

Press Release

For Immediate Release

29th April 2024, New Delhi

Consolidated Audited Financial Results for Q4 & FY2023-24 Ended 31st March 2024

The Board of Directors of PNB Housing Finance Limited today approved the Consolidated audited Financial Results for the quarter and financial year ended 31st March 2024. The financial numbers are based on IndAS.

Key Highlights of the Financial Year 2024

- Successfully completed capital raise of INR 2,493.76 Crore through Rights Issue in May 2023.
- Retail Loan Asset grew by 14% YoY to INR 63,306 crore as on 31st Mar 2024, which is 97% of Loan Asset.
 - Build INR 1,790 crore of Affordable book within 15 months of operation
- Loan Asset stood at INR 65,358 crore as on 31st Mar 2024 registering 10% growth YoY
- Strengthened pan India presence to 300 branches & outreaches
 - Dedicated 160 branches for Affordable segment and 50 branches for Emerging Segment
- Gross NPA declined by 233 bps to 1.50% as on 31st Mar 2024 as compared to 3.83% as on 31st Mar 2023. Net NPA declined to less than 1% at 0.95% as on 31st March 2024
- Capital Risk Adequacy Ratio stood at 29.26% as on 31st March 2024; Tier I at 27.90%
- Profit after Tax is at INR 1,508 crore vs INR 1,046 crore registering an increase of 44% YoY.
- Net Interest Margin stood at 3.74% for FY24 as compared to 3.73% for FY23.
- Return on Asset is at 2.20% in FY23-24 as compared to 1.61% in FY22-23
- Certified as “Great Place to Work” by building a “High Trust, High Performance Culture”.
- India Ratings, ICRA and CARE upgraded the rating to “AA+” from “AA”; Outlook “Stable”

Financial performance (Q4 FY23-24 vs Q3 FY23-24 and Q4 FY22-23)

- Net profit increased by 57% YoY and 30% QoQ to INR 439 crore
- Net Interest Income grew by 7% YoY and 6% QoQ to INR 632 crore
- Operating expenditure increased by 23% YoY and 6% QoQ to INR 176 crore primarily, on account of branch expansion and upgradation of IT infrastructure.
- Yield at 10.08% in Q4 FY24 as compared to 10.19% in Q3 FY24 and 10.41% in Q4 FY23.
- Cost of Borrowing at 7.98% in Q4 FY24 as compared to 8.07% (excluding one-off the CoB is 7.98%) in Q3 FY24 and 7.76% in Q4 FY23.
- Spread on loans is at 2.10% in Q4 FY24 as compared to 2.12% in Q3 FY24 and 2.65% in Q4 FY23.
- Net Interest Margin stood at 3.65% in Q4 FY24 as compared to 3.49% in Q3 FY24 and 3.74% in Q4 FY23. Gross Margin, net of acquisition cost, stood at 4.18% in Q4 FY24.
- Credit Cost at 4 bps in Q4 FY24 as compared to 34 bps in Q3 FY24 and 89 bps in Q4 FY23.

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CIN: L65922DL1988PLC033856

Financial performance (FY23-24 vs FY22-23)

- Profit after Tax is at INR 1,508 crore vs INR 1,046 crore registering an increase of 44% YoY.
- Net Interest Income stood at INR 2,516 crore compared to INR 2,346 crore registering a growth of 7%.
- Operating Expenditure is at INR 659 crore vs INR 520 crore registering an increase of 27%.
- Pre-provision Operating Profit stood at INR 2,125 crore as against INR 2,052 crore registering a growth of 4%. Excluding one off in FY22-23, Pre-provision Operating Profit registered a growth of 17%.
- ECL provision as on 31st Mar 2024 is INR 1,250 crore resulting in total provision to assets ratio at 1.91%. The Stage 3 Provision coverage ratio is at 37.4%.
- Spread on loans stood at 2.34% compared to 2.81% for FY22-23.
- Net Interest Margin stood at 3.74% as compared to 3.73% in FY22-23.
- Gross Margin, net of acquisition cost, is at 4.02% as compared to 4.06% in FY22-23.
- Credit cost for FY24 is at 0.25% as compared to 1.07% in FY22-23
- Return on Asset is at 2.20% as compared to 1.61% in FY22-23.
- Return on Equity at 10.90% as compared to 9.98% for FY22-23.

Business Operations

- The disbursements during FY23-24 grew by 17% YoY to INR 17,583 crore. For Q4 FY23-24 stood at INR 5,574 crore registering an increase of 24% YoY and by 35% QoQ.
 - Retail disbursement grew by 19% YoY to INR 17,483 during FY23-24. In Q4 FY23-24, retail disbursements grew by 24% YoY and by 35% QoQ to INR 5,541 crore
 - Disbursements in Affordable segment is ~10% of retail disbursements in FY24
- Loan Asset grew by 10% YoY and 5% QoQ to INR 65,358 crore as on 31st Mar 2024
 - Retail loans grew by 14% YoY and 5% QoQ to INR 63,306 crore as on 31st Mar 2024. Within Retail, affordable loan asset is at INR 1,790 crore as on 31st March 2024
 - Corporate loans are at INR 2,052 crore as on 31st Mar 2024, reduced by 46% as compared to 31st Mar 2023
- Asset under Management (AUM) grew by 7% YoY and 4% QoQ to INR 71,243 crore as on 31st Mar 2024

Distribution and Service Network

- The Company has 300 branches / outreach locations as on 31st Mar 2024:
 - Affordable business presence expanded to 160 branches
 - Dedicated 50 branches for Emerging Segment
 - 90 branches for Prime segment

Asset Quality

- Gross Non-Performing Assets is at 1.50 % as on 31st Mar 2024 as compared to 3.83% as on 31st Mar 2023 and 1.73% as on 31st Dec 2023.
 - Retail GNPA is 1.45% as on 31st Mar 2024 as compared to 2.57% as on 31st Mar 2023 and 1.67% as on 31st Dec 2023.

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- Corporate GNPA is 3.31% as on 31st Mar 2024 as compared to 22.25% as on 31st Mar 2023 and 3.35% as on 31st Dec 2023.
- Net NPA stood at 0.95% as on 31st Mar 2024. NNPA in Retail segment is at 0.94% and in Corporate segment at 1.11%.

Capital to Risk Asset Ratio (CRAR)

- The Company's CRAR based on IndAS stood at 29.26% as on 31st Mar 2024, of which Tier I capital is 27.90% and Tier II is 1.36% as compared 24.43% as on 31st Mar 2023, of which Tier I capital was 22.40% and Tier II was 2.03%.

Commenting on the performance Mr. Girish Kousgi, Managing Director & CEO said:

“During the Financial Year 2023-24, the Company made significant progress across various business and financial parameters. The completion of a successful fund-raise via Rights Issue underscores the confidence of our shareholders. Moreover, our expansion into high yielding affordable segment and the growth of our retail loan book showcases our commitment towards meeting diverse market needs. With the opening of new branches, we have not only expanded our reach but also strengthened our presence in tier II & III markets. We have witnessed a remarkable improvement in the asset quality, which reduced by 57% year-on-year. As we move ahead, we look forward with optimism that our fundamentals position us well to achieve the desired growth and profitability.”

About PNB Housing Finance Limited

PNB Housing Finance Limited (NSE: PNBHOUSING, BSE: 540173) is promoted by Punjab National Bank and is a registered Housing Finance Company with National Housing Bank (NHB). The Company got listed on the Indian stock exchanges on 7th November 2016. The Company's asset base comprises primarily of retail loans and corporate loans. The retail business focusses on organized mass housing segment financing for acquisition or construction of houses. In addition, it also provides loan against properties and loans for purchase & construction of non-residential premises. PNB Housing Finance is a deposit taking Housing Finance Company.

Disclaimer

No representation or warranty, express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained in this release. The information contained in this release is only current as of its date. Certain statements made in this release may not be based on historical information or facts and may be "forward looking statements", including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects, and future developments in its industry and its competitive

and regulatory environment. Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions in India. This communication is for general information purpose only, without regard to specific objectives, financial situations and needs of any particular person. This release does not constitute an offer or invitation to purchase or subscribe for any shares in the Company and neither any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. The Company may alter, modify or otherwise change in any manner the content of this release, without obligation to notify any person of such revision or changes.

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Statement of consolidated financial results for the quarter and year ended March 31, 2024

(₹ in crore)

S.no.	Particulars	Quarter ended			Year ended	
		31-Mar-24	31-Dec-23	31-Mar-23	31-Mar-24	31-Mar-23
		(Audited Refer Note 8)	(Unaudited)	(Audited Refer Note 8)	(Audited)	(Audited)
	Revenue from operations					
(i)	Interest income	1,692.90	1,679.51	1,589.23	6,742.21	6,199.07
(ii)	Fees and commission income	108.05	73.51	35.04	272.89	283.26
(iii)	Net gain on fair value changes	9.00	1.73	11.44	34.98	34.10
(iv)	Income on derecognised (assigned) loans	-	-	-	-	10.90
I	Total revenue from operations	1,809.95	1,754.75	1,635.71	7,050.08	6,527.33
II	Other income	4.02	1.25	2.01	7.01	2.33
III	Total income (I+II)	1,813.97	1,756.00	1,637.72	7,057.09	6,529.66
	Expenses					
(i)	Finance cost	1,069.70	1,086.62	1,008.05	4,261.12	3,898.52
(ii)	Impairment on financial instruments & write-offs	6.64	59.10	144.93	171.12 [#]	691.28
(iii)	Employee benefits expenses	90.62	80.58	78.23	337.34	265.96
(iv)	Depreciation, amortisation and impairment	14.18	13.05	12.63	51.19	51.44
(v)	Fees and commission expense	1.96	4.40	4.13	12.34	11.52
(vi)	Other expenses:					
	- Impairment/loss on assets held for sale	-	-	(4.59)	-	47.65
	- Other expenses	71.06	71.95	51.84	270.08	202.38
IV	Total expenses	1,254.16	1,315.70	1,295.22	5,103.19	5,168.75
V	Profit before tax (III-IV)	559.81	440.30	342.50	1,953.90	1,360.91
	Tax expense:					
	-Current tax	134.18	114.02	(19.01)	422.67	87.78
	-Deferred tax ((credit)/charge)	(13.62)	(12.16)	82.23	23.22	227.13
VI	Total tax expense	120.56	101.86	63.22	445.89	314.91
VII	Net profit after tax (V-VI)	439.25	338.44	279.28	1,508.01	1,046.00
VIII	Other comprehensive income					
	A (i) Items that will not be reclassified to profit or loss: Remeasurement gain/ (loss) on defined benefit plan	(0.21)	0.22	(0.27)	(0.64)	(0.69)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.05	(0.05)	0.06	0.16	0.17
	B (i) Items that will be reclassified to profit or loss: Cash flow hedge	(3.14)	(7.39)	26.70	(21.07)	103.67
	(ii) Income tax relating to items that will be reclassified to profit or loss	0.79	1.86	(6.72)	5.30	(26.09)
IX	Total comprehensive income (VII+VIII)	436.74	333.08	299.05	1,491.76	1,123.06
	Earnings per share (of ₹ 10 each)*					
	-Basic (₹)	16.91	13.04	14.18	58.37	53.21
	-Diluted (₹)	16.86	13.00	14.17	58.20	53.16
	Paid-up equity share capital (Face value of ₹ 10)	259.72	259.68	168.86	259.72	168.86
	Reserves (excluding revaluation reserves) as at March 31				14,714.72	10,845.00

* EPS for the quarters are not annualised.

[#] Net of reversal of impairment allowance on sale of loan assets (Refer note 5).

Pursuant to the Right Issue of the Company EPS for the comparative year/period has been restated.

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Consolidated Statement of Assets and Liabilities

(₹ in crore)

S.no.	Particulars	As at	
		31-Mar-24	31-Mar-23
		(Audited)	
	ASSETS		
1	Financial assets		
(a)	Cash and cash equivalents	2,142.20	3,677.82
(b)	Bank balance other than (a) above	464.73	118.38
(c)	Derivative financial instruments	135.01	660.04
(d)	Receivables		
	Trade receivables	51.45	12.86
	Other receivables	0.08	0.01
(e)	Loans	64,108.24	57,839.79
(f)	Investments	4,346.01	3,196.29
(g)	Other financial assets	569.80	754.64
	Sub total - financial assets	71,817.52	66,259.83
2	Non - financial assets		
(a)	Current tax assets (net)	185.17	264.03
(b)	Deferred tax assets (net)	127.69	145.67
(c)	Investment property	0.51	0.52
(d)	Property, plant and equipment	66.56	66.19
(e)	Right of use assets	123.14	65.59
(f)	Capital work-in-progress	5.43	0.08
(g)	Other Intangible assets	16.57	14.01
(h)	Intangible assets under developments	9.82	3.08
(i)	Other non-financial assets	52.44	54.70
	Sub total - non - financial assets	587.33	613.87
	TOTAL - ASSETS	72,404.85	66,873.70
	LIABILITIES		
1	Financial liabilities		
(a)	Payables		
	(I) Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	2.12	1.74
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	17.62	28.51
	(II) Other Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(b)	Debt securities	7,851.93	3,994.09
(c)	Borrowings (other than debt securities)	28,666.95	31,174.70
(d)	Deposits	17,758.22	17,214.24
(e)	Subordinated liabilities	739.49	1,238.35
(f)	Other financial liabilities	2,179.86	1,963.15
	Sub total - financial liabilities	57,216.19	55,614.78
2	Non financial liabilities		
(a)	Provisions	20.23	17.72
(b)	Other non-financial liabilities	193.99	227.34
	Sub total - non financial liabilities	214.22	245.06
3	EQUITY		
(a)	Equity share capital	259.72	168.86
(b)	Other equity	14,714.72	10,845.00
	Subtotal - equity	14,974.44	11,013.86
	TOTAL - EQUITY AND LIABILITIES	72,404.85	66,873.70

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Consolidated Statement of Cash Flow

(₹ in crore)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
	(Audited)	
Cash flow from operating activities		
Profit before tax	1,953.90	1,360.91
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	51.19	51.44
Net loss on sale of property, plant and equipment	0.25	0.19
Impairment on financial instruments	(182.61)	(1,046.92)
Impairment on assets held for sale	-	47.65
Net (gain)/loss on financial asset at fair value through profit and loss	(16.12)	2.80
Share based payment expense	14.46	11.95
Impact of Effective interest rate on financial assets	(42.90)	(24.43)
Impact of Effective interest rate on financial liabilities	32.57	16.04
Interest expenses	4,253.90	3,892.34
Unwinding/(income) on derecognised (assigned) loans	177.76	(84.39)
Loss/ (gain) on restructured financial assets	9.81	4.86
Interest on leases including modification gain / (loss)	6.46	5.67
Advances written-off	-	2.23
Bad debts written-off	353.73	1,738.20
	4,658.50	4,617.63
Operating profits before changes in working capital	6,612.40	5,978.54
Working Capital changes		
Increase/(decrease) in trade payables	(10.51)	13.96
Increase/(decrease) in provisions	1.87	(0.30)
Increase/(decrease) in other financial liabilities	75.54	(518.43)
(Decrease)/increase in non financial liabilities	(33.35)	(71.26)
(Increase)/decrease in loans at amortised cost	(6,392.35)	(3,081.80)
(Increase)/decrease in receivables	(38.75)	29.97
(Increase)/decrease in other financial assets	6.51	3.03
Decrease/(Increase) in other non financial assets	2.26	(27.75)
Proceeds from sale of asset held for sale	-	61.18
(Increase)/decrease in bank balance other than cash and cash equivalents	(346.35)	32.09
	(6,735.13)	(3,559.31)
Cash generated from / (used in) operations before adjustments for interest and taxes paid	(122.73)	2,419.23
Interest Paid	(4,181.12)	(3,979.92)
Taxes paid (net of refunds)	(357.66)	(304.34)
Net cash (used in) / generated from operating activities	(4,661.51)	(1,865.03)
Cash flow from investing activities		
Purchase of property, plant and equipment and other intangible assets including Capital work-in-progress and intangible assets under development	(39.29)	(14.85)
Proceeds from sale of property, plant and equipment and other intangible assets	0.28	0.17
Investments (net)	(1,147.07)	190.46
Net cash (used in)/ generated from investing activities	(1,186.08)	175.78
Cash flow from financing activities		
Proceeds from		
Debt securities and subordinated liabilities	1,451.00	149.99
Borrowing from banks	21,885.45	17,771.75
Commercial papers	10,054.70	50.00
Repayment of		
Debt securities and subordinated liabilities	(1,399.00)	(2,560.00)
Borrowing from banks	(24,043.72)	(14,636.84)
Commercial papers	(6,750.00)	(50.00)
Deposits (net)	545.01	(394.79)
Lease liabilities	(33.25)	(35.85)
Proceeds from issue of share capital including securities premium	2,468.44	7.21
Net cash generated from/ (used in) financing activities	4,178.63	301.47
Net changes in cash & cash equivalents	(1,668.96)	(1,387.78)
Cash or cash equivalents at the beginning of the year	3,627.83	5,015.61
Cash or cash equivalents at the end the of the year	1,958.87	3,627.83
Net decrease of cash & cash equivalents during the year	(1,668.96)	(1,387.78)

Note : Figures in bracket denotes application of cash

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Notes:

- The above financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India and are in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). There are no changes in the accounting policies during the current reported period as compare to the corresponding periods / years.
- The consolidated financial results have been prepared in accordance with Ind AS 110 – Consolidated Financial Statements, prescribed under section 133 of the Companies Act, 2013 (the "Act") read with the relevant rules issued thereunder and the other relevant provisions of the Act. The consolidated financial results includes results of the following company:

Name of the Company	Relationship with the Company / Consolidated as	Shareholding & voting power
PHFL Home Loans and Services Limited	Subsidiary	100%

- The Company's main business is to provide loans against/for purchase, construction, repairs & renovations of houses/flats/commercial properties etc. All other activities of the Company revolve around the main business. As such, there are no separate reportable segment, as per the Operating Segments (Ind AS 108), notified by the Companies (Accounting Standard) Rules, 2015, as amended.
- Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020 are given below.

(₹ in crore)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A) (\$)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year (@)
Personal Loans*	1,551.07	46.86	8.74	161.13	1,381.20
Corporate persons					
of which, MSMEs					
Others^	50.67	-	-	31.42	19.25
Total	1,601.74	46.86	8.74	192.55	1,400.45

* Retail loans

\$ Principal outstanding as at the end of the previous half year (i.e. as on September 30, 2023).

@ Principal outstanding (including capitalised interest, disbursement) for the live restructured accounts as on March 31, 2024.

^Corporate finance loans

- Disclosure of loans transferred / acquired during the quarter and year ended March 31, 2024, pursuant to RBI Notification dated September 24, 2021 on "Transfer of Loan Exposures" are given below:

(i) The Company has not transferred or acquired, any loans not in default during the quarter and year ended March 31, 2024.

(ii) The Company has not acquired, any stressed loan during the quarter and year ended March 31, 2024.

(iii) Details of stressed loans transferred:

(₹ in crore)

Particulars	To Asset Reconstruction Companies (ARC) - NPA
	Quarter ended

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	31-Mar-24	31-Dec-23	30-Sep-23	30-Jun-23
Number of accounts	-	-	1	-
Aggregate principal (including interest) outstanding of loan transferred	-	-	784.06	-
Weighted average residual tenor of the loans transferred (years)	-	-	2	-
Net book value of loans transferred (at the time of transfer)	-	-	584.74	-
Aggregate consideration	-	-	828.00	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-
Excess provisions reversed to the profit and loss account on account of sale	-	-	199.32	-

6. During the quarter ended March 31, 2024, the Company has allotted 42,708 equity shares of ₹ 10 each pursuant to exercise of stock options / restricted stock units by employees.
7. The Company is a Large Corporate as per criteria stipulated under SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 and necessary disclosure has been made to the stock exchange.
8. Figures for the quarter ended March 31, 2024 and March 31, 2023 are the balancing figures between audited figures for the full financial year and the reviewed year to date figure upto the third quarter of the respective financial year, which were subjected to limited review.

Statutory Auditors of the Company have audited the consolidated financial results for the quarter and year ended March 31, 2024, in compliance of Regulations 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The above consolidated financial results has been reviewed and recommended by the Audit Committee of Board and subsequently approved by Board of Directors at their meeting held on April 29, 2024.

For and on behalf of the Board of Directors

Girish Kousgi
Managing Director & CEO
DIN: 08524205

Date: April 29, 2024
Place: New Delhi