

Ready for the next leap



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This Annual Report is also available on our website
<https://www.pnbhousing.com>

A year of growth

₹17,583 crore

Disbursements

17.5% ▲

₹2,516 crore

Net interest income

7.3% ▲

₹65,358 crore

Loan asset

10.3% ▲

2.20%

Return on assets

59 bps ▲

₹71,243 crore

AUM

6.9% ▲

₹17,798 crore

Deposits

Public 88% | ICD 12%

10.90%

Return on equity

92 bps ▲

1.50%

GNPA

233 bps ▼

3.68x

Gearing

0.95%

NNPA

181 bps ▼

29.26%

Capital adequacy ratio

Tier I 27.90% | Tier II 1.36%

₹577*

Book value

per share

*Post Rights Issue

▲ YoY growth ▼ YoY decline



Ready for the next leap

In FY24, PNB Housing Finance made significant progress in parameters such as loan growth, asset quality, liability mix, liquidity, credit rating and profitability.

Just as birds migrate in response to inclement weather, we at PNB Housing Finance adapted our strategies to navigate both internal and external challenges. We shifted our focus to the retail sector, reduced our corporate exposure, invested in digitalisation to enhance our internal processes and created a superior customer journey. Additionally, we introduced tailored products in the affordable segment, launched a new vertical targeting high-yielding emerging markets, and concentrated on improving our asset quality through focused underwriting and effective collection efforts.

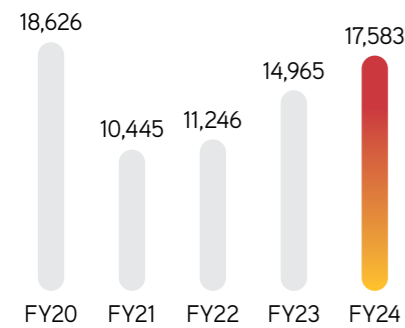
Our focused initiatives yielded significant results during the year under review. In FY24 retail loan assets crossed the ₹60,000 crore mark for the first time in the history of the Company. Furthermore, our affordable loan book crossed ₹1,000 crore within 12 months of operation, emerging as one of India's fastest-growing in the affordable segment before closing at ₹1,790 crore as on 31st March 2024. We expanded our physical presence to 300 branches and outreaches with 160 dedicated branches for Roshni, 90 for prime and 50 for emerging markets. Our efforts to improve asset quality resulted in a drastic improvement in asset quality to 1.5% as on 31st March 2024 from 3.83% as on 31st March 2023. On the back of this improved performance, we received rating upgrade to AA+ from three major credit rating agencies, i.e., India Ratings, ICRA and CARE and significantly enhanced profitability and returns.

With a successful capital raise through rights issue and access to diverse sources of borrowings, we have now created a robust foundation, positioning us for the next phase of accelerated growth.

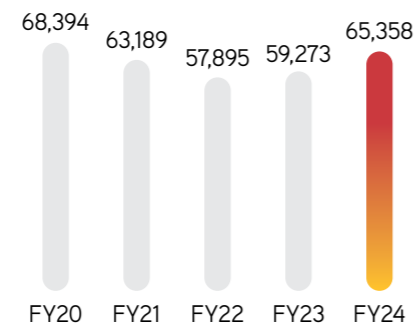
Performance metrics

Demonstrating excellence

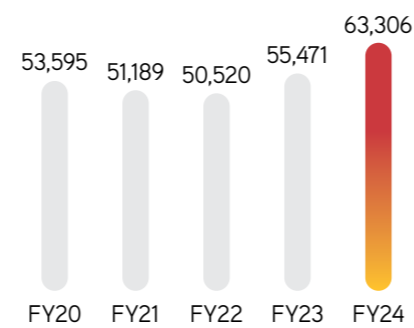
Loan disbursement¹
(₹ in crore)



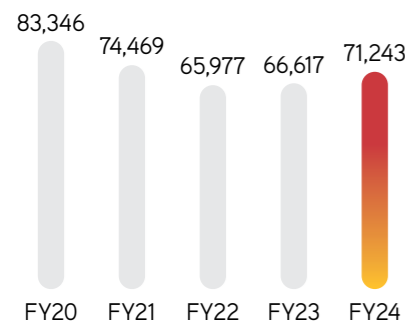
Loan asset[^]
(₹ in crore)



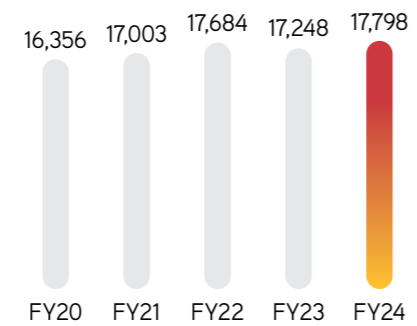
Retail loan asset[^]
(₹ in crore)



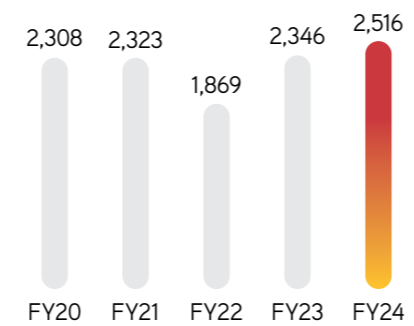
Assets under management^{2^}
(₹ in crore)



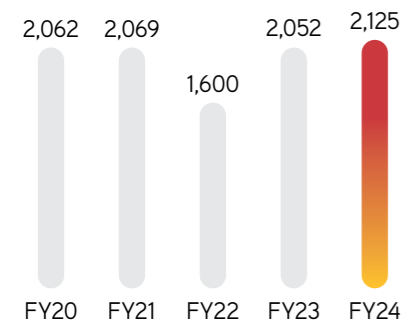
Deposit outstanding[^]
(₹ in crore)



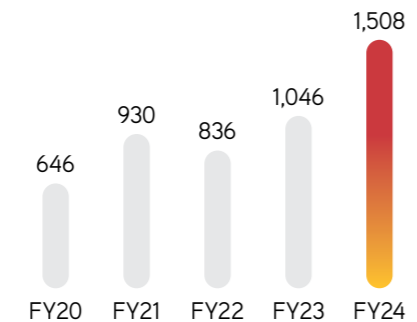
Net interest income
(₹ in crore)



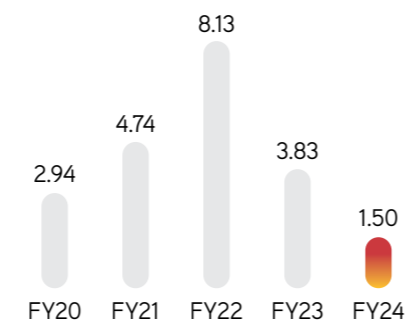
Pre-provision operating profit
(₹ in crore)



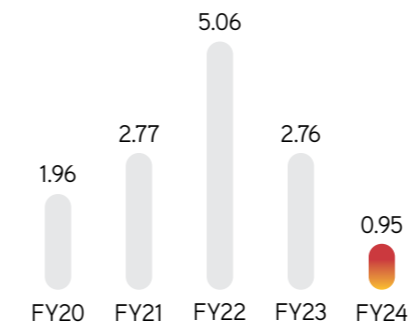
Profit after tax
(₹ in crore)



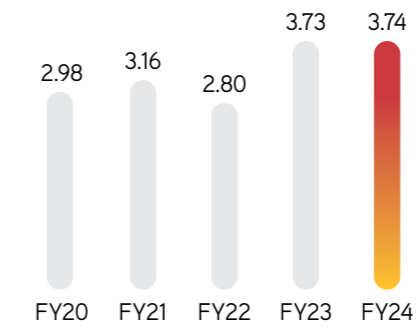
Gross non-performing assets^{*^}
(%)



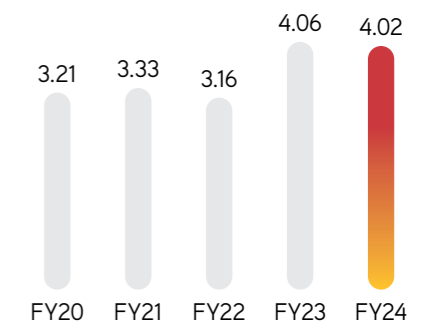
Net non-performing assets^{*^}
(%)



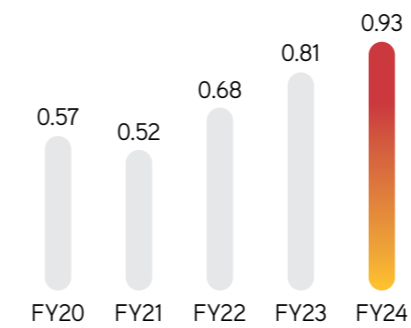
Net interest margin
(%)



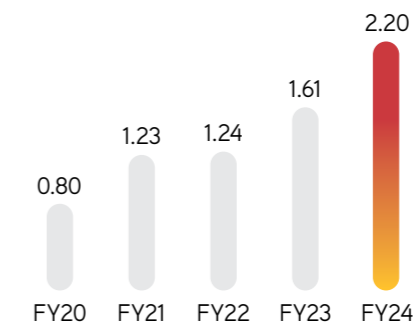
Gross interest margin
(%)



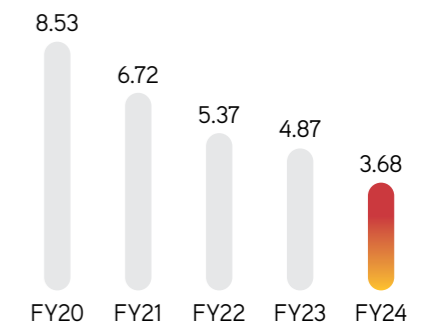
OPEX to ATA^{*}
(%)



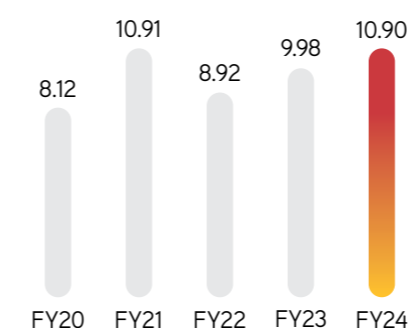
Return on asset
(%)



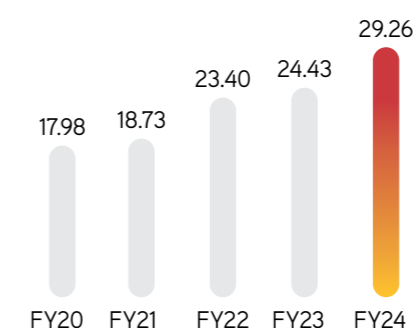
Gearing[^]
(%)



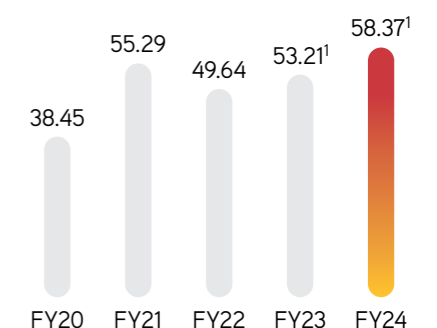
Return on equity
(%)



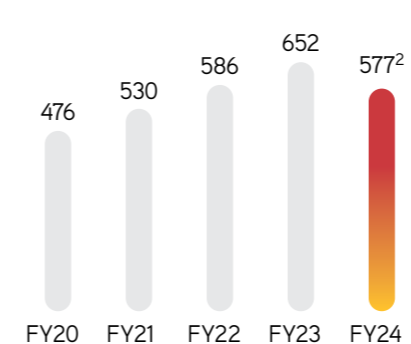
CRAR[^]
(%)



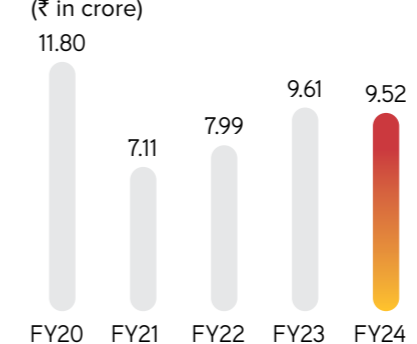
Earnings per share
(₹)



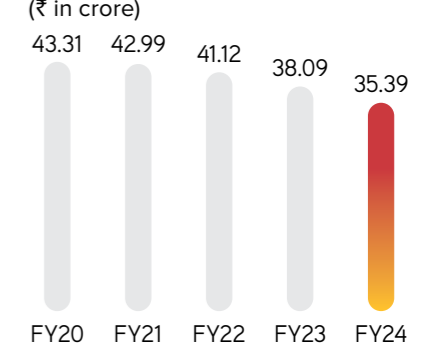
Book value[^]
(₹)



Disbursement per average number of employee[^]
(₹ in crore)



Loan asset per average number of employee
(₹ in crore)



¹Retail segment contributed to 99% of the total loan disbursement in FY24

²Retail segment contributed to 97% of the total AUM in FY24, whereas corporate segment contributed to 3%

^{*}Principal outstanding including principal overdue

[^]Indicates dates as on 31st March

¹Post rights issue

²Adjusted for rights issue

^{*}Principal outstanding including principal overdue

[^]Indicates dates as on 31st March

Redefined resilience for long-term growth



Longest non-stop bird flight

The bar-tailed godwit belongs to the sandpiper family. In summer, you can find the bar-tailed godwit in Europe and Asia before it moves on to Alaska. Known for their incredible long-distance flights during migration, these birds are often seen in large flocks, inhabiting estuarine mudflats, beaches, and mangroves.

Did you know?

~90,000

**Bar-tailed godwits
annually migrate from
Alaska to New Zealand**

Navigating successfully

Resilience and endurance are crucial to achieving long-term success, a concept illustrated by both nature and business. Each year, the impressive bar-tailed godwits embark on a rigorous journey as they migrate, flying non-stop from Alaska to New Zealand, crossing over 11,000 kilometres. Godwits prepare meticulously for their migration journey. They streamline their bodies to ensure their journey is successful by shrinking their digestive organs and storing fat in the body to continue flying for days and nights for survival.

At PNB Housing Finance, we also demonstrated the essence of resilience in our journey. We believed in being ready for dynamic market conditions and embracing innovation. By streamlining operations, mitigating risks, optimising resources and transforming digitally, we ensured that we navigate the challenges and push towards a long-term growth journey.

About the Company

Fulfilling millions of aspirations

With over three and a half decades of experience, PNB Housing Finance is India's third-largest housing finance company by loan asset, committed to offering tailored solutions to millions of customers nationwide. To cater to diverse customer segments, we introduced Roshni, a dedicated offering for the affordable housing finance sector, providing specialised services to meet the unique needs of this important and growing market. Further, from the beginning of FY25, we also carved out separate segment termed emerging markets to cater to tier 2 and 3 cities. Our portfolio includes retail housing and non-housing loans for prime customers, emerging market loans and affordable housing loans.

We are registered with the National Housing Bank and promoted by Punjab National Bank. Our wholly-owned subsidiary, PHFL Home Loans and Services Limited, acts as our in-house sales and distribution channel.

The Company at a glance

35+ Years of operating history	₹65,358 crore Loan book	₹71,243 crore AUM
5,00,000+ Active loan and deposit accounts	300 Branches/outreaches	14,000+ Active channel partners
Punjab National Bank Promoter with 28.1% holding	5,500+ Employees (PNBHFL and PHFL)	

Helping realise dreams



I always wanted to fulfil my dream of owning a house. My friend had told me that I could take a loan from PNB Housing Finance to build my house. My experience of loan processing with PNB Housing has been very good. I didn't have any problems with the paperwork, and I got the money from time to time whenever required after loan processing. There was no problem, and my job was done. Thanks to PNB Housing, I built my house and will advise my friends to take a loan from PNB Housing.

Mr. Sujan Singh, Jaipur



After my younger brother got married 3-4 years ago, our house started feeling small. When we found a good house, I found PNB Housing Finance better than others in the market. I took a loan from another bank, but transferred it to PNB Housing due to their superior services. The best part is their easy-to-use app. PNB Housing processed the filing in a single day, and after a few days, I received the final approval. Just like me, I want PNB Housing to help others as well.

Mr. Govind Karyani, Jaipur



My parents are very happy since I purchased a house. When we decided to buy a new flat, a friend told me to get a loan from PNB Housing Finance. They treated us affectionately and were very cooperative. When the loan was successful, it felt good. There was no hassle. PNB Housing gives the best guidance. Now that I have bought my house, I am confident of getting married and moving into the next phase of life.

Krushna Jadhav, Bhiwandi



For more than 30 years, we lived in a rented place. All my relatives were in their own houses which made me feel upset on several occasions. Our family friend made us sign up for the PNB Housing Roshni Scheme and we became eligible for the loan. The staff treated us well and made the job easy; we only needed to sign the papers, which greatly satisfied us. I want to thank PNB Housing Finance.

Ms. Bharthi, Chennai

Presence

Going places

To fulfil the aspirations of homeownership for Indians, we are continuously expanding our presence in tier 1, 2, and 3 cities. Additionally, we have established dedicated branches for our affordable and emerging market verticals to cater to the specific needs of our target customers.

Over the past year, we have expanded our presence to 300 branches and outreaches across India, including 160 dedicated Roshni branches across 13 states. We have also decentralised our credit underwriting operations to enhance branch-level focus. Additionally, we maintain a robust network of over 14,000 channel partners, enabling us to serve customers across 20 states. To further granularise our focus on the high yielding segments, we started a separate vertical 'Emerging Markets' with 50 dedicated branches within the retail category, catering to customers in tier 2 and 3 cities. We have created separate verticals for each segment with sales, credit, collection & operations team.

● West region

Loan asset – Geographical breakup (₹ in crore)

31 Mar 24 22,897

31 Mar 23 21,663

6% ▲

Disbursements – Geographical breakup (₹ in crore)

31 Mar 24 4,909

31 Mar 23 5,101

-3% ▼

99

Total branches

57

Roshni branches

1

Emerging Markets branches

● South region

Loan asset – Geographical breakup (₹ in crore)

31 Mar 24 21,062

31 Mar 23 17,362

21% ▲

Disbursement - Geographical breakup (₹ in crore)

31 Mar 24 6,500

31 Mar 23 4,743

38% ▲

● North region

Loan asset – Geographical breakup (₹ in crore)

31 Mar 24 21,399

31 Mar 23 20,248

6% ▲

Disbursements – Geographical breakup (₹ in crore)

31 Mar 24 6,174

31 Mar 23 5,121

20% ▲

105

Total Branches

55

Roshni Branches

20

Emerging Markets branches

96

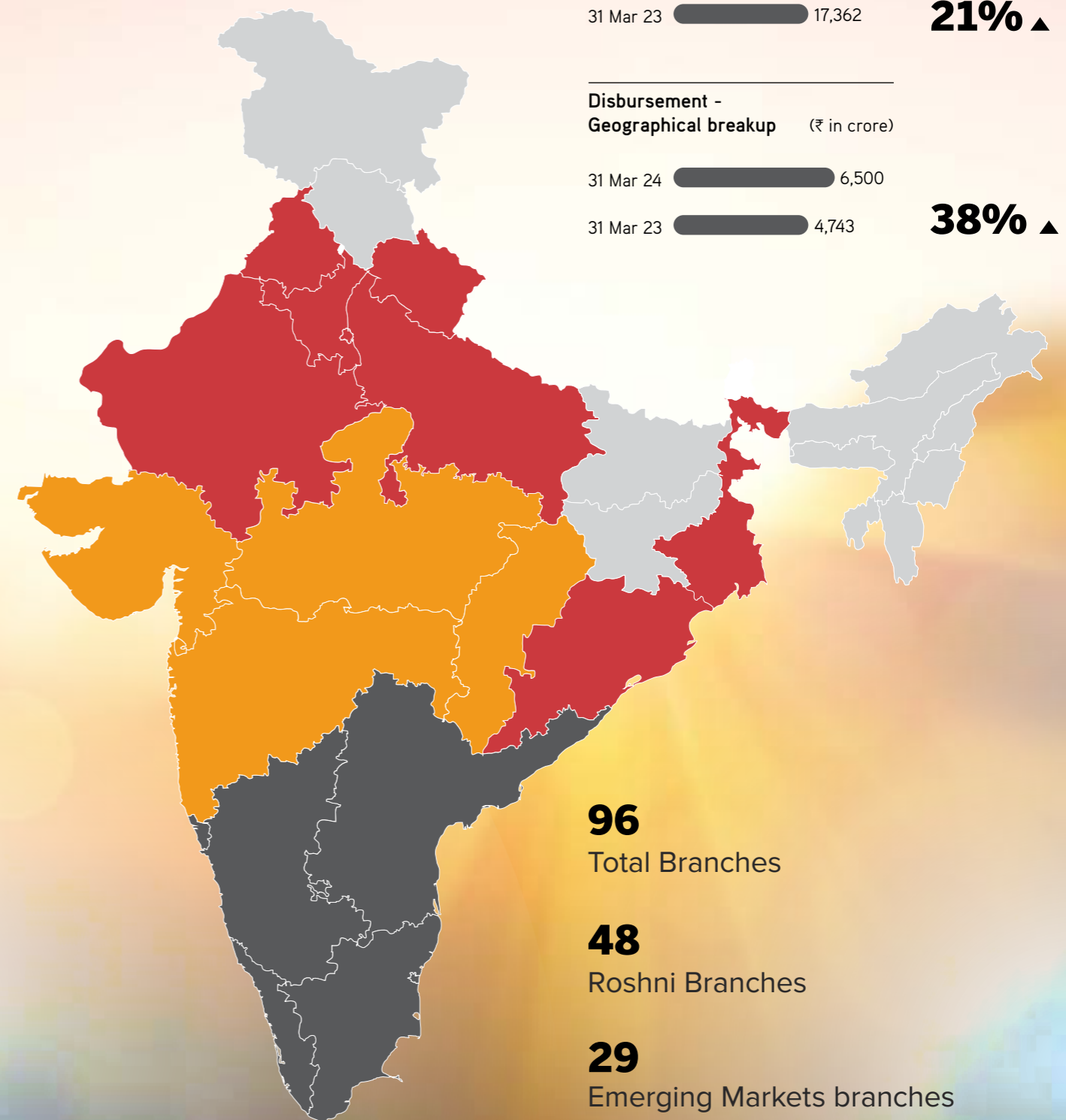
Total Branches

48

Roshni Branches

29

Emerging Markets branches



▲ YoY growth ▼ YoY decline

MD and CEO's Message

Ready to leap beyond

Dear shareholders,

I am excited to present our 36th Annual Report to you, as we enter the growth era of the Indian economy, driven by favourable policy interventions by the government, growing manufacturing and services sectors, increasing income levels, and rising investments in the infrastructure sector by the government of India. Ranked as the fifth largest economy in the world, the country is expected to emerge as a USD 5 trillion economy in the next 3-4 years.

Our newly launched vertical called 'Emerging Markets' is focused on tier 2 and 3 cities. We now have 50 branches in 12 target states in this segment, which can provide higher yields. Going forward, the Affordable and Emerging Markets segments are expected to contribute about 40% to 42% of the incremental business"

Girish Kousgi
Managing Director and CEO

The housing sector is considered a key pillar of economic growth, driving the economy through its extensive forward and backward linkages. Investments in housing can significantly multiply income and employment generation nationwide. Recognising housing as a fundamental human need, the government has launched multiple initiatives to drive this critical sector of the economy. For Indians, investment in housing is considered one of the largest in their lifetime.

Growing population, housing shortages, increasing urbanisation, growing aspiration levels driven by increasing income, and increasing number of nuclear families are some of the key drivers of the housing sector in the country. By 2047, India's population is projected to surge to 1.7 billion, with around 51% residing in urban centres. Additionally, rural and small towns are expected to transform into mini-urban hubs. Estimates suggest that India will need 230 million housing units by 2047 to accommodate this growth. Changing income profiles will fuel housing demand across all segments. According to a recent report unveiled by NAREDCO, the proportion of lower-income households is expected to drop from 43% to 9%, with a significant shift towards lower and upper-middle-income categories, driving substantial demand for mid-segment housing. The estimated residential demand has the potential to generate an output equivalent to USD 3.5 trillion by 2047.

Mortgage penetration in the country continues to be one of the lowest among the major economies and will be a critical driver of the sector going forward. Key factors to drive the penetration include increasing affordability, ease of financing, enhanced use of digitalisation, and the emergence of tier 2 and 3 cities. Housing finance companies are attractively positioned to ride on this growth due to immense potential in mortgage underserved by banks, increasing government focus through PMAY CLSS schemes in both rural and urban regions, and better network penetration beyond urban centres. The Government, to boost housing, announced assistance for the construction of an additional three crore rural and urban houses under the Pradhan Mantri Awas Yojana (PMAY) as a first major policy decision in its third term.

Our performance in FY24

This year marked the fruition of our collective efforts to lay the foundation for the next phase of our growth. We have achieved significant strides across all parameters: growth, asset quality, liability mix, liquidity, credit rating and profitability.

With multiple priorities driving our retail business, we reported a 14% growth in the retail loan book during the year under review, now contributing 97% of our portfolio. To bring undivided focus to the retail segment, we established different verticals—Affordable, Prime and Emerging Markets—with dedicated teams for sales, credit,

operations, and collections for each vertical. The Emerging Markets segment was carved out at the start of FY25 to align our strategies better towards profitable growth. This newly launched vertical will focus on tier 2 and 3 cities. We now have 50 branches in 12 states in this segment, to provide higher yields.

The affordable business, under the brand Roshni, started in the last quarter of the previous financial year and saw a significant uptick in disbursements. Within 15 months of starting the vertical, we achieved a loan book of ₹1,790 crore, making us the fastest-growing player in the segment. We have 160 dedicated branches catering to the affordable segment, primarily in tier 2 and 3 cities and beyond.

Overall, disbursements for the year stood at ₹17,583 crore, reflecting a growth of 17.5% over FY23. With a focus on the retail, 99% of the disbursements were made in the retail segment. The disbursements in the affordable segment formed about 10% of retail disbursements in FY24. The Company closed the Financial Year with Loan Asset of ₹65,358 crore, a growth of 10% on the overall book and 14% on the retail book. The corporate loan book was reduced by 46% in FY24, now standing at ₹2,052 crore. Our assets under management as on 31st March 2024 is at ₹71,243 crore.

We reported a gross NPA of 1.50% at the end of the year against 3.83% at the end of FY23. The Gross NPA reduced by about 660 bps from its peak of 8.13% at the end of FY22. The Net NPA declined below 1% and stood at 0.95% at the end of FY24. We will continue to work towards achieving best-in-class asset quality in the years to come. The improvement in asset quality is due to our focused approach on bucketisation of assets and early resolutions aided by technology, data, and analytics. We also emphasised collections using various legal tools, including extensive use of SARFAESI and auctions. We sold 282 properties in FY24 through auction compared to 98 properties in FY23. The Corporate book also witnessed reduction in the Gross NPA driven by resolutions, sales to ARC, and write-offs. We recovered about ₹100 crore from the write-off pool and we continue to work on the same.

The last quarter of the year was particularly special as we secured three consistent credit rating upgrades to 'AA+' from 'AA' with 'Stable' outlook, from the country's leading credit rating agencies, India Ratings, ICRA, and CARE. This is testament to our improved business performance, reduced NPA, strong market position, diversified resource profile and efficient capital management.

We reported a 44% growth in net profit from ₹1,046 crore in FY23 to ₹1,508 crore in FY24. Our return on assets improved to 2.2% in FY24 from 1.61% in FY23, and return on equity was 10.9% at the end of FY24. The Company is well capitalised with CRAR at 29.26% and leverage at 3.68x as on 31st March 2024.

Augmenting our funding mix

One of the Company's key achievements during the year was the successful capital raise through the rights issue, which provided us with the required growth capital. Our stronger credit ratings, along with enhanced asset quality, helped us reach wider debt market participants, further diversify our borrowing mix, and raise debt from multiple sources at competitive rates. We received refinance of ₹3,000 crore from NHB at a lower cost after a gap of 2 years. Furthermore, we restarted raising funds from the wholesale debt market, raising close to ₹1,500 crore through Non Convertible Debentures (NCDs) and ₹10,000 crore via Commercial Papers (CPs) during the year under review. Additionally, deposits saw good momentum as we mobilised ₹6,263.56 crore through public deposits and raised bank borrowings from 19 banks/financial institutions during the year.

Ready for the next phase

Over the past three years, we focused on strengthening our fundamentals—increasing the share of retail in the overall portfolio, strengthening systems and processes, enhancing asset quality, and focusing on target markets. As I mentioned earlier, we have made significant progress across these parameters, helping us create a stronger foundation for growth in the coming years.

Retail will continue to remain our focus area, and we will concentrate more on high-yielding segments, leading us to create focused segments for affordable and emerging markets. We will continue to expand our physical presence with newer branches in the coming year. With our pan-India presence and ability to cater to different segments across the pyramid, i.e., Prime, Emerging and Affordable, along with the available opportunity in the mortgage space, we look forward to generating profitable growth.

On the corporate book, we aim to restart the business in the coming year with clear guidelines towards select builders and geographies, smaller loan ticket size, focus on construction finance. Given the restart of the corporate book lending, we intend to keep the corporate book at less than 10% of the total loan asset.

One of the key differentiators for PNB Housing Finance has always been its technological edge. Over the years, we have made significant investments in digitalisation to create a seamless customer experience, robust risk management and credit underwriting processes, drive employee productivity and optimise operating expenses. During the year, we embarked on our tech transformation

The last quarter of the year was particularly special as we secured three consistent credit rating upgrades to 'AA+' from 'AA' with 'Stable' outlook, from the country's leading credit rating agencies, India Ratings, ICRA, and CARE. This is testament to our improved business performance, reduced NPA, strong market position, diversified resource profile and efficient capital management"

journey with a vision to make PNB Housing Finance a major digital player in the HFC ecosystem, collaborating with fintech, banks, and market aggregators to leverage synergy and scale. Through these platforms, we aim to offer personalised products and seamless services, promoting high levels of technology adoption. We are strengthening our core technology foundation by implementing and leveraging cloud workloads and amplification of micro capabilities and services for seamless digital integrations. We have implemented Salesforce CRM for frictionless customer experience. Cybersecurity remains a key priority, and we have implemented AI/ML-based security monitoring, events correlation, and zero-trust security systems. We are a responsible housing finance company, maintaining transparency and the highest level of ethical standards across all spheres of the organisation. Furthermore, we have created a robust risk management framework to navigate challenges effectively.

₹1,508 crore

Reported net profit
in FY24

₹71,243 crore

Asset under management
as on 31st March 2024

₹17,583 crore

Overall disbursement
in FY24

Leveraging decades of experience to bring advantages

We leverage our extensive experience in the prime segment to fuel growth in emerging markets and affordable housing. We have a rich legacy spanning 30 years across 20 states and UTs in India and we are renowned for our strong brand recall and trusted PNB parentage. With over a decade of proprietary data, we possess a deep understanding of customers across various market and credit cycles.

While we have dedicated teams consisting of sales, underwriting, collections and operations for each of our business verticals (Prime, Emerging and Affordable), our ONE PNBHF platform allows us to integrate shared resources and expertise across the breadth of the organisation, ensuring efficient and comprehensive service delivery to meet evolving customer needs and drive sustainable growth.

Strengthening our human capital

Our human capital is pivotal to driving our growth forward. I want to thank our dedicated team of over 5,500 exemplary individuals who tirelessly work together to turn our organisation's & customer's aspirations into reality. We prioritise creating an ecosystem that promotes equality and diversity, offers ample learning opportunities for career progression, and provides best-in-class benefits. Our Great Place to Work certification received this year is a testament to our efforts to make a meaningful difference in the workplace.

Making ESG a priority

As a top 1,000 listed entity and responsible corporate citizen, we recognise that sustainability involves addressing various intangible ESG risks while seizing numerous opportunities. The regulatory focus has rapidly shifted to emerging ESG material aspects, including climate change, highlighting the financial sector's exposure to climate risks that could evolve into systemic threats. At PNB Housing Finance, we approach all endeavours with a sustainability mindset. Our efforts include supporting low and medium-income groups through Roshni loans in the affordable space, promoting climate literacy and a carbon-conscious culture, emphasising diversity, equity, and inclusion (DE&I), implementing robust governance measures and cybersecurity protocols, and engaging in community programmes under CSR. Under the guidance of the Board and its committees, we continually seek innovative ways to leverage ESG principles, striving to become a 'Forever Sustainable Business' and deliver long-term value to our stakeholders.

In conclusion

I take this opportunity to thank our entire universe of stakeholders – customers, lenders, regulators, vendors, rating agencies, investors and the employees – for their resolute trust in us. With the country's housing sector slated for strong growth and having built a robust foundation to drive our next phase of growth, we expect to create significant value for our stakeholders in the years to come. I would also like to thank the Board for their continued guidance. I am confident that we are ready to leap beyond and unlock significant value together.

Warm regards,

Girish Kousgi

Managing Director and CEO

Evolving with excellence



High altitude flying bird

The bar-headed goose belongs to the Anatidae family. Primarily found in Central Asia, the bar-headed goose moves towards Tibet, Mongolia, and Western China during summer months for breeding. They are known for undertaking one of the most challenging migrations, flying over the towering peaks of the Himalayas in order to reach their breeding region in Central Asia and wintering sites in South Asia. They can soar at altitudes of up to 7,000 meters (23,000 feet), enduring low oxygen levels and freezing temperatures.

Did you know?

90 kph

Flying speed of a bar-headed goose without wind assistance

Symbolising adaptability

Adaptability is not just a mere quality, but a trait one can only have through generations. Migratory birds, the bar-headed goose, prove it every time when they defy limits during their high-altitude flights.

Flying high above the world's tallest peaks, bar-headed geese endure low oxygen levels and harsh temperatures as they go off from their breeding grounds in Central Asia to their wintering regions in South Asia. It is their haemoglobin with higher affinity for oxygen, allowing much ease even in the altitudes up to 7,000 meters (23,000 feet). Added to this, their powerful flight muscles and large lung capacity enable them to withstand demands of high-altitude flights.

Exemplifying the same spirit of adaptability, we, at PNB Housing Finance, are committed to adjusting our strategies and enhancing our offerings. Being customer-centric, we evolve with customers and their expectations. Adaptability, preparation, and a strong sense of direction enable the Company to turn challenges into opportunities.

Strategic priorities

Making steadfast progress

At PNB Housing Finance, we designed our strategic priorities to drive sustainable growth and enhance stakeholder value. We are focused on expanding our retail portfolio, leveraging digital transformation to optimise operations, and enhancing customer experiences. By diversifying our funding sources and strengthening our asset quality, we aim to build a robust and resilient business model. Our commitment to innovation, efficiency, and customer-centric solutions position us well for the future.



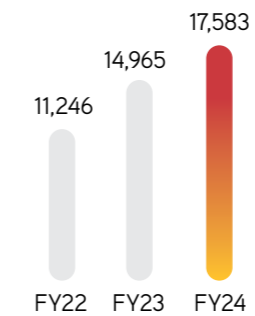
PRIORITY 1

Focused on retail loan book growth

To fuel our loan book growth, we have concentrated on the retail segment over the past few years. Our management team, with deep retail business experience, has been focusing consistently to build a leading retail franchise. Along with the focus on the Prime segment for growth, we are targeting high-yielding emerging market segment and continuing our growth trajectory in the affordable segment. We are committed to improving our market position by capitalising on our strong parentage and best-in-class liabilities franchise. Additionally, our emphasis on technology will drive operational efficiency.

Increased focus on Emerging Markets and Affordable segments, leveraging long experience of successful retail growth

Loan disbursement (₹ in crore)



14%

Growth in retail book in FY24

97%

Share of retail in total loan book in FY24

PRIORITY 2

Expand affordable loan offering

Our focused strategy for the affordable segment led us to expand our Roshni branches to 160 during the year, up from 82 at the end of FY23. Backed by a robust brand, dedicated vertical with separate sales, credit, collections, and operations team, and a pan-India distribution channel, we achieved a loan book of ₹1,790 crore at the end of FY24, making us one of the fastest-growing company in the segment.

Moving towards high-yielding segments on an incremental basis



₹1,653 crore

Disbursement under Roshni in FY24

160

Roshni branches in FY24

70%

In-house sourcing in FY24

PRIORITY 3

Improve asset quality through robust underwriting and collection framework

We have implemented advanced technology to enhance our underwriting and collection processes. Additionally, we have verticalised the collection team based on resolution buckets to significantly improve asset quality. We are also using SARFAESI Act to drive collection and improve asset quality.



Analytics-based case allocation



Geo-allocation



Real-time field force tracking



Delinquency prediction modelling

99.4%

Collection efficiency in FY24

1.50%

GNPA at the end of FY24

Verticalisation of collection team to improve asset quality

X-Bucket resolution

X- Bucket resolution through

- » Contactless collections
- » Emphasis on tele-calling
- » Regular field visits

Pre-NPA resolution

Pre-NPA resolution through

- » Focus on rollback/stabilisation
- » Focus to limit forward flow

97%

Resolution in X-Bucket in March FY24

99.6%

Resolution in SMA-2 in March FY24

Consistent NPA reduction

- » Focused early bucket cash collection
- » Support from legal machinery and SARFAESI
- » One-time settlements
- » Auction and sale of properties

Emphasis on recovery on written-off pool

- » OTS and property sale of written-off pool
- » Auction and sale of property-auctioned 282 properties in FY24 (98 in FY23)

Retail gross NPA reduced to

1.45%

as on 31st March 2024

Recovery of

₹68 crore

from written-off pool in FY24

PRIORITY 4

Diversify our funding mix

The successful completion of rights issue of ₹2,494 crore in May 2023, resulting in improved CRAR, followed by credit rating upgrade to AA+ by three rating agencies helped us to access debt market and borrow through Commercial Papers and Non-Convertible Debentures route. After a gap of 2 years, we availed NHB refinance, the rate for which is lower than other long term borrowings.

Borrowing mix (31st Mar 24)
(%)



- Loan from Banks- 40.2
- Deposits- 32.3
- NHB Refinance- 9.2
- NCDs- 9.6
- CPs- 6.0
- ECBs- 2.6

₹55,057 crore

Total borrowing

29.26%

CRAR at the end of FY24

Borrowing mix (31st Mar 23)
(%)



- Loan from Banks- 42.2
- Deposits- 32.1
- NHB Refinance- 5.7
- NCD- 9.8
- ECBs- 10.2

3.68x

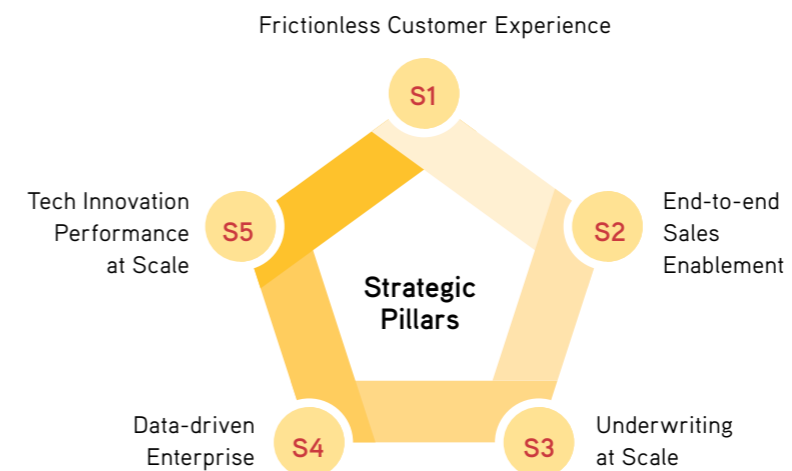
Gearing at the end of FY24

PRIORITY 5

Drive growth through digitalisation to drive efficiency

We are continuously investing in technology and analytics to strengthen core. To be a large digital player in the HFC ecosystem collaborating and partnering with fintech, banks, market aggregators among others, we are leveraging synergy and scale through platforms, offering personalised products and ease of services promoting high levels of adoption.

Our IT 2.0 strategy: Embracing disruptive digital, data power and changing customer preferences



16%

Automated service request in FY24 using Salesforce CRM

63

Calls handled per agent per day in FY24 using Salesforce CRM



Repeating success with precision

The Great Pink Voyage

Flamingos, the vibrant pink migratory bird, are known for travelling in large flocks usually in thousands. As winter approaches, these giant birds move out of their breeding regions in Africa, Southern Europe, and South Asia in search of warmth. They are known for their innate sense of direction as they cross thousands of kilometers each year, even sometimes travelling during the night to avoid predators and conserve energy.

In sync with teamwork

The magnificent sight of thousands of flamingos, shining bright in their iconic pink plumage, is a sign of beauty as they gather, demonstrating the remarkable essence of coordination and teamwork in their yearly migration routine. Every year, these flamingos begin their voyage, solely led by their instincts and collective purpose; they cross vast lands with precision, reaching the destination right on time. A parallel target-oriented story is also reflected in the core values of PNB Housing Finance as we work tirelessly to achieve our objectives and deliver the best results to our stakeholders. Flamingos migrate in large flocks, forming an impressive V-shape to reduce wind resistance and conserve energy. At PNB Housing Finance, we believe success is teamwork and requires focus, direction, and stability.

Did you know?

Flamingos are commonly spotted in Indian regions including the Rann of Kutch in Gujarat, the Pulicat Lake in Andhra Pradesh and Tamil Nadu, and the Chilika Lake in Odisha, among other locations.

ESG focus

Pivoting towards a sustainable future

In recent times, financial institutions have increasingly recognised that their profit and loss statements are impacted by factors not traditionally captured on the balance sheet. These external factors, known as ‘sustainability/ESG’ issues, encompass economic, environmental and social dimensions. At PNB Housing, we embody the belief that ‘being responsible and mindful of our impact on both the present and future world is not only good corporate citizenship but also holds significant business value.

We revitalised our sustainability strategy to ensure a comprehensive and focused approach. This involved establishing a dedicated ESG team led by our Chief People Officer. Additionally, we conducted a materiality analysis to identify priority financial, economic, social, and environmental issues for our stakeholders and business. The purpose was to determine reporting

priorities, consolidate relevant issues into strategic aspects, and develop an overarching ESG framework under Environment, Social, and Governance (ESG) principles, coined as Conserve, Respect

& Practice (aligned with E, S & G). This framework is illustrated below and will be enhanced with detailed progress in our upcoming GRI report, aligning with relevant UN SDGs to demonstrate our contributions to the global sustainability agenda.



Ghar ki Baat | Pragati Prakriti ke Saath



CONSERVE

Conserve resources and bolster climate health



ESG culture building
Strengthen governance around sustainability and drive 'ESG Culture'



RESPECT

Promote social equity and respect human dignity



ESG risk strengthening
Reinforce the core, enhance frameworks to build ESG risks



PRACTICE

Practice sustainability as a way of life



Advocacy around ESG and climate literacy
External and internal capability building

Stakeholder engagement

ESG disclosures through reports

Cross-functional participation

Mindset of ownership

People

People-first organisation

Since our inception, one of our organisation's credos has been being 'people-first'. Over the years, we have evolved our human capital philosophy to continuously deliver value in an ever-changing business and workplace environment while keeping employees at the centre of its purpose.

Our HR strategy, based on our foundational values of meritocracy, equality, inclusivity and non-discrimination has helped in developing an engaging and enterprising workplace culture. Over the years, our employees have made PNB Housing Finance one of the foremost players in the housing finance sector and are real custodians of the coveted "Great Place to Work[®]" certification. The certification has been a testament to our efforts to establish PNB Housing Finance as one of the most preferred employer brands in the industry.

2,003

Employees

2.7 years

Average employee tenure

35 years

Average employee age



Talent attraction and induction

Our three decades plus rich legacy and unmatched brand equity serve as the key value proposition in attracting the best talent in the industry. Recruitment and onboarding are the stages where we truly differentiate ourselves from the industry. True to our 'People First' ethos, every new joiner is made a part of the PNB Housing Finance family even before they formally join the organisation. With thoughtful initiatives like planting trees dedicated to the employee as a note of welcome and regular connects with the employee and their family during the pre-onboarding and onboarding journey helps in their smooth assimilation into the company environment. Every employee goes through our best-in-class, structured four-day induction programme within 45 days of joining, covering various aspects of the company and its business.

Our onboarding programme was recognised as the 'Best Employee Induction Program' at the Employee Happiness Summit & Awards.

The organisation encourages diversity hiring through a unique employee referral programme, Parichay 2.0, which partners closely with employees and hiring partners to refer diverse candidates.

Building future talent

We relaunched our campus hiring programme in FY24 after a hiatus of seven years. Over 140 postgraduates were hired as Management Trainees from 14 campuses pan India out of 800+ aspirants and were placed across verticals e.g. Sales, Credit, Legal, Audit and Human Resources. Through this programme, we are developing a pipeline of future leaders with the PNB Housing DNA.

886

New hires in FY24

15%

Share of women in new hires in FY24

Talent development

Building talent internally and developing future leaders remains a focus area for the organisation. Our internal job portal (IJP) programme is a robust framework to encourage employees to explore and take up new opportunities within the organisation. Our performance management process identifies high organisational performers we are developing to take up leadership roles.

60

High performers were given leadership roles

Performance Management: Building a high-performance Organisation

Our performance management philosophy focuses on accountability, transparency, and fairness. Employee performance is an outcome of the combination of individual and company goals. We follow a balanced scorecard approach to consider all factors of an employee's performance while assessing performance. Employees' goals are defined to cover all critical aspects of their job role. This ensures that performance assessment is well-rounded and that all employees align with the organisational goals. The organisation encourages open feedback and candid conversations regarding performance to inculcate a merit-based culture in the organisation.

Productivity focus

Various contest and programs are conducted round the year to ensure customer service quality and employee efficiency is at the centre of our day-to-day operations. Q-Exemplar is a monthly contest and service quality assurance programme for branch employees. The leadership team rewards and recognises top-performing branch employees across various platforms every month.

Learning and development

The learning and development function at PNB Housing is dedicated to serve as a catalyst for the organisation's growth by enabling employees for exceptional performance. It strives to create opportunities encouraging employees in gaining knowledge, acquiring new skills, and enhancing their competencies. Improving an individual's performance and potential enables them to stay competitive and relevant in the fast-paced and dynamic business scenario.

To ensure the effectiveness and alignment of our learning and development strategy with business goals, we establish clear learning objectives, curate personalised content, design engaging delivery methods, and implement assessment and evaluation mechanisms to track progress and effectiveness. These strategies reinforce our HR approach to enhance employee engagement, retention, and performance, fostering a culture of continuous learning and improvement.

52,900+

Learning hours

23

Learning hours per employee

Sales leadership programme - Parivartan

We developed an assessment-based competency development programme for our sales team to increase their productivity by focusing on critical areas of development concerning sales competencies.

Core competencies programme - Vani

A personalised communication enhancement journey which includes tailored personal coaching sessions designed to address the specific needs of individuals to develop their communication skills.

People

Employee recognition and motivation



Best-in-class employee well-being

Our employees' well-being is a critical enabler of our 'people-first' approach. Industry-leading health benefits for our employees, with holistic wellness options covering OPD support, health checks, 24x7 unlimited doctor consultations, diagnostics, and preventive healthcare programs help employees to take the best care of their health. The organisation also provides comprehensive insurance coverage for all employees across all grades. Group insurance facility includes group health, group personal accident and group life insurance scheme. Insurance top-up options were provided to employees for the first time to widen their insurance coverage safety net.

Human resource policies

Our robust policy framework holistically provides guidelines for employee conduct, growth, benefits, and lifecycle in the organisation, serving as a comprehensive document to guide employees during their journey in the organisation. The policies ensure that employees work in a fair, transparent and non-discriminatory environment. Grievance redressal mechanisms provide them with a strong platform to resolve workplace issues.

Creating an equitable workplace

Fair compensation

The compensation philosophy at PNB Housing Finance is based on pay for performance philosophy and is a mix of fixed and variable pay in line with internal and external pay parity. The fixed pay is derived from yearly merit increases, and the variable compensation is in the form of cash and share-linked instruments based on individual and company performance. To continue building meritocracy, our share-linked instruments are aligned with individual and company performance.

Diversity and inclusion

'Aikyam', our flagship diversity, inclusion and empowerment initiative is built to celebrate our uniqueness and differences, empowering our employees and affirming their diversity and experience are the organisation's strength. It's a step towards our philosophy of ensuring an inclusive working environment free from discrimination at all stages of the employee lifecycle, developing plans to promote D&I principles and empowering our employees to achieve their aspirations while contributing to the success of the organisation.

16.2%

Gender diversity
(15.1% in FY23)

8% to 14%

Increase in female representation in senior management from FY21 to FY24

0 to 10%

Increase in female representation in top management from FY21 to FY24

Achiev-Her

Achiev-Her is a unique series, featuring our extraordinary female employees, aimed at highlighting the incredible stories of women who broke barriers and led the Company to greater heights through their contributions. This programme celebrates the journeys of these women making a difference in their personal and professional spheres, with PNB Housing as a safe and trusted companion.

Developing women leaders

Our women leaders were enrolled in a year-long journey to develop their leadership skills, cross-cultural competence and mentoring skills. This programme intends to help female employees break the glass ceiling and aim higher.

Talent retention: creating solid citizens

The organisation emphasises workforce continuity and attrition control. Our concerted efforts in constantly providing employees with an environment to thrive and perform has led to encouraging results in significantly reducing our attrition in FY24. Our attrition has shown a remarkable improvement in the last three years and is among the best in the industry in FY24.

27.9%

Overall attrition in FY24
(36.1% in FY23)

17.2%

Regretted attrition in FY24
(24.7% in FY23)

Employee engagement: celebrating together

We foster a culture of togetherness and celebration within our organisation, where we celebrate our special occasions and festivals. Our inclusive environment ensures that everyone feels welcomed and valued, promoting a sense of belonging and collective celebration.

To celebrate a unified spirit, we launched a monthly engagement initiative – 'Happy Hour', where all employees across geographies get together and have a fun-filled event with each other. We also take part in celebrating essential moments of employees' family members. 'Taiyari Udaan Ki' recognises the academic success of our employees' children.

Anchors Club

Anchors Club is dedicated to our extraordinary ambassadors who have been with the company through its toughest challenges and greatest triumphs. We recognise our solid citizens who set exemplary standards for all of us with their work ethics and dedication. Employees are recognised in various tenure categories, e.g., starting from 5 years to upto 25 years.

360 (18%)

Employees recognised as Anchors in FY24

MD's Toppers Club & MD's Star Circle

A special recognition platform embodies our gratitude and recognition for those who go above and beyond, in delivering value for the organisation. Every quarter, our top performers are felicitated by our MD & CEO, followed by a well-deserved lunch with MD & CEO where they get an opportunity to share their experiences and ideas.

213

Awardees in FY24



Community

Broadbasing our impact

We aim to uplift the marginalised communities through impactful projects, driving growth and prosperity. Pehel Foundation, our CSR wing, spearheads initiatives aimed at their holistic development. We are committed to extending our reach to empower underserved populations and enhance their quality of life.

Focus areas

As a company specialising in housing finance, our primary CSR commitment centres on three segments.

1. Flagship initiatives aimed at the comprehensive welfare of construction workers, the migrant community, unorganised sector, and their associated communities.
2. Our CSR efforts are organised into four strategic thematic programmes:
 - » PEHEL WOMEN EMPOWERMENT
 - » PEHEL EDUCATION
 - » PEHEL HEALTH
 - » PEHEL ENVIRONMENT

Each of these programmes is designed to address specific needs within these communities, ensuring targeted and effective interventions.

We have also included a contingency pillar within our CSR framework, designed to support community efforts in disaster mitigation and response.

We have strategically opted to implement our CSR activities across India, focusing specifically on areas within a radius of our branches. This targeted geographical approach ensures that our CSR efforts are aligned with local needs and directly benefit the communities surrounding our operations.

Our CSR strategy

We firmly believe that businesses should be oriented towards society. We see our stakeholders as more than just our customers and associates; they include the community that invests their social and manual resources.



Flagship intervention: welfare construction worker community

A total of 71,333 beneficiaries have directly benefited under our flagship intervention, and an additional ~1 lakh beneficiaries (dependents) have also benefited indirectly.

HEALTH

Mobile Medical Unit (MMU) by ATNF

We aim to deliver doorstep primary healthcare to targeted communities, conducting screenings for NCDs like cancer, diabetes, hypertension, malnutrition, and anaemia. Additionally, we raise health awareness through effective camps. So far, our efforts have reached 15,670 people from construction worker communities in Chandigarh, Lucknow, Jaipur, Indore, Pune, Hyderabad, Bangalore, and Thiruvananthapuram through Apollo Telemedicine Networking Foundation (ATNF) services.

Mobile Medical Unit (MMU) by Wockhardt Foundation

The Pehel Foundation-supported Mobile Medical Unit (MMU) project aims to deliver healthcare directly to construction workers, promoting health awareness and modern healthcare-seeking behaviour. This initiative conducts regular health camps and utilises mobile medical units to provide services, medications, and screenings. Operational in Delhi, Mumbai, Chennai, and Kolkata six days a week, each van typically serves 75-80 patients daily, reaching 52,499 individuals. Of these beneficiaries, 12,744 were female, and 39,755 were male. Additionally, 1,886 beneficiaries received referrals to specialist health centres/hospitals for further diagnosis and treatment, addressing conditions requiring specialised intervention. This initiative empowers underprivileged communities with accessible healthcare, fostering better health outcomes and awareness.



Scheme for Construction Industry workers at NIMHANS

We have assisted 311 patients with psychiatric, neurological, or neurosurgical conditions at NIMHANS in Bangalore. The treating team, including physicians or social workers, evaluated those unable to afford treatment costs. Eligible patients, dependent on construction workers and financially disadvantaged, were recommended for scheme enrollment.

Eye Mitra Project (PVRI)

A total of 2,014 construction workers community had their eye checked. A total of 872 people corrected their visual issue with spectacles, and a total of 1,665 people restored their sight after treatment of cataract and cornea issues.

We also provided safe accommodation facility for 100 construction workers in Bangalore.



Community



WOMEN EMPOWERMENT

Skill development of dependents of construction workers

We have empowered 240 women in Haryana's construction worker communities with tailoring and fashion designing skills, achieving a 98% job placement rate. This NSDC-certified course offers initial salaries of ₹10-12K, rising to ₹15-18K after one year. Our aim is to bridge income gaps by providing employment-linked skills.

Moreover, 30 children of these women have completed bridge education programmes, which prepare them for mainstream schooling. These centres also offer focused attention on their nutrition, physical, and mental well-being.

Khandsa in Gurugram is populated with migrant construction workers and many reputed garment export and apparel industries that are in high demand of manpower. This project has knitted the need and provision through an integrated approach to make women economically independent.

STRATEGIC THEMATIC PROGRAMMES PEHEL SHAKTI

Objective

Empowering women with diverse backgrounds through skill development, entrepreneurship and supportive services to enhance their economic independence and overall well-being.

2,057

Women directly benefited by the CSR projects; with an additional 2,925 indirect beneficiaries (dependents)



» **Empowering women with hearing impairment through specialised technical training:** Across four state chapters, 423 hearing-impaired women received tailored technical and non-technical training, including mobile, LED, and home appliance repair. Many secured jobs or pursued self-employment, showcasing empowerment.

» **Millet cookies production unit:** In Rajasthan, we engaged 50 marginalised women in a millet cookies enterprise, aiming to uplift livelihoods and empower women through training and market strategies.

» **Blended spice production unit:** Another group of 50 women in Rajasthan were engaged in

a blended spices enterprise project, with an aim to improve their socioeconomic status and entrepreneurship.

» **Community drinking water project:** In Udaipur, Rajasthan, we provided safe drinking water to 3,174 people, including tribal and marginalised communities, with pipe water connections and water troughs for animals and birds.



EDUCATIONAL SUPPORT

PROTSAHAN scholarships in collaboration with TISS:

Providing scholarships totalling ₹1 crore to support 421 students from low-income families engaged in construction-related trades.

Education for out-of-school children

We are supporting 48 children aged 5 to 14 from construction workers' families at a construction site in Gurugram by providing education.

PEHEL SHIKSHA

Objective

Elevate educational quality and accessibility through infrastructure improvements, technology upgrades and targeted support programmes across multiple regions, benefiting students, parents and educators.

51,096

students have directly benefited with an additional 18,805 indirect beneficiaries (dependents)



Community

Anganwadi upgrades and repairs

We enhance anganwadi services to reduce infant mortality rates and improve maternal health. We upgraded five centres into PEHEL Smart Anganwadis in Rajkot, Gujarat, and repaired 22 centres in Bangalore, benefiting 1,325 beneficiaries comprising children and women.

STEM education

We conducted STEM education sessions in 20 schools, totalling 218 visits and 654 sessions, benefiting 3,798 students of classes VI, VII and VIII. STEM education fosters creativity and critical thinking, with teacher training enhancing educators' skills in AI and robotics for dynamic lessons.

Support services for education

School transportation

We ensure daily commute to and from school for needy students in remote Dehradun areas. A school bus supports 200 beneficiaries, including 170 students and 30 teachers.

Resources provided

Tribal schools in Jharkhand received 38 computer systems, 4 printers, solar panels, and a school bus benefiting 1,080 students and teachers.

Renovation

We painted and renovated 16 classrooms and two toilets at a Mumbai school, impacting 880 students.

Educational technology and resources

We installed digital infrastructure in 40 classrooms, with content fully uploaded, reaching 2,602 students and 54 teachers across 20 schools in Indore and Bhopal.

PEHEL SWASTHYA

Objective

To enhance the well-being of diverse populations by providing comprehensive medical services, advanced treatments, and essential health supplies.

98,124

Direct beneficiaries and 85,606 indirect beneficiaries dependants

Medical support

We provided comprehensive medical, nursing, nutritional and psychosocial assistance to 2,026 beneficiaries, including patients and caregivers. This intervention included 6,126 clinic visits across two outpatient clinics and a mobile clinic for cancer patients. The project aims to provide factual information, mobilise resources, and alleviate suffering associated with cancer journeys, from diagnosis to advanced stages.

Cochlear implant surgery

We successfully conducted cochlear implant surgery for 10 children and provided cochlear implant sound processor support for 20 children, resulting in improved hearing abilities, communication skills, sound perception, and academic performance.

Primary health centre strengthening

We refurbished and equipped two health centres in Karnataka to enhance primary healthcare services, ensuring 24/7 delivery facilities, uninterrupted power supply, and quality immunisation through cold chain maintenance.

Eye screening camps

We organised regular eye screening camps, performing 2,500 free cataract surgeries for patients from underprivileged families, focusing on eradicating avoidable blindness.

Wheelchair distribution

We distributed 200 wheelchairs to identified old-age homes across locations like Ahmedabad, Surat, Bhopal, Vijayawada, and Raipur, enhancing mobility and accessibility for elderly individuals.

Support for elderly and intellectually disabled

We provided medical equipment and aids for around 650 abandoned elderly and intellectually disabled individuals living in an old-age home in Gurugram, ensuring their well-being and care.

AI device distribution

We distributed AI devices for 55 visually-impaired individuals in Chennai, enhancing accessibility and quality of life.

Medical equipment support

We provided medical equipment support to benefit approximately 600 severely sick children from economically disadvantaged families in the Sick Newborn Care Unit (SNCU).

PEHEL PARYAVARAN



Objective

Achieve significant reductions in environmental challenges and enhance climate resilience throughout our communities.

1,32,756

Direct beneficiaries and 11,750 indirect beneficiaries dependants

Waste management

Plastic waste management

We installed 16 plastic bottle crushers in Mumbai, aiming to crush and recycle 1.1 million PET water bottles annually, reducing landfills and boosting recycling rates. 1.2 lakh individuals used the machine and collected 1,433.08 kilograms of waste.

MRF upgradation

We upgraded the Material Recovery Facility (MRF) in Dehradun, expanding the shed area from 5,000 sq ft to 9,000 sq ft, thereby increasing the processing capacity of collected waste from 2 to 3.5 tonnes daily.

Renewable energy

Solar electrification

In four villages, we provided electricity to community areas like primary health centres (PHCs) and schools and installed street lighting, benefiting 12,000 villagers. Additionally, we installed solar electrification plants at care homes for older adults and schools.

Environmental conservation

We aim to plant 22,000 trees in Hyderabad and Chennai, with 6,000 plants planted.

Water resources management

We are targeting the harvesting of 75 million litres of groundwater through the recharge of 50 borewells in the villages of Nashik.

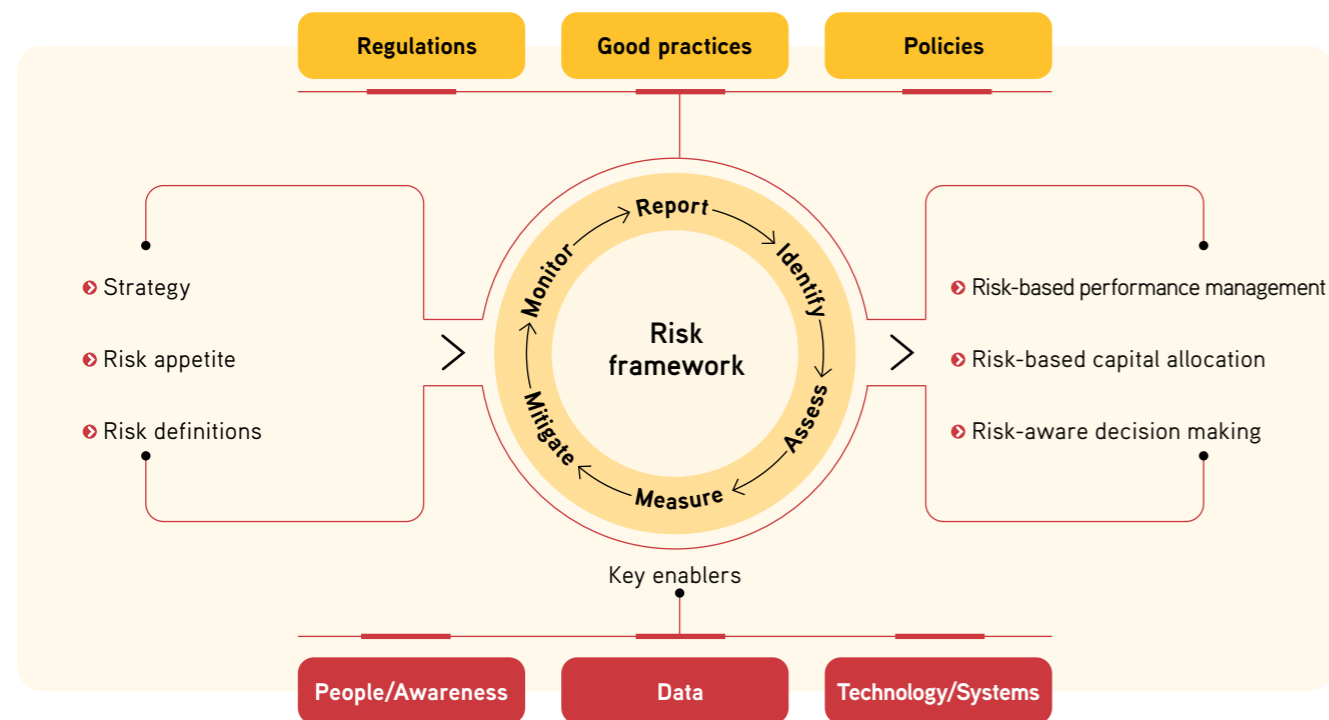
Governance

Upholding the highest standards

At PNB Housing Finance, we prioritise robust governance to ensure transparency, accountability and integrity across our operations. Our governance framework is designed to protect stakeholder interests, promote ethical practices and drive sustainable growth. Committed to the highest standards of corporate governance, we continuously strive to enhance our governance policies, ensuring compliance and fostering trust among our stakeholders.

Robust risk management framework

The Risk Management Committee (RMC) of the Board oversees our risk management practices and approves the Risk Management Framework. The Executive RMC, comprising senior members, regularly reviews this framework to ensure its effectiveness. Each business unit is accountable for the effective management of risks within their respective areas. Additionally, the Internal Audit function independently assesses the internal controls and the Risk Management Framework, ensuring their robustness. The Statutory and Compliance function also operates independently to monitor regulatory compliances, ensuring that all operations adhere to legal and regulatory standards. Together, these layers of oversight and accountability foster a resilient and well-governed risk management culture within the Company.



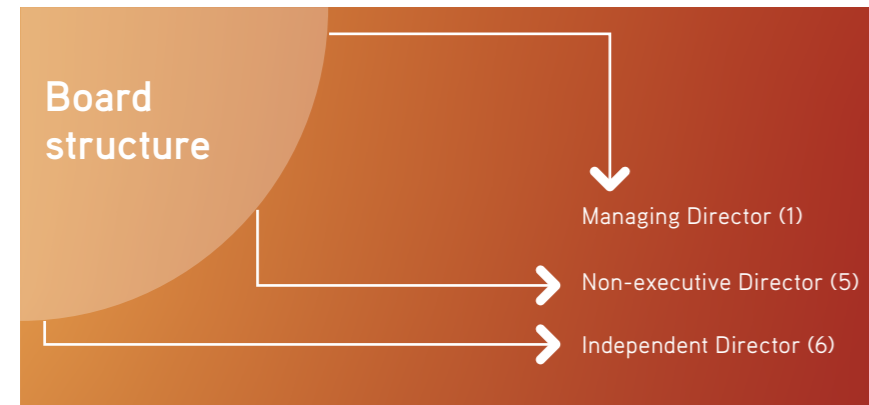
60 years
Average age of Board members

33 years
Average experience of Board members

4.3 years
Average tenure in the Company

Governance

BOARD COMPOSITION AND COMMITTEES OF THE BOARD



- » Audit Committee
- » Risk Management Committee
- » Credit Committee
- » Nomination and Remuneration Committee
- » Stakeholders Relationship Committee
- » Corporate Social Responsibility Committee
- » IT Strategy Committee

Led by a strong Board of Directors

Our Board provides valuable leadership and guidance to the Company, with directors possessing extensive knowledge of the industry and operations. Operating in the financial sector and dealing with mortgages, the Board understands various financial lifecycles, key challenges, competition and have experiences with credit cycles, workouts, and remedial management. Our Board members bring vast experience in the financial sector, economics, mortgages, banking, investment & wealth management, governance, international operations, fintech regulation, currency management, risk management, credit, and information technology. Highly qualified, they have held leadership positions in high-performing organisations, equipping them to guide the Company towards growth and excellence in the mortgage industry.

Board's responsibilities

The Board oversees the Company's long-term strategic planning and direction, maximising shareholders' value and protecting all stakeholders' interests. It provides strategic guidance to management and operates through various Committees with specific roles and responsibilities. These Committees closely monitor the Company's performance, and the Board reviews overall performance regularly. The Board has a formal schedule for considering and deciding on significant matters and those mandatorily required.

Ethical conduct

Our Board adheres to a comprehensive Code of Conduct for all Non-Executive Directors, including Independent Directors, in line with regulatory requirements. This code emphasises professional conduct, ethics, and governance. We also have distinct Codes of Conduct for Executive Directors and Senior Management. To foster an ethical culture, we implement various policies and frameworks on corporate governance, insider trading prohibition, related-party transactions, sexual harassment prevention, CSR, fair practices etc. These policies are consistently communicated to management, employees, and stakeholders.

Regulatory compliances

We comply with RBI directions and guidelines, including those on deposit acceptance, accounting standards, asset classification, income recognition, provisioning, capital adequacy, credit rating, corporate governance, IT framework, fraud monitoring, investment concentration, capital market exposure, Liquidity Coverage Ratio (LCR), loan transfers, KYC & AML guidelines, etc.

Additional policies

In compliance with the regulations and guidelines issued by regulatory authorities like Reserve Bank of India, National Housing Bank, Securities Exchange Board of India, Insurance Regulatory Development Authority of India, Ministry of Corporate Affairs, etc. and other applicable laws, and as part of our commitment to good corporate governance and robust internal controls, the Board adopted various policies and the same are reviewed periodically. We have established a comprehensive Whistle-blower Policy that empowers employees to report any serious irregularities or violations within the organisation. This policy provides direct access to the Chairperson of the Audit Committee, ensuring transparency and accountability. Additionally, we have implemented a robust grievance redressal mechanism for our customers for addressing their concerns promptly. Shareholders' grievances are diligently handled through dedicated email addresses and actively monitored by our Secretarial team and Investor Relations Team. Our Board-approved policies cover succession planning, outsourcing, anti-corruption and anti-bribery, information security, and cyber crisis management etc, ensuring adherence to statutory requirements.

Anti-money laundering

We have a robust Know Your Customer (KYC) and Anti-Money Laundering (AML) policy, aligned with the Reserve Bank of India's (RBI) guidelines and the Prevention of Money Laundering Act. Approved by the Board, this policy includes

essential elements such as Customer Acceptance Policy, Customer Identification Procedures, and Risk Management and Transaction Monitoring. We diligently ensure compliance with these guidelines throughout the customer lifecycle. Additionally, we have developed a targeted training module to provide effective and focused training on anti-corruption and AML practices.

In line with RBI's directives for driving anti-money laundering initiatives, NBFCs, including HFCs, are advised to follow specific customer identification procedures to monitor and report suspicious transactions. Accordingly, the Company conducts periodic money laundering and terrorist financing risk assessments to identify, evaluate, and implement effective measures to mitigate these risks.

Diversity in the Board

Our Board comprises individuals with diverse expertise, academic backgrounds, and industry experience, promoting diversity and inclusivity. Our Board Diversity policy underscores our belief in inclusivity as a key driver of performance and success. The Company recognises and embraces the significance of a diverse Board, believing that it enhances the quality of decisions by leveraging the varied skills, qualifications, professional experiences, backgrounds, gender, ethnicity, knowledge, length of service, and other distinguished qualities of its members. This diversity is essential for driving business results, achieving competitive advantage, ensuring effective corporate governance, and promoting sustainable and balanced development.



Governance

Our Board of Directors

**Mr. Atul Kumar Goel**

Non-Executive Nominee Director

DIN: 07266897

Date of joining: 28th April 2022

Mr. Atul Kumar Goel is the Managing Director & CEO of Punjab National Bank from 1st February 2022. Earlier, he was the Managing Director & CEO of UCO Bank, Executive Director of Union Bank of India and held various positions in Allahabad Bank. He is a qualified Chartered Accountant, having more than three decades of banking experience, large corporate, treasury management, risk management, financial planning, investor relations, business transformation, compliance, etc. He was the Chief Financial Officer (CFO) of Allahabad Bank.

Committee memberships

- » Nomination and Remuneration Committee
- » Stakeholders Relationship Committee

**Mr. Sunil Kaul**

Non-Executive Nominee Director

DIN: 05102910

Date of joining: 5th March 2015

Mr. Sunil Kaul is the Managing Director and Partner of Carlyle Singapore Investment Advisors Pte Limited. He heads the Southeast Asia region of the Carlyle Asia Buyout Advisory Team and concurrently leads the Financial Services Sector for the team in Asia (ex Japan). Before joining Carlyle 16 years ago, he was the President of Citibank Japan and the Chairman of CitiCards Japan KK and CitiFinancial Japan KK. In his previous roles with Citi, he was the Head of Retail Banking for Citibank in Asia, Head of International Personal Banking for Citibank in New York and Head of Global Transaction Services at Citibank, Japan. He has over 35 years of experience in the fields of private equity, corporate and consumer banking. He is a graduate of IIT Bombay and IIM Bangalore.

Committee memberships

- » Nomination and Remuneration Committee
- » Stakeholders Relationship Committee
- » Risk Management Committee

**Mr. Chandrasekaran Ramakrishnan**

Independent Director

DIN: 00580842

Date of joining: 7th October 2015

Mr. Chandrasekaran was one of the co-founders of Cognizant. He retired as the Executive Vice Chairman of Cognizant India in March 2019. He has been widely recognised as a significant contributor to the growth of Cognizant, including its global footprint. Prior to joining Cognizant, he was with Tata Consultancy Services for over nine years. He has 38 years of experience in the field of information technology.

Committee memberships

- » Nomination and Remuneration Committee
- » IT Strategy Committee
- » Corporate Social Responsibility Committee

**Mr. Nilesh Shivji Vikamsey**

Independent Director

DIN: 00031213

Date of joining: 22nd April 2016

Mr. Nilesh Vikamsey is a member of the Institute of Chartered Accountants of India (ICAI) since 1985 and is the former President of the ICAI. He has been associated with KKC & Associates LLP as a senior partner since 1985. He has extensive experience in Audit and consultancy of banks, large companies, mutual funds, and financial service sector companies.

Committee memberships

- » Audit Committee
- » Nomination and Remuneration Committee

**Mr. Tejendra Mohan Bhasin**

Independent Director

DIN: 03091429

Date of joining: 2nd April 2020

Dr. T. M. Bhasin has been a career Banker for 37 years with notable roles such as Chairman and Managing Director of Indian Bank from 2010 to 2015. Dr. Bhasin was appointed as Vigilance Commissioner of India by Hon'ble President of India in CVC from June 2015 to June 2019 and has also chaired the Advisory Board for Banking and Financial Frauds (constituted by CVC and RBI) from August 2019 to August 2023.

Dr. Bhasin holds an MBA in Finance from FMS, Delhi, LL.B. from Delhi University, CAIIB, and M.Sc. Gold Medallist. A Delhi University topper in its one year flagship programme in 'Criminology and Forensic Science', he is a fellow of the Indian Institute of Banking and Finance. He also completed the Advanced Financial Enterprises Management Programme at Harvard Kennedy School (US). His Doctoral Research findings and recommendations formed the basis of Pradhan Mantri Jan Dhan Yojana. Dr. Bhasin is a prolific author with a book on 'E-Commerce in Indian Banking' and has numerous research papers to his credit.

Committee memberships

- » Audit Committee
- » Risk Management Committee
- » Corporate Social Responsibility Committee

**Mr. Sudarshan Sen**

Independent Director

DIN: 03570051

Date of joining: 1st October 2020

Mr. Sudarshan Sen superannuated from the Reserve Bank of India as Executive Director in charge of the Regulation of Banks and Non-Banking Financial Companies. In a career spanning over 38 years, he worked in banking regulation, bank supervision, fintech regulation, human resources, information technology, and currency management. He has been on several major national and international committees constituted by the RBI.

Committee memberships

- » Audit Committee
- » Nomination and Remuneration Committee
- » Corporate Social Responsibility Committee

Governance



Mr. Neeraj Vyas
Non-Executive Non-Independent Director

DIN: 07053788

Date of joining: 1st September 2020

Mr. Neeraj Vyas superannuated as the Deputy Managing Director and Chief Operating Officer (COO) of the State Bank of India (SBI) on 30th June 2018. He has handled several assignments for SBI in India and abroad. He is a senior banking professional with over 37 years of experience across a wide range of functions, such as banking, credit, mortgages, risk management and operations. Mr. Vyas is Non-Executive Director since 1st September 2020. Earlier, he was Independent Director on the Board from 15th April 2019 till 28th April 2020. He was appointed as interim Managing Director & CEO of the Company from 28th April 2020 till 10th August 2020.

Committee memberships

- » Audit Committee
- » Credit Committee
- » Risk Management Committee



Mr. Kapil Modi
Non-Executive Nominee Director

DIN: 07055408

Date of joining: 1st October 2020

Mr. Kapil Modi is a Managing Director and Partner at Carlyle India Advisors Private Limited and is part of the Investment Team of Carlyle India for over 16 years. He holds a B. Tech degree in Computer Science (silver medallist) from IIT Kharagpur and is a postgraduate in Management (gold medallist) from IIM Ahmedabad. He also holds CFA from CFA Institute (USA) and a Master's degree in Business Law from National Law School, Bengaluru.

Committee memberships

- » IT Strategy Committee
- » Credit Committee



Ms. Gita Nayyar
Independent Director

DIN: 07128438

Date of joining: 29th May 2021

Ms. Gita Nayyar is a finance professional with over 32 years of global leadership experience with MNC banks/VC funds and corporates. She has expertise in corporate banking, risk and relationship management, investment banking, wealth management and fundraising. She is also recognised for her expertise in angel investing/mentoring and advising early-stage ventures. She serves as an Independent Director on the board of reputed corporate organisations.

Committee memberships

- » Nomination and Remuneration Committee
- » Stakeholders Relationship Committee



Mr. Pavan Kaushal
Independent Director

DIN: 07117387

Date of joining: 27th October 2022

Mr. Pavan Kaushal has over 34 years of experience in the financial services sector in various positions. He was associated with Fullerton India Credit Company Limited as the Chief Operating Officer and IDFC First Bank Limited as Group Executive President in the Risk Department. He is a member of the Institute of Chartered Accountants of India since 1985 and holds a Master's degree in Financial Management from Jamnalal Bajaj Institute of Management Studies.

Committee memberships

- » Credit Committee
- » IT Strategy Committee



Mr. Dilip Kumar Jain
Non-Executive Nominee Director

DIN: 06822012

Date of joining: 4th November 2022

Mr. Dilip Kumar Jain has over 28 years of experience in various fields in the banking industry. He carries with him several years of banking experience in various senior positions at Punjab National Bank. He is currently the CFO of Punjab National Bank in the rank of Chief General Manager. He is a member of the Institute of Chartered Accountants of India since 1989.

Committee memberships

- » Corporate Social Responsibility Committee
- » Credit Committee
- » Risk Management Committee
- » Stakeholders Relationship Committee
- » IT Strategy Committee



Mr. Girish Kousgi
Managing Director and Chief Executive Officer

DIN: 08524205

Date of joining: 21st October 2022

Mr. Girish Kousgi is the Managing Director and Chief Executive Officer of the Company. He has over 26 years of experience in the financial services sector. Previously, he was associated with Can Fin Homes Limited as the Managing Director and Chief Executive Officer, Tata Capital Financial Services Limited as Head Retail – Credit & Risk, IDFC Bank Limited as Executive Vice President and ICICI Bank Limited as joint General Manager. He is also serving as a director on the Boards of the subsidiaries of PNB Housing Finance Ltd., namely PHFL Home Loans and Services Limited and PEHEL Foundation. He holds an executive master's diploma in Business Administration from the Indian Institute of Commerce and Trade.

Committee memberships

- » Corporate Social Responsibility Committee
- » Credit Committee
- » Risk Management Committee
- » Stakeholders Relationship Committee
- » IT Strategy Committee

Leadership team



Girish Kousgi

Managing Director and CEO



Vinay Gupta

Chief Financial Officer



Amit Singh

Chief People Officer



Jatul Anand

Chief Credit & Collections Officer



Ajay Kumar Mohanty

Head - Internal Audit and Chief of Internal Vigilance



Anujai Saxena

Business Head - Affordable Business



Veena G Kamath

Company Secretary



Dilip Vaitheeswaran

Chief Sales Officer - Retail



Krishna Kant

Chief Compliance Officer



Anshul Dalela

Head - Customer Service & Operations



Anubhav Rajput

Chief Information Officer



Valli Sekar

Chief Sales & Collection Officer - Affordable



Bhavya Taneja

National Head - Marketing



Neeraj Manchanda

Chief Risk Officer

Awards and recognitions

Best Digital Customer Experience Initiative

Customer Fest Leadership Awards 2023

Best Contactless Service Experience

Quantic CX Excellence Awards

Best Use of Regional PR for Rural Marketing

Eggfirst Chalo Rural Awards 2023

Outstanding Product Innovation

Elets NBFC100 Leader of Excellence Award

Best CSR Initiative

Banking Frontiers DNA 2023

Best CSR/ Social Development Campaign for Rural

Eggfirst Chalo Rural Awards 2023

CEO of the Year

Great Indian BFSI Awards

Best Digital Transformation Initiative

Quantic 4th Annual BFSI Excellence Awards 2023

CSR Initiatives of the Year

CREDAI MCHI Golden Pillar Awards

Financial Inclusion Initiative of the Year

Great Indian BFSI Awards

Most Effective Holiday, Seasonal and Festival Marketing

Pitch BFSI Marketing Award

Specialised BFSI Campaign

BW Marketing Excel Awards

Marketing Campaign of the Year

Great Indian BFSI Awards

Women Empowerment

10th CSR Times Award

Regional Communication Campaign

BW Marketing Excel Awards

Outstanding Leadership in NBFCs

Elets BFSI Gamechanger Awards

Best Employee Induction Programme

Kamikaze Employee Happiness Award

Outstanding Leadership in NBFCs

Elets BFSI CXO Award

Excellence in Strategic Leadership

Elets BFSI CXO Award



Governance



Standing (L-R): Mr. Satish Singh, Mr. Vinay Gupta, Mr. Anshul Dalela, Mr. Anujai Saxena, Mr. Anubhav Rajput, Mr. Krishna Kant, Mr. Vikas Rana, Mr. Amit Singh, Mr. Jatul Anand, Mr. Neeraj Manchanda and Mr. Bhavya Taneja

Sitting (L-R): Ms. Veena Kamath, Mr. Ajay Kumar Mohanty, Mr. Girish Kousgi, Mr. Dilip Vaitheeswaran and Ms. Valli Sekar

Governance

Accelerating into the future



Corporate Information

DIRECTORS ON BOARD

Mr Atul Kumar Goel
Mr Sunil Kaul
Mr R Chandrasekaran
Mr Nilesh S Vikamsey
Dr Tejendra Mohan Bhasin
Mr Neeraj Vyas
Mr Sudarshan Sen
Mr Kapil Modi
Ms Gita Nayyar
Mr Pavan Kaushal
Mr Dilip Kumar Jain
Mr Girish Kousgi

STATUTORY AUDITORS

T R Chadha & Co, LLP, Chartered Accountants
B-30, Connaught Place,
Kuthiala Building,
New Delhi – 110 001

Singhi & Co., Chartered Accountants
1704, 17th Floor, World Trade Tower
DND, Flyway, C-01,
Sector 16, Noida- 201 301

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
Unit: PNB Housing Finance Limited
C-101, 247 Park L.B.S. Marg, Vikhroli (West)
Mumbai 400 083

TRUSTEE FOR DEBENTURE HOLDERS

IDBI Trusteeship Services Limited
Universal Insurance Building,
Ground Floor, Sir P.M. Road,
Fort, Mumbai – 400001
E-mail: itsl@idbitrustee.com
Tel No. (022) 40807000

SECRETARIAL AUDITOR

Vinod Kothari & Company
Practising Company Secretaries
Nukleus, 501 & 501A, 5th floor, Salcon Rasvilas,
District Centre, Saket, New Delhi-110017
Phone: 011-41315340
Email: delhi@vinodkothari.com

CHIEF FINANCIAL OFFICER

Mr Vinay Gupta

COMPANY SECRETARY

Ms Veena G Kamath

CHIEF COMPLIANCE OFFICER

Mr Krishna Kant

BANKERS AND FINANCIAL INSTITUTIONS

Bajaj Finance Limited
Bandhan Bank
Bank of Baroda
Bank of India
Canara Bank
Central Bank of India
Citi Bank
HDFC Bank Ltd.
The HSBC Limited
ICICI Bank
Indian Bank
International Finance Corporation
Japan International Cooperation Agency
Karnataka Bank Ltd
Kookmin Bank
National Housing Bank
Punjab & Sind Bank
Punjab National Bank
RBL Bank
SMBC
South Indian Bank
State Bank of India
UCO Bank
Union Bank of India

REGISTERED AND CENTRAL SUPPORT OFFICE

9th Floor, Antriksh Bhavan,
22 Kasturba Gandhi Marg,
New Delhi – 110001

EXTENDED- CENTRAL SUPPORT OFFICE

RMZ Infinity Park, 6th Floor,
Plot No.15, Udyog Vihar,
Gurugram, Haryana – 122008

