



Ref: PNBHFL/SE/EQ/FY24/68
Date: October 23, 2023

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

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

Dear Sir(s),

Sub: Press Release on the Financial Performance of the Company for the quarter and half year ended September 30, 2023.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find attached herewith the Press Release on the Financial Performance of the Company for the quarter and half year ended September 30, 2023.

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

Kindly take the above intimation and documents on record.

Thanking You,

Yours faithfully,
For PNB Housing Finance Limited

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

Regd. Office: 9th Floor, Antriksh Bhavan, 22 Kasturba Gandhi Marg, New Delhi – 110 001
Phone: 011 – 23736857, E-mail: investor.services@pnbhfl.com, Website: www.pnbhfl.com
CIN: L65922DL1988PLC033856

Internal

Press Release

For Immediate Release

23rd October 2023, New Delhi

Consolidated Unaudited Financial Results for Q2 & H1 FY2023-24 Ended 30th September 2023

The Board of Directors of PNB Housing Finance Limited today approved the Consolidated Unaudited Financial Results for the quarter and half year ended 30th September 2023. The accounts have been subjected to a limited review by the Company's Statutory Auditors in line with the regulatory guidelines. The financial numbers are based on IndAS

Key Highlights

- Gross NPA declined by 197 bps to 1.78% as on 30th Sept 2023 as compared to 3.76% as on 30th Jun 2023.
 - Retail GNPA declined by 74 bps to 1.74% as on 30th Sept 2023 as compared to 2.49% as on 30th Jun 2023.
 - Resolved and fully recovered a large Corporate NPA account reducing our Corporate GNPA to 2.86% from 24.99% as on 30th Jun 2023.
- Retail Loan Asset grew by 12% YoY to INR 58,471 Crore as on 30th Sept 2023, which is 96% of Loan Asset.
- Total Loan Asset stood at INR 60,852 crore as on 30th Sept 2023 registering 5% growth YoY.
- Affordable segment contributed ~9% to the retail disbursement in Q2 FY23-24
- The Company's CRAR stood at 30.38% as on 30th Sept 2023, of which Tier I capital is 28.50%
- ICRA & CRISIL have upgraded the outlook to 'Positive' from 'Stable' and reaffirmed the rating at "AA" in Q2 FY24.

Financial performance (Q2 FY23-24 vs Q2 FY22-23 and Q1 FY23-24)

- Net Interest Income improved by 2% YoY and 5% QoQ to INR 661 crore. During Q2 FY23, there was a one-off of INR 160 crore on assigned loans due to benchmark rate resets, excluding one-off net interest income grew by 35% YoY.
- Operating expenditure increased by 24% YoY and 12% QoQ to INR 168 crore.
- Pre provision Operating Profit de-grew by 5% YoY and grew by 9% QoQ to INR 552 crore. Excluding one-off in Q2 FY 22-23 as mentioned above it grew by 30% YoY.
- Yield at 10.58% in Q2 FY24 as compared to 10.70% in Q2 FY23 and 10.59% in Q1 FY24.
- Spread on loans at 2.59% in Q2 FY24 as compared to 3.38% in Q2 FY23 and 2.62% in Q1 FY24.
- Net Interest Margin stood at 3.95% and Gross Margin, net of acquisition cost, stood at 4.18% in Q2 FY24.
- Credit Cost at 26 bps in Q2 FY24 as compared to 151bps in Q2 FY23 and 36bps in Q1 FY24.
- PBT improved by 49% YoY and 14% QoQ to INR 507 crore.
- PAT improved by 46% YoY and 10% QoQ to INR 383 crore.

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Financial performance (H1 FY23-24 vs H1 FY22-23)

- Profit after Tax is at INR 730 crore vs INR 498 crore registering an increase of 47% YoY.
- Net Interest Income stood at INR 1,289 crore compared to INR 1,019 crore registering a growth of 27%.
- Operating Expenditure grew by 25% YoY to INR 317 crore.
- Pre provision Operating Profit increased by 12% to INR 1,059 crore from INR 943 crore.
- ECL provision as on 30th Sept 2023 is INR 1,196 crore resulting in Stage 3 provision coverage ratio at 34% and total provision to assets at 1.97%.
- Spread on loans stood at 2.60% compared to 2.39% for H1 FY23.
- Net Interest Margin stood at 3.92% as compared to 3.25% in H1 FY23.
- Gross Margin, net of acquisition cost, is at 4.05% as compared to 3.74% in H1 FY23.
- Return on Asset (annualized) is at 2.14% as compared to 1.61% in FY23.
- Gearing, as on 30th Sept 2023, reduced to 3.77x compared to 4.87x as on 31st March 2023.
- Return on Equity (annualized) at 11.11% as compared to 9.98% for FY23.

Business Operations

- The total disbursements during H1 FY24 grew by 12% YoY to INR 7,866 crore. For Q2 FY24 stood at INR 4,180 crore registering an increase of 16% YoY and 13% QoQ.
 - Retail disbursement grew by 13% YoY to INR 7,832 during H1 FY24. In Q2 FY23, retail disbursements grew by 18% YoY and 14% QoQ to INR 4,165 crore.
- Asset under Management (AUM) grew by 2% YoY to INR 67,415 crore as on 30th Sept 2023
- The Loan Asset grew by 5% YoY and 1% QoQ to INR 60,852 crore as on 30th Sept 2023
 - Retail loans grew by 12% YoY and 3% QoQ to INR 58,471 crore as on 30th Sept 2023.
 - Corporate loans are at INR 2,381 crore as on 30th Sept 2023, reduced by 58% as compared to 30th Sept 2022.

Distribution and Service Network

- The Company has 200 branches / outreach locations.
 - Affordable business presence expanded to 89 branches/outreaches as on 30th Sept 2023

Asset Quality

- Gross Non-Performing Assets is at 1.78% as on 30th Sept 2023 as compared to 6.06% as on 30th Sept 2022 and 3.76% as on 30th June 2023.
 - Retail GNPA is 1.74% as on 30th Sept 2023 as compared to 3.39% as on 30th Sept 2022 and 2.49% as on 30th June 2023 .
 - Corporate GNPA is 2.86% as on 30th Sept 2023 as compared to 30.37% as on 30th Sept 2022 and 24.99% as on 30th June 2023 .
- Net NPA stood at 1.19% as on 30th Sept 2023. NNPA in Retail segment is at 1.20% and in Corporate segment at 0.95%.

Capital to Risk Asset Ratio (CRAR)

- The Company's CRAR, based on IndAS, stood at 30.38% as on 30th Sept 2023, of which Tier I capital is 28.50% and Tier II is 1.88% as compared 24.07% as on 30th Sept 2022, of which Tier I capital was 21.79% and Tier II was 2.28%

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

“During the first half of the financial year, we have witnessed progress across key business parameters like Growth, Asset Quality and Profitability. Our consistent efforts have enabled us to resolve and fully recover a large corporate account, which further aided in reducing our GNPA below 2% to 1.78% as on 30th Sept 2023. We have also made significant progress in our affordable housing portfolio over the last 3 quarters, and are on track to meet our commitments. Our ROA stood at 2.14% annualised for FY23-24.

As we look forward, we are confident of our ability to maintain this momentum and continue the growth trajectory in the fiscal year. We will continue to strive for excellence, leverage available market opportunities and work towards achieving stronger performance.”

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 period and quarter ended September 30, 2023

S.no.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-23	30-Jun-23	30-Sep-22	30-Sep-23	30-Sep-22	31-Mar-23
		(Unaudited)			(Unaudited)		(Audited)
	Revenue from operations						
(i)	Interest income	1,702.86	1,666.94	1,597.54	3,369.80	2,896.20	6,199.07
(ii)	Fees and commission income	59.83	31.50	71.90	91.33	181.96	283.26
(iii)	Net gain on fair value changes	15.06	9.19	6.05	24.25	6.05	34.10
(iv)	Income on derecognised (assigned) loans	-	-	8.92	-	10.90	10.90
I	Total revenue from operations	1,777.75	1,707.63	1,684.41	3,485.38	3,095.11	6,527.33
II	Other income	1.65	0.09	(0.98)	1.74	0.31	2.33
III	Total income (I+II)	1,779.40	1,707.72	1,683.43	3,487.12	3,095.42	6,529.66
	Expenses						
(i)	Finance cost	1,057.30	1,047.50	963.87	2,104.80	1,894.13	3,898.52
(ii)	Impairment on financial instruments & write-offs	44.82 [#]	60.56	243.23	105.38	291.51	691.28
(iii)	Employee benefits expenses	85.46	80.68	68.38	166.14	129.50	265.96
(iv)	Net loss on fair value changes	-	-	(0.94)	-	-	-
(v)	Depreciation and amortisation	11.33	12.63	13.18	23.96	26.21	51.44
(vi)	Fees and commission expense	2.51	3.47	1.59	5.98	5.00	11.52
(vii)	Other expenses:						
	- Impairment/loss on assets held for sale	-	-	-	-	-	47.65
	- Other expenses	70.87	56.20	53.69	127.07	97.54	202.38
IV	Total expenses	1,272.29	1,261.04	1,343.00	2,533.33	2,443.89	5,168.75
V	Profit before tax (III-IV)	507.11	446.68	340.43	953.79	651.53	1,360.91
	Tax expense:						
	-Current tax	66.94	107.53	85.01	174.47	123.90	87.78
	-Deferred tax ((credit)/charge)	57.17	(8.17)	(7.21)	49.00	30.04	227.13
VI	Total tax expense	124.11	99.36	77.80	223.47	153.94	314.91
VII	Net profit after tax (V-VI)	383.00	347.32	262.63	730.32	497.59	1,046.00
VIII	Other comprehensive income						
	A (i) Items that will not be reclassified to profit or loss:	0.50	(1.15)	(1.74)	(0.65)	0.06	(0.69)
	Remeasurement gain/ (loss) on defined benefit plan						
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.13)	0.29	0.44	0.16	(0.01)	0.17
	B (i) Items that will be reclassified to profit or loss:	8.39	(18.93)	70.01	(10.54)	81.84	103.67
	Cash flow hedge						
	(ii) Income tax relating to items that will be reclassified to profit or loss	(2.11)	4.76	(17.62)	2.65	(20.60)	(26.09)
IX	Total comprehensive income (VII+VIII)	389.65	332.29	313.72	721.94	558.88	1,123.06
	Earnings per share (of ₹ 10 each)*						
	-Basic (₹)	14.76	13.64	13.36	28.41	25.32	53.21
	-Diluted (₹)	14.73	13.63	13.35	28.37	25.30	53.16
	Paid-up equity share capital (Face value of ₹ 10)	259.58	259.54	168.62	259.58	168.62	168.86
	Reserves (excluding revaluation reserves) as at March 31						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/periods has been restated.

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CIN: L65922DL1988PLC033856

Consolidated Statement of Assets and Liabilities

(₹ in crore)

S.no.	Particulars	As at		
		30-Sep-23	30-Sep-22	31-Mar-23
		(Unaudited)		(Audited)
	ASSETS			
1	Financial assets			
(a)	Cash and cash equivalents	3,920.94	3,245.78	3,677.82
(b)	Bank balance other than (a) above	630.98	0.07	118.38
(c)	Derivative financial instruments	674.91	645.40	660.04
(d)	Receivables			
	Trade receivables	27.83	23.23	12.86
	Other receivables	-	-	0.01
(e)	Loans	59,655.23	55,670.10	57,839.79
(f)	Investments	4,163.68	3,343.71	3,196.29
(g)	Other financial assets	674.20	748.16	754.64
	Sub total - financial assets	69,747.77	63,676.45	66,259.83
2	Non - financial assets			
(a)	Current tax assets (net)	255.33	138.97	264.03
(b)	Deferred tax assets (net)	99.29	348.26	145.67
(c)	Investment property	0.51	0.52	0.52
(d)	Property, plant and equipment	65.06	68.18	66.19
(e)	Right of use assets	61.48	65.35	65.59
(f)	Capital work-in-progress	0.11	-	0.08
(g)	Other Intangible assets	13.92	16.13	14.01
(h)	Intangible assets under developments	6.27	1.19	3.08
(i)	Other non-financial assets	63.38	43.27	54.70
(j)	Assets held for sale	-	106.97	-
	Sub total - non - financial assets	565.35	788.84	613.87
	TOTAL - ASSETS	70,313.12	64,465.29	66,873.70
	LIABILITIES			
1	Financial liabilities			
(a)	Payables			
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises	2.05	-	1.74
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14.90	21.94	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	6,578.98	4,073.08	3,994.09
(c)	Borrowings (other than debt securities)	29,427.03	28,919.12	31,174.70
(d)	Deposits	16,788.85	17,367.47	17,214.24
(e)	Subordinated liabilities	739.42	1,438.27	1,238.35
(f)	Other financial liabilities	2,378.27	2,047.47	1,963.15
	Sub total - financial liabilities	55,929.50	53,867.35	55,614.78
2	Non financial liabilities			
(a)	Provisions	27.48	22.37	17.72
(b)	Other non-financial liabilities	146.51	137.27	227.34
	Sub total - non financial liabilities	173.99	159.64	245.06
3	EQUITY			
(a)	Equity share capital	259.58	168.62	168.86
(b)	Other equity	13,950.05	10,269.68	10,845.00
	Subtotal - equity	14,209.63	10,438.30	11,013.86
	TOTAL - EQUITY AND LIABILITIES	70,313.12	64,465.29	66,873.70

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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*	1,738.25	62.69	33.44	153.74	1,551.07
Corporate persons					
of which, MSMEs					
Others^	105.78	-	-	55.11	50.67
Total	1,844.03	62.69	33.44	208.85	1,601.74

* Retail loans

\$ Principal outstanding as at the end of the previous half year (i.e. as on March 31, 2023).

@ Principal outstanding (including capitalised interest, disbursement) for the live restructured accounts as on September 30, 2023.

^Corporate finance loans

- Disclosure of loans transferred / acquired during the quarter and half year ended September 30, 2023, 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 half year ended September 30, 2023.

(ii) The Company has not acquired, any stressed loan during the quarter and half year ended September 30, 2023.

(iii) Details of stressed loans transferred:

(₹ in crore)

Particulars	To Asset Reconstruction Companies (ARC) - NPA	
	Quarter ended	
	30-Sep-23	30-Jun-23
Number of accounts	1	-
Aggregate principal outstanding of loan transferred	784.06	-

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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 September 30, 2023, the Company has obtained certificate of registration to act as corporate agent (Composite) from Insurance Regulatory and Development Authority ("IRDA").

7. During the quarter ended September 30, 2023, the Company has allotted 35,866 equity shares of ₹ 10 each pursuant to exercise of stock options / restricted stock units by employees.

Statutory Auditors of the Company have reviewed the consolidated financial results for the quarter and half year ended September 30, 2023, 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 October 23, 2023.

For and on behalf of the Board of Directors

Girish Kousgi
Managing Director & CEO
DIN: 08524205

Date: October 23, 2023
Place: New Delhi