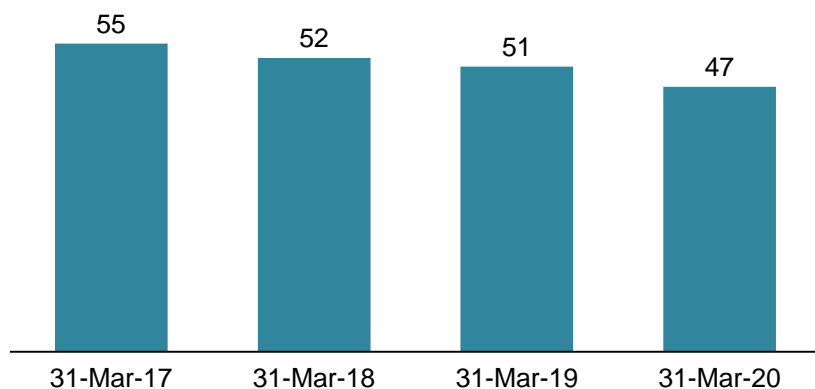
Under construction vs Completed



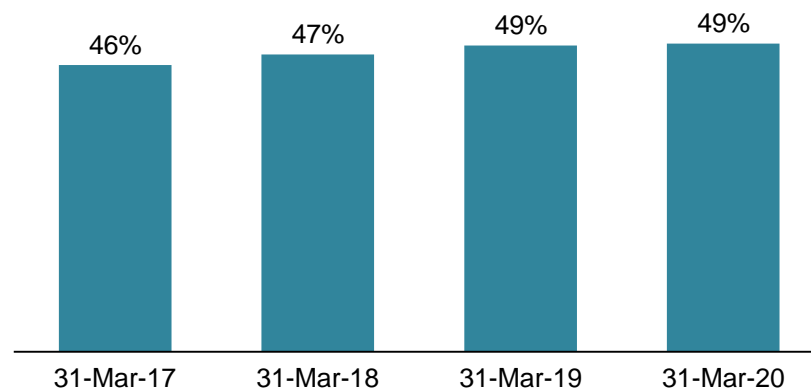
Retail Loan Against Property key Loan Profile



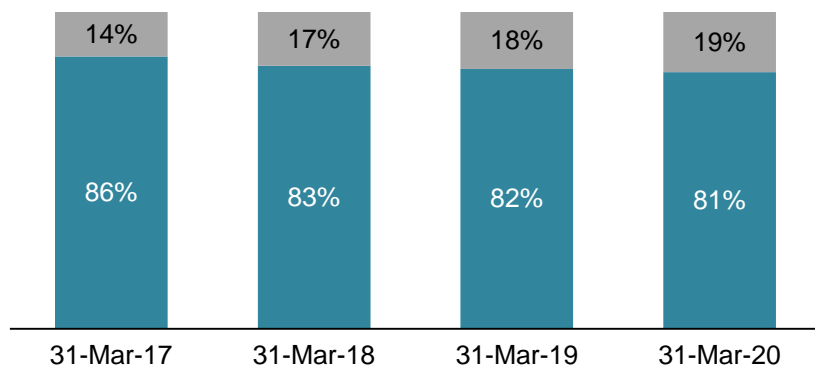
Average Ticket Size



Weighted Average Loan to Value (at Origination)



Salaried vs Self-Employed



■ Salaried ■ Self Employed

- Average Ticket Size reduced over last 4 years to less than INR 50 lakh
- Conservative underwriting with LTV maintained at less than 50%



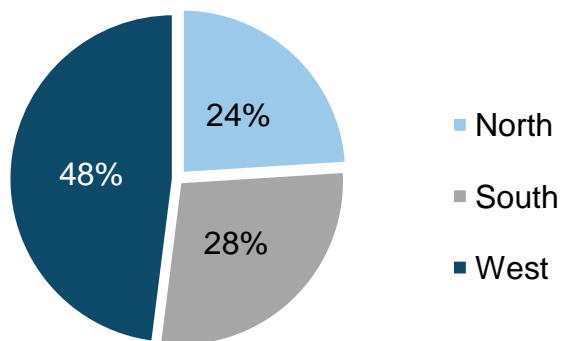
Corporate Book

Corporate Book Summary

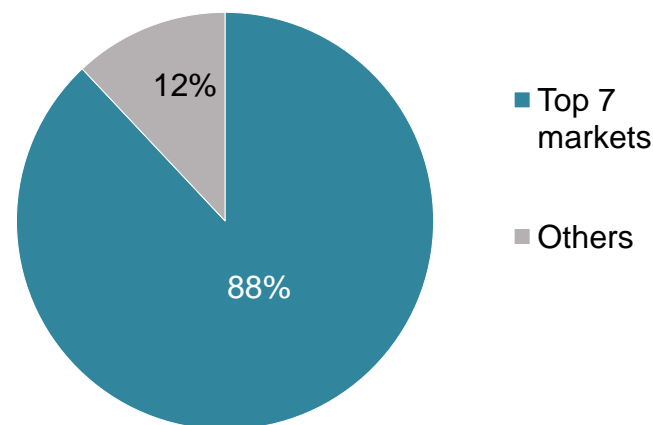


Product Segment	AUM (INR Crore)	% of AUM	Unique Corporate houses ATS INR Crore (US\$ mn)	No. of Unique Corporate houses	No. of Loan Accounts
Construction Finance	10,356	12%	148.5 (19.7)	141	166
Corporate Term Loan	3,052	4%	104.1 (13.8)		64
Lease Rental Discounting	1,206	2%	98.1 (13.0)		18

Geographical Distribution



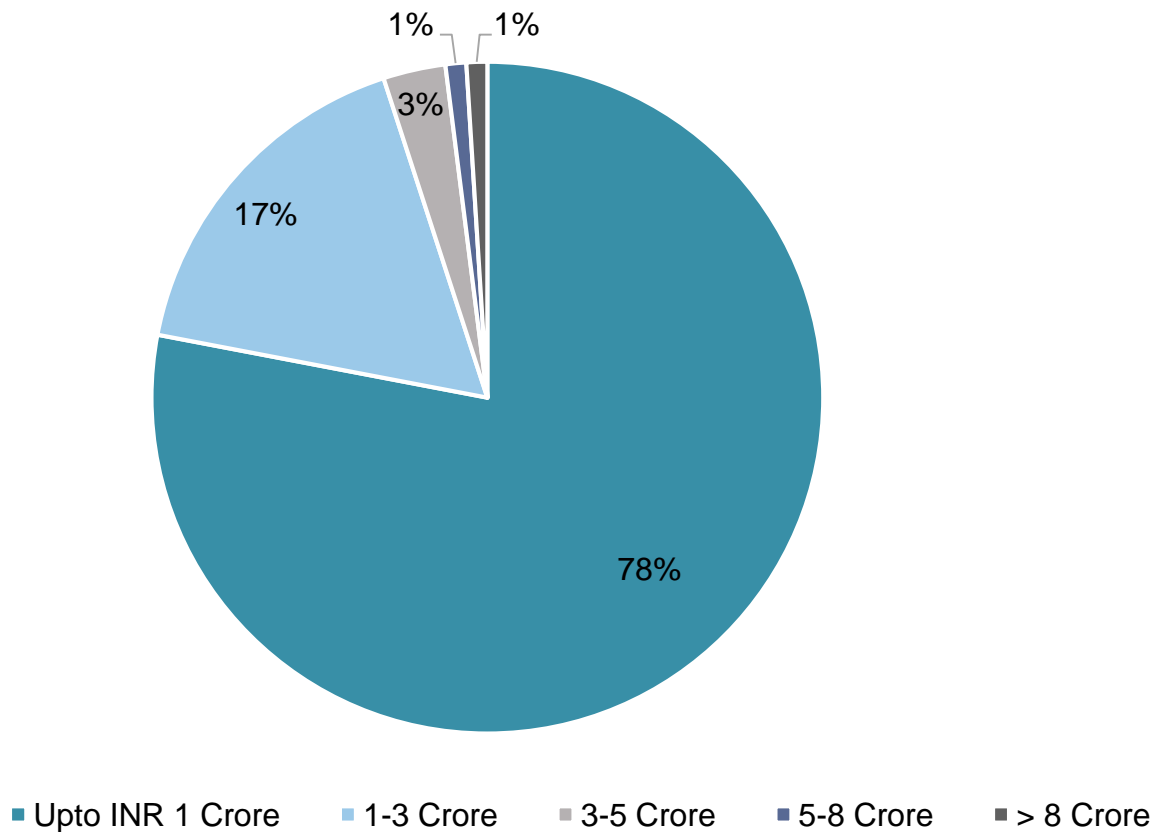
City Concentration



Corporate Book – primarily exposed to Mass Housing



Bifurcation of Units funded by ticket size



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



- Minimum Average Security Coverage Ratio of **1.5x**
 - Weighted average as on 31-Mar-20 is 2.16x
- Average Cash Receivable Coverage (net off project expense) of **1.5x**
- Collections through **escrow** mechanism

Monitoring

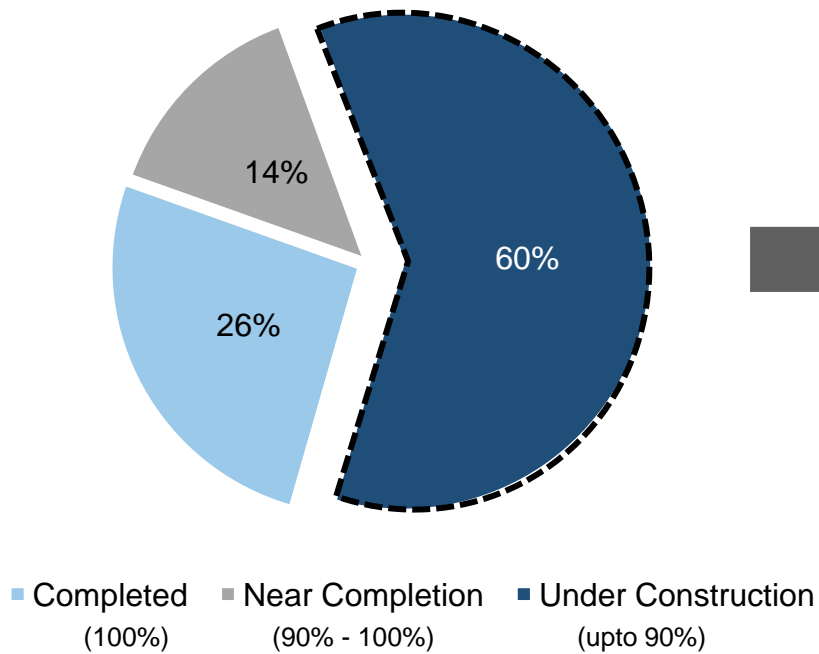


- Fund utilization, sales velocity, collection efficiency and escrow discipline
- Continuous Monitoring
 - At the time of every subsequent disbursement
 - RAG analysis on a regular basis; presented to the Board
- Helps in early warning signals to take timely corrective measures
- Management team Interacted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

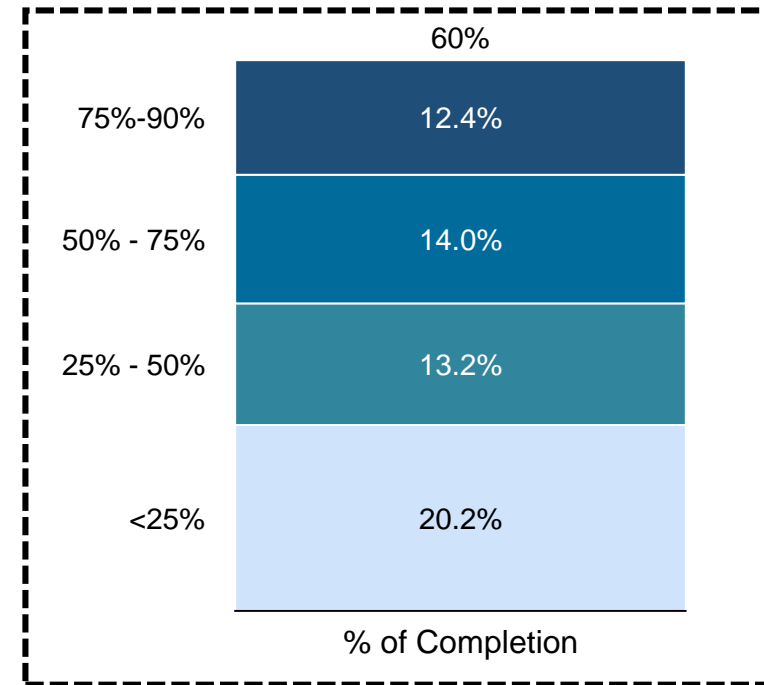
Construction Finance Loan



Total as on 31-Mar-2020



Under construction further Break-up



Constitutes 12% of the Asset under Management

Spread across 108 reputed developers

100% residential loans*

Top 7 markets contributes 87% of the AUM

*As per NHB definition



Corporate Term Loans

- Constitutes 4% of AUM
- Spread across 46 reputed developers
- Top 7 markets contributes over 86%
- Residential : Commercial – 67:33
- Earmarked/Identified cashflows



Lease Rental Discounting

- Constitutes 2% of AUM
- Spread across 13 reputed developers
- Presence in 7 large cities
- 100% of LRD are backed by leased out commercial office building with multiple tenants
- Marquee property/tenant



Operational and Financial Performance

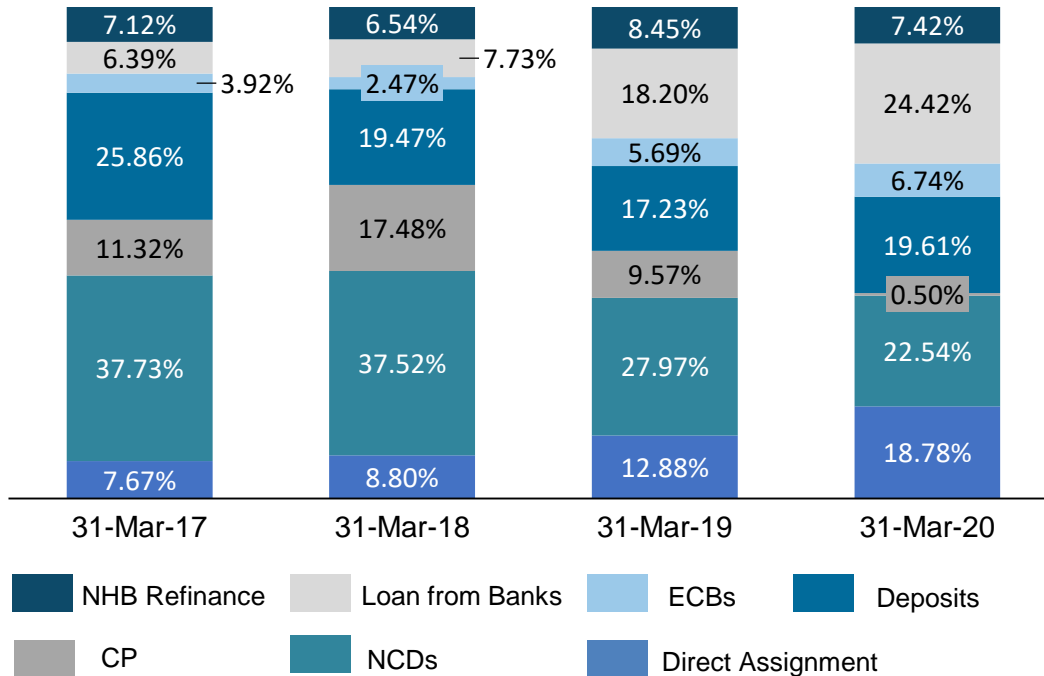


Well Diversified Resource Profile



(INR Crore)

Access to a Diverse Base of Funding



Relationships with multiple lending partners



31 Banks



31 Pension Funds



500 Provident Funds



2 Multilateral Agencies



25 Insurance Companies



Over 2,00,000 Deposit Account



7 Mutual Funds



4 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
31-Mar-20	68,216	15,775	83,991

Credit Rating

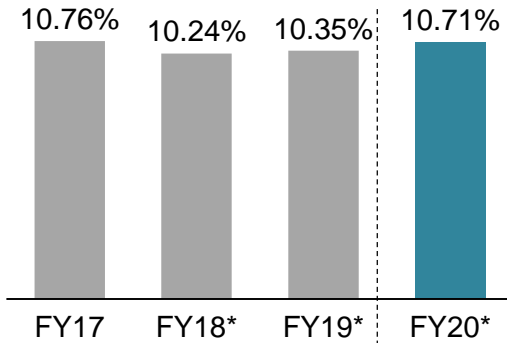
- Fixed Deposit has been rated "FAA+" by CRISIL.
- Commercial Paper is rated at "A1(+)" by CARE & CRISIL and Non-Convertible Debentures (NCDs) are rated "AA+" by CARE and "AA" by India Ratings, CRISIL and ICRA.
- Bank Loans (Long Term) is rated at "AA+" by CARE and "AA" by CRISIL.

1 Crore = 10 million

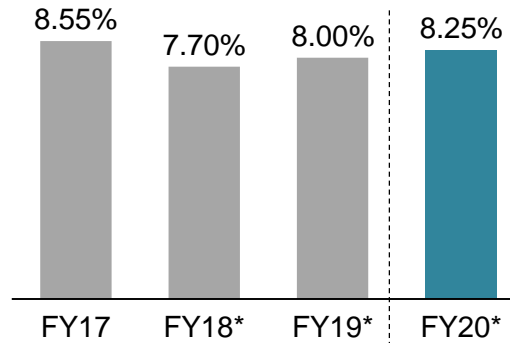
Margin Analysis



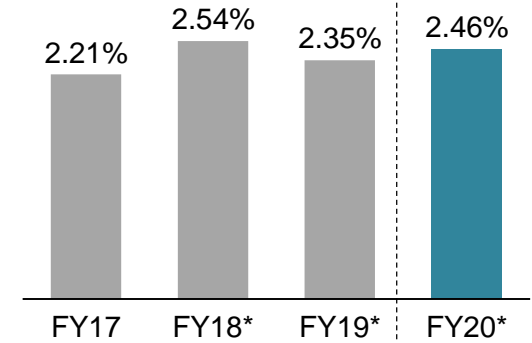
Average Yield



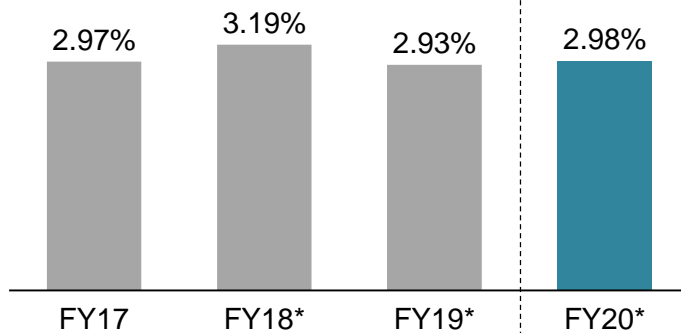
Average Cost of Borrowings



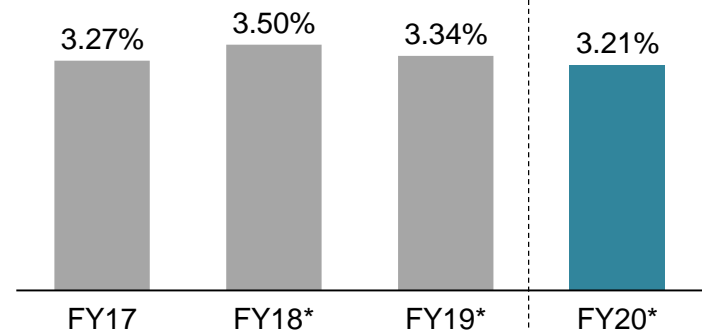
Spread



NIM



Gross Margin



Ratios are calculated on Monthly Average

Gross Margin is net of acquisition cost

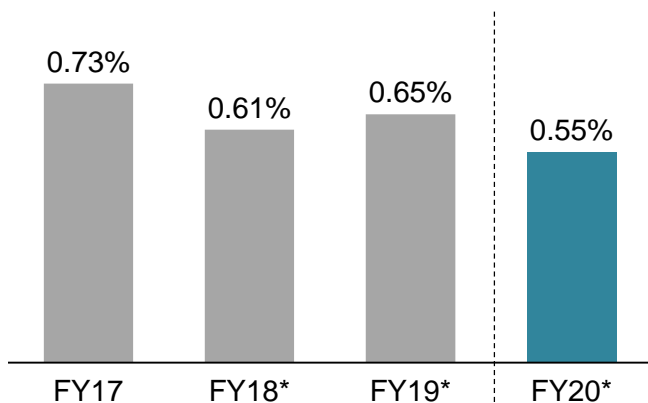
*As per IndAS

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

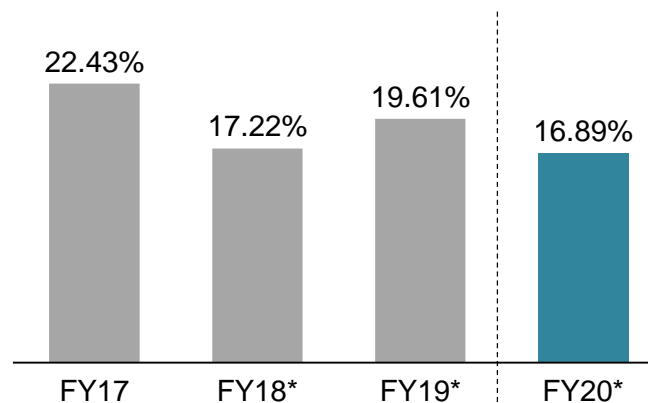
Operating Leverage and Return Profile



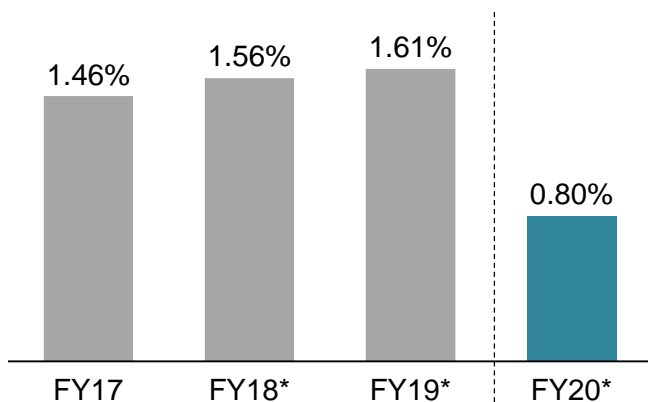
Opex to ATA Ratio



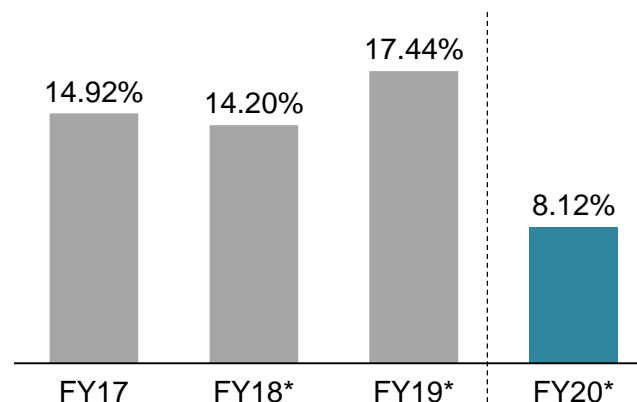
Cost to Income Ratio



Return on Asset



Return on Equity



Ratios are calculated on Monthly Average

*As per IndAS

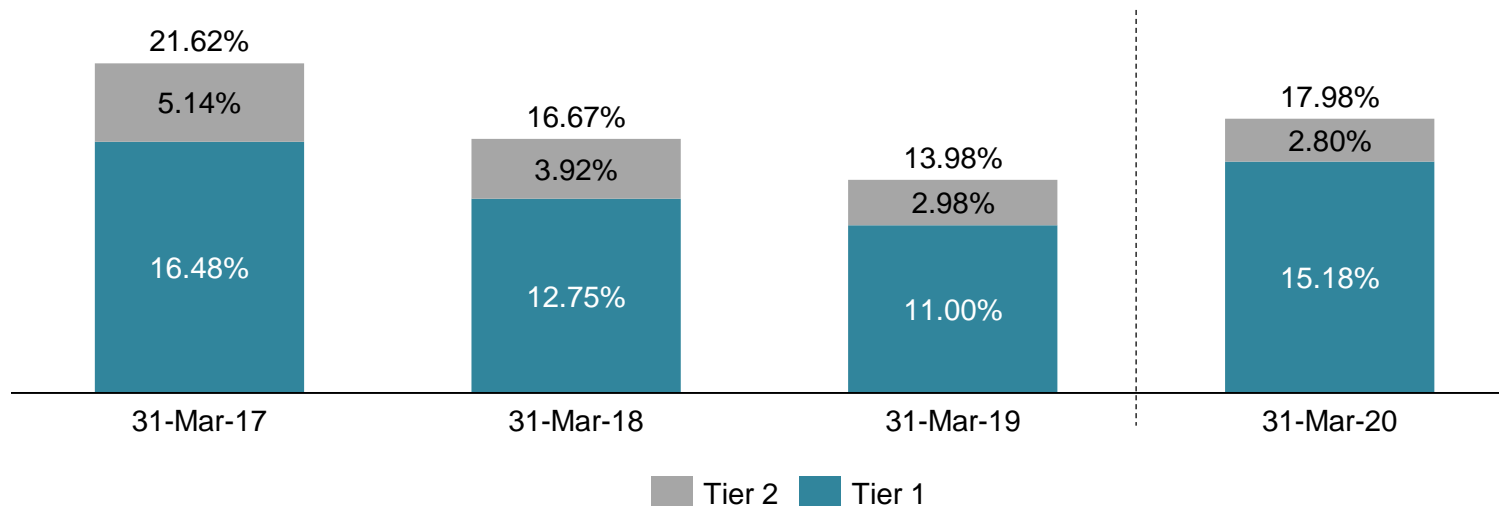
Opex to ATA is calculated as Operating Expenditure(Employee Cost + Other Expenses + Depreciation - Acquisition Cost - ESOP cost - CSR cost)/Average Total Assets as per Balance sheet

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

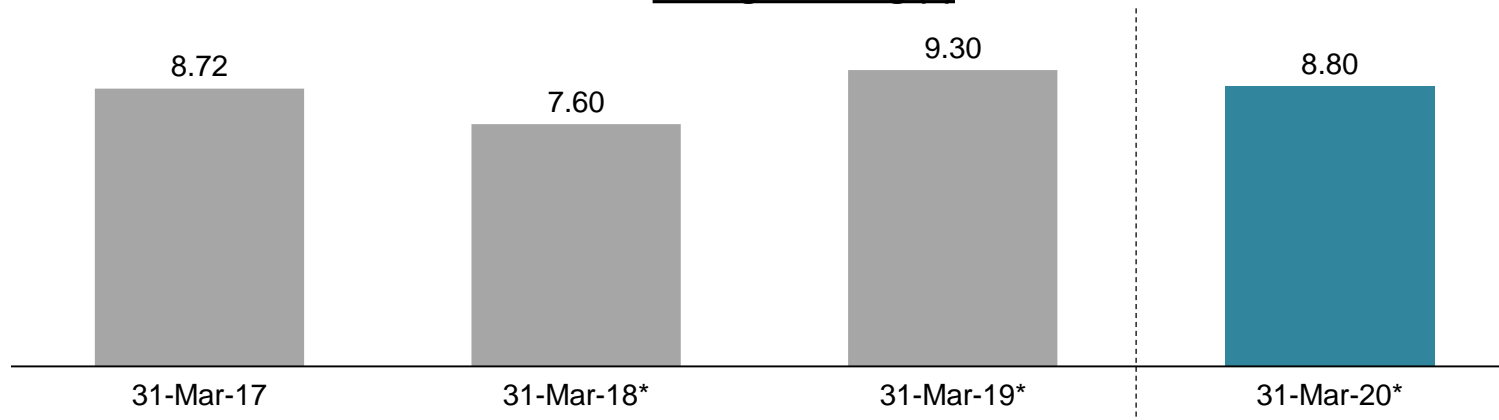
CRAR and Gearing



Capital to Risk Asset Ratio



Average Gearing (x)



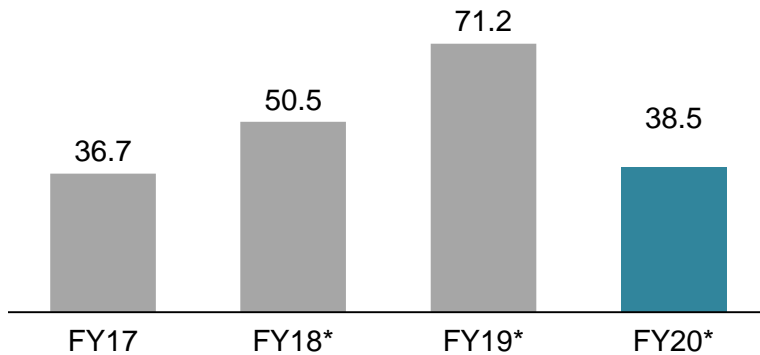
Ratio is calculated on Monthly Average
Based on IGAAP numbers

*Average Gearing is based on IndAS network

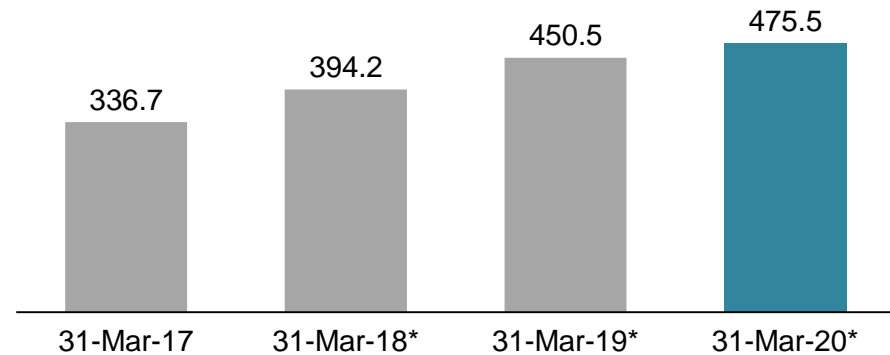
Return to Shareholders



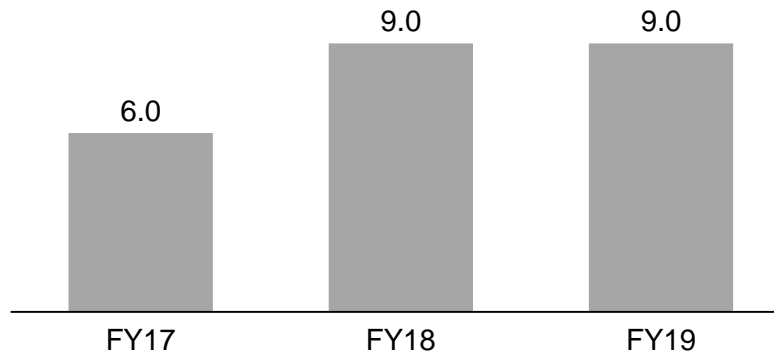
Earnings Per Share (INR)



Book Value Per Share (INR)



Dividend Per Share (INR)



Considering the current economic scenario and in order to conserve capital, the Company has not declared dividend for FY19-20

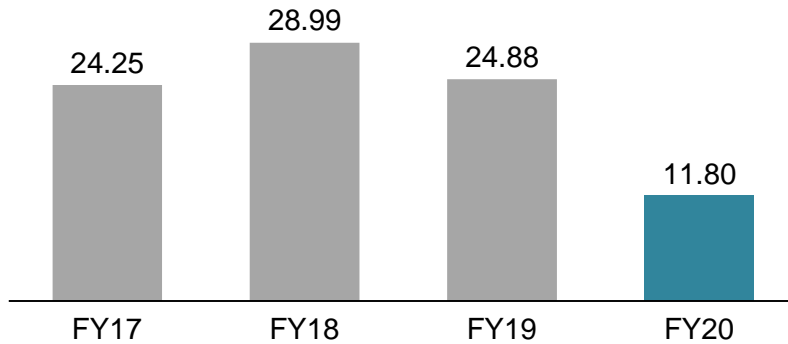
*As per IND AS

Employee Efficiency

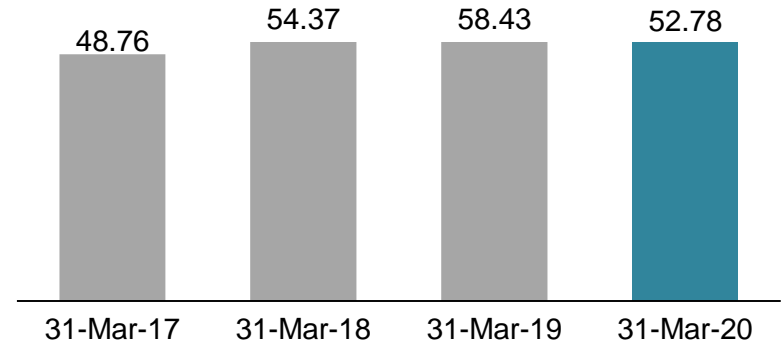


(INR Crore)

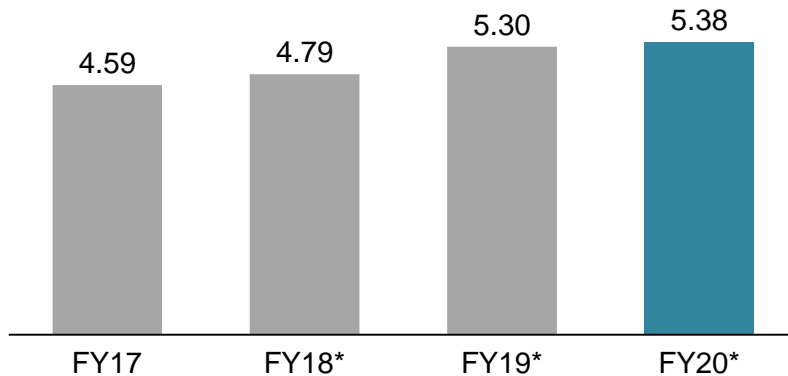
Disbursement / Employee



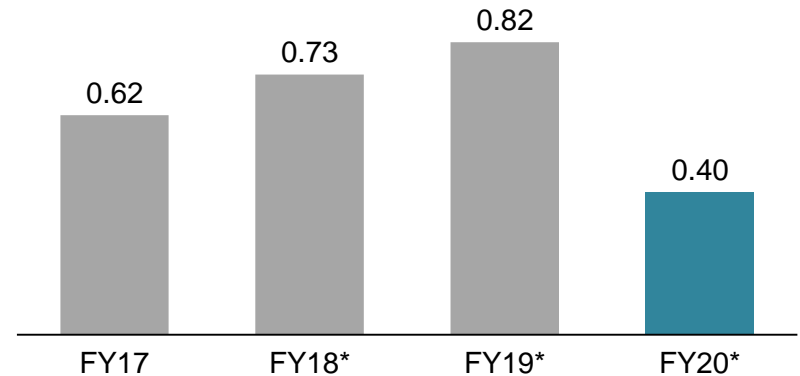
Asset under Management / Employee



Total Revenue / Employee



Profitability / Employee



Calculated on average number of employee for the year
Average no. of employee for FY20: 1,579

1 Crore = 10 mn
*As per IND AS



Detailed Financials and Valuations



Consolidated Profit & Loss Statement



Particulars (INR Crore)	Q4 FY20	Q4 FY19	YoY	Q3 FY20	QoQ	FY20	FY19	YoY
Interest Income	1,802.6	1,892.9		1,890.4		7,688.2	6,792.9	
Add: Net gain on fair value changes	62.7	50.4		32.5		158.6	128.9	
Add: Income on derecognized (assigned) loans	2.8	93.9		104.2		336.2	308.1	
Less: Finance Cost	1,380.0	1,427.5		1,461.0		5,875.0	5,166.4	
Net Interest Income	488.1	609.7	-20%	566.1	-14%	2,308.1	2,063.5	12%
Add: Fees and commission Income	78.4	108.0		47.7		298.8	449.4	
Less: Fees and commission expense	1.9	7.9		1.0		8.9	54.6	
Add: Other Income	5.4	3.0		0.0		7.7	3.9	
Gross Income	570.0	712.8	-20%	612.8	-7%	2,605.7	2,462.2	6%
Operating Expenses								
Less: Employee Benefit Expenses	35.2	91.3		58.9		233.1	303.9	
Less: Other Expenses	92.6	57.1		56.8		244.4	203.6	
Less: Depreciation and Amortisation	14.5	9.2		18.1		65.8	31.4	
Operating Profit	427.6	555.2	-23%	479.0	-11%	2,062.4	1,923.3	7%
Less: Impairment on financial instruments & Write-offs (Expected Credit Loss)	754.8	10.1		180.8		1,251.4	188.9	
Profit Before Tax	-327.2	545.1	-	298.2	-	811.0	1,734.4	-53%
Tax Expense								
-Current Tax	88.0	133.7		91.2		389.2	503.5	
-Deferred Tax	-173.2	31.7		-30.0		-224.5	39.4	
Less: Total Tax Expense	-85.2	165.4		61.2		164.8	542.9	
Net Profit after Tax	-242.1	379.7	-	237.0	-	646.2	1,191.5	-46%
Add: Other Comprehensive Income	-82.0	-31.3		43.2		-55.3	-102.3	
Total Comprehensive Income	-324.0	348.4		280.2		590.9	1,089.2	
EPS (Basic)	-14.39	22.70		14.10		38.45	71.19	

As per IND AS
1 Crore = 10 mn

Consolidated Balance Sheet



	Particulars (INR Crore)	31-Mar-20	31-Mar-19
	LIABILITIES		
1	Financial Liabilities		
(a)	Derivative financial instruments	0.0	210.8
(b)	Payables		
	(l) 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
(c)	Debt Securities	17,836.5	29,604.9
(d)	Borrowings (Other than Debt Securities)	32,328.1	26,793.2
(e)	Deposits	16,131.9	14,023.0
(f)	Subordinated Liabilities	1,438.6	1,437.7
(g)	Other financial liabilities	1,690.0	2,091.3
	Sub Total - Financial Liabilities	69,512.0	74,288.1
2	Non-Financial Liabilities		
(a)	Provisions	18.9	25.2
(b)	Other non-financial liabilities	1,401.0	2,011.8
	Sub Total - Non-Financial Liabilities	1,420.0	2,037.0
3	EQUITY		
(a)	Equity Share capital	168.2	167.5
(b)	Other Equity	7,829.6	7,376.4
	Equity attributable to equity holders of the parent	7,997.8	7,543.9
	Non-controlling interest		-
	TOTAL – EQUITY & LIABILITIES	78,929.7	83,869.0

	Particulars (INR Crore)	31-Mar-20	31-Mar-19
	ASSETS		
1	Financial Assets		
(a)	Cash and cash equivalents	8,514.3	4,034.0
(b)	Bank Balance other than (a) above	0.1	0.1
(c)	Derivative Financial instruments	125.7	0.0
(d)	Trade Receivables	44.9	38.8
(e)	Loans	66,628.0	74,287.9
(f)	Investments	2,075.7	4,560.7
(g)	Other Financial Assets	701.7	513.0
	Sub Total - Financial Assets	78,090.4	83,434.5
2	Non - Financial Assets		
(a)	Current tax assets (Net)	61.0	115.6
(b)	Deferred tax Assets (Net)	285.9	61.0
(c)	Investment Property	0.6	0.6
(d)	Property, Plant and Equipment	105.3	78.3
(e)	Right of use assets	119.8	0
(f)	Capital work-in-progress	1.23	3.8
(g)	Other Intangible assets	25.4	24.2
(h)	Intangible assets under development	2.8	1.4
(i)	Other non-financial assets	30.7	18.5
(j)	Assets held for sale	206.6	131.1
	Sub Total - Non - Financial Assets	839.3	434.5
	TOTAL - ASSETS	78,929.7	83,869.0

As per IND AS
1 Crore = 10 mn

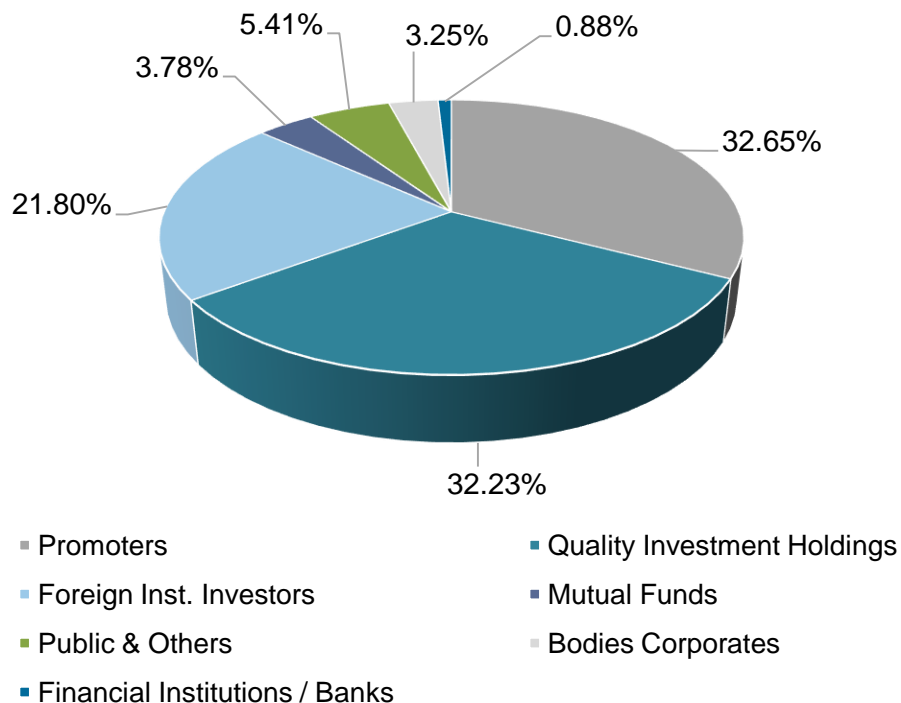


Shareholding





Shareholding as on 31-Mar-20



Outstanding Shares – 16,81,86,908 shares

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.

Top Shareholders

General Atlantic Singapore Fund, Franklin Templeton MF, Varde Holdings, Malabar Investments, Fidelity International, Auburn Ltd, Vanguard, Franklin Templeton Investment Funds, HDFC Standard Life Insurance Company, Reliance Capital MF, Blackrock (ETF)



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



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



Incorporated Pehel foundation to implement various CSR programs

(National Real Estate Development Council)

Winning Awards & Accolades



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



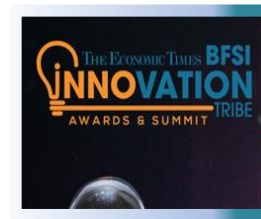
Awarded for **Excellence in Project Management 2019** by Talisma (leading provider of digital customer) amongst 1,700 existing clients



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 **µConnect**, 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.



Management Team...



...with Extensive Industry Experience



Age : 62 Years
No. of Years with
PNBHF : 1** Year
Prior Engagements :
State Bank of India

Neeraj Vyas
Managing Director & CEO*



Age : 54 Years
No. of Years with
PNBHF : 7 Years
Prior Engagements :
Religare Finvest Ltd
GE Money Indiabulls
Financial Services

Ajay Gupta
ED - Risk Management



Age : 58 Years
No. of Years with
PNBHF : 9 Years
Prior Engagements : HDFC
Standard Life Insurance, Union
National Bank, ICICI Bank

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



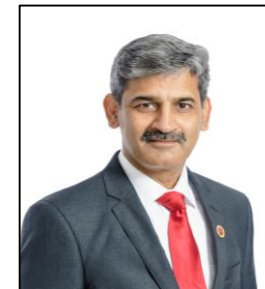
Age : 47 Years
No. of Years with
PNBHF : 2 Years
Prior Engagements :
Xander Finance, Au
Small Finance Bank,
ICICI Prudential Life
Insurance, Deutsche
Bank

Kapish Jain
Chief Financial Officer



Age : 56 Years
No. of Years with
PNBHF : 25 Years

Sanjay Jain
Company Secretary & Head Compliance



Age : 53 Years
No. of Years with
PNBHF : 8 Years
Prior Engagements :
ARMS (Arcil)
Indian Army

Anshul Bhargava
Chief People Officer

* interim, **as Independent Director on Board

...under the Aegis of a 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

* interim

Corporate Governance



Board of Directors

It has 10 members, 1 non-executive chairman, 1 non-executive director, 7 independent directors and Managing Director

Audit Committee (ACB)

It has 3 members, all are independent directors

Risk Management Committee (RMC)

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

Credit Committee of the Board (CCB)

It has 3 members, 2 are independent directors and Managing Director

Nomination and Remuneration Committee (NRC)

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

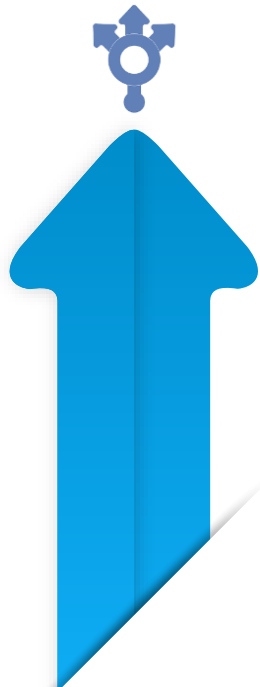
Stakeholders Relationship Committee (SRC)

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

Corporate Social Responsibility Committee (CSR)

It has 3 members, 2 are independent directors and Managing Director

Key Takeaways



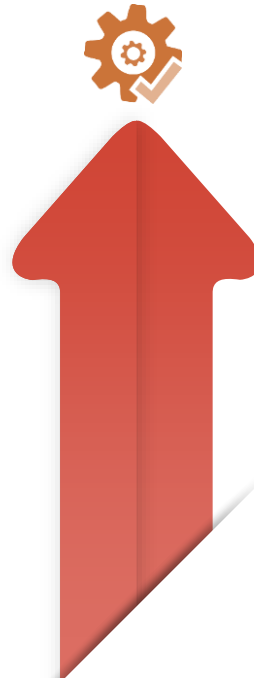
Wide Spread Retail Distribution Network and Unique Operating Model

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



Focus on Retail

Focus on Retail business with 82% of the AUM as retail as on 31st March 2020



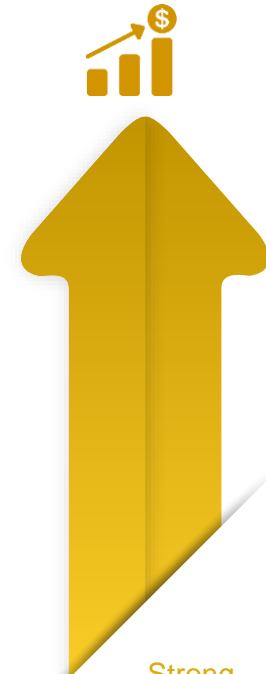
Diversified Borrowing Mix with balanced ALM

Diverse funding mix with average cost of borrowing at 8.25%⁽¹⁾



Improving Cost to Income Ratio

Operating leverage playing out, thereby improving C/I Ratio



Strong Balance Sheet

Conservative provisioning to withstand challenging market dynamics

1. For FY20



Annexure



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



Thank You

Company:

PNB Housing Finance Limited

CIN: L65922DL1988PLC033856

Ms. Deepika Gupta Padhi (Head-Investor Relations)

Phone: +91 11 23445214

Investor.relations@pnbhousing.com

www.pnbhousing.com
