



Ref: PNBHFL/SE/EQ/FY24/95
Date: January 24, 2024

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

The 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 nine months ended December 31, 2023.

Ref: Our letter PNBHFL/SE/EQ/FY24/93 dated January 24, 2024

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 nine months ended December 31, 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
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

24th January 2024, New Delhi

Consolidated Unaudited Financial Results for Q3 & 9M FY2023-24 Ended 31st December 2023

The Board of Directors of PNB Housing Finance Limited today approved the Consolidated Unaudited Financial Results for the quarter and nine months ended 31st December 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

- India Ratings have upgraded the rating to "IND AA+" from "IND AA"; Outlook 'Stable' in January 2024.
- Affordable segment surpassed a disbursement and loan book of INR 1,000 crore in less than one year, contributing ~8% to the retail disbursement in 9MFY24
- Expanded Affordable segment presence to 100 branches & outreaches as on 31st Dec 2023.
- Retail Loan Asset grew by 13% YoY to INR 60,129 crore as on 31st Dec 2023, which is 96.5% of Loan Asset.
- Total Loan Asset stood at INR 62,337 crore as on 31st Dec 2023 registering 7% growth YoY.
- Gross NPA declined by 5 bps to 1.73% as on 31st Dec 2023 as compared to 1.78% as on 30th Sept 2023.
- The Company's CRAR based on IndAS stood at 29.53% as on 31st Dec 2023, of which Tier I capital is 27.97%.
- Certified as a "Great Place to Work" by building a 'High Trust, High Performance Culture'.

Financial performance (Q3 FY23-24 vs Q3 FY22-23 and Q2 FY23-24)

- Net profit for the quarter has grown 26% YoY to INR 338 crore
- Net Interest Income excluding one-off remained flat at INR 622 crore on QoQ basis due to gradual shift in mix towards retail. However, reported NII declined by 19% YoY and 10% QoQ to INR 595 crore.
- Operating expenditure remained flat QoQ and increased by 35% YoY to INR 166 crore. We continue to invest in Roshni branch expansion and upgradation of IT infrastructure.
- Yield at 10.19% in Q3 FY24 as compared to 10.58% in Q2 FY24 and 11.38% in Q3 FY23. Excluding one-off, Yield stood at 10.29% in Q3 FY24.
- Cost of Borrowing at 8.07% in Q3 FY24 as compared to 7.99% in Q2 FY24 and 7.55% in Q3 FY23. Excluding "one-off" cost of INR 11.79 crore in Q3 FY24 on account of ECB hedging cost, cost of borrowing stands at 7.98%.
- Spread on loans is at 2.12% in Q3 FY24 as compared to 2.59% in Q2 FY24 and 3.83% in Q3 FY23. After adjusting the one-offs, Spread stood at 2.31% in Q3 FY24.
- Net Interest Margin stood at 3.49% and excluding one-off is at 3.65%. Gross Margin, net of acquisition cost, stood at 3.79% in Q3 FY24.
- Credit Cost at 34 bps in Q3 FY24 as compared to 158 bps in Q3 FY23 and 26 bps in Q2 FY24.

Regd. Office: 9th Floor, Antriksh Bhavan, 22 Kasturba Gandhi Marg, New Delhi – 110 001

Phone: 011 – 23736857, E-mail: loans@pnbhfl.com, Website: www.pnbhfl.com

CIN: L65922DL1988PLC033856

Financial performance (9M FY23-24 vs 9M FY22-23)

- Profit after Tax is at INR 1,069 crore vs INR 767 crore registering an increase of 39% YoY.
- Net Interest Income stood at INR 1,884 crore compared to INR 1,753 crore registering a growth of 7%.
- Operating Expenditure is at INR 483 crore vs INR 377 crore registering an increase of 28%.
- Pre provision Operating Profit stood at INR 1,559 crore as against INR 1,565 crore.
- ECL provision as on 31st Dec 2023 is INR 1,212 crore resulting in total provision to assets ratio at 1.94%. The Stage 3 Provision coverage ratio is at 34.4%.
- Spread on loans stood at 2.42% compared to 2.87% for 9M FY22-23.
- Net Interest Margin stood at 3.77% as compared to 3.72% in 9M FY22-23.
- Gross Margin, net of acquisition cost, is at 3.97% as compared to 4.14% in 9M FY22-23.
- Return on Asset (annualized) is at 2.08% as compared to 1.60% in 9M FY22-23.
- Return on Equity (annualized) at 10.52% as compared to 9.88% for 9M FY22-23.

Business Operations

- The disbursements during 9M FY23-24 grew by 15% YoY to INR 12,009 crore. For Q3 FY23-24 stood at INR 4,143 crore registering an increase of 21% YoY and degrew by 1% QoQ.
 - Retail disbursement grew by 16% YoY to INR 11,942 during 9M FY23-24. In Q3 FY23-24, retail disbursements grew by 22% YoY and degrew by 1% QoQ to INR 4,110 crore
- Asset under Management (AUM) grew by 4% YoY to INR 68,549 crore as on 31st Dec 2023
- Loan Asset grew by 7% YoY and 2% QoQ to INR 62,337 crore as on 31st Dec 2023
 - Retail loans grew by 13% YoY and 3% QoQ to INR 60,129 crore as on 31st Dec 2023.
 - Corporate loans are at INR 2,208 crore as on 31st Dec 2023, reduced by 55% as compared to 31st Dec 2022.

Distribution and Service Network

- The Company has 212 branches / outreach locations.
 - Affordable business presence expanded to 100 branches/outreaches as on 31st Dec 2023

Asset Quality

- Gross Non-Performing Assets is at 1.73% as on 31st Dec 2023 as compared to 4.87% as on 31st Dec 2022 and 1.78% as on 30th Sept 2023.
 - Retail GNPA is 1.67% as on 31st Dec 2023 as compared to 2.86% as on 31st Dec 2022 and 1.74% as on 30th Sept 2023.
 - Corporate GNPA is 3.35% as on 31st Dec 2023 as compared to 26.61% as on 31st Dec 2022 and 2.86% as on 30th Sept 2023.
- Net NPA stood at 1.14% as on 31st Dec 2023. NNPA in Retail segment is at 1.14% and in Corporate segment at 1.30%.

Capital to Risk Asset Ratio (CRAR)

- The Company's CRAR based on IndAS stood at 29.53% as on 31st Dec 2023, of which Tier I capital is 27.97% and Tier II is 1.56% as compared 24.60% as on 31st Dec 2022, of which Tier I capital was 22.43% and Tier II was 2.17%.

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

“During the recent period, India Ratings upgraded the rating to ‘AA+’ from ‘AA’ with ‘Stable’ outlook. the Company has also been awarded as ‘Great Place to Work’ by GPTW during the quarter. Our sustained focus on affordable segment helped us to achieve INR 1,000 crore in disbursements and loan book within a year of operations. We continue to focus on the affordable segment and in process of identifying geographies/segments within the prime segment that offer better yields and growth. As we expand into newer geographies/segment, we plan to increase our network of branches/outreaches from 212 currently to 300 over the next few months. We are confident that our various efforts shall drive growth and profitability.”

About PNB Housing Finance Limited

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

Disclaimer

No representation or warranty, express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained in this release. The information contained in this release is only current as of its date. Certain statements made in this release may not be based on historical information or facts and may be "forward looking statements", including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects, and future developments in its industry and its competitive and regulatory environment. Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions in India. This communication is for general information purpose only, without regard to specific objectives, financial situations and needs of any particular person. This release does not constitute an offer or invitation to purchase or subscribe for any shares in the Company and neither any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. The Company may alter, modify or otherwise change in any manner the content of this release, without obligation to notify any person of such revision or changes.

For more Information, please contact:

Investor Relations

Deepika Gupta Padhi, Head – IR & Treasury
Phone: +91 11 23445214, +91 98106 80316
Email: Investor.relations@pnbhousing.com

Media

Bhavya Taneja
Phone: +91 11 66030500, + 91 89296 08392
Email: bhavya.taneja@pnbhousing.com

Statement of consolidated financial results for the quarter and nine months ended December 31, 2023

(₹ in crore)

S.no.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
		(Unaudited)			(Unaudited)		(Audited)
	Revenue from operations						
(i)	Interest income	1,679.51	1,702.86	1,713.64	5,049.31	4,609.84	6,199.07
(ii)	Fees and commission income	73.51	59.83	66.26	164.84	248.22	283.26
(iii)	Net gain on fair value changes	1.73	15.06	16.61	25.98	22.66	34.10
(iv)	Income on derecognised (assigned) loans	-	-	-	-	10.90	10.90
I	Total revenue from operations	1,754.75	1,777.75	1,796.51	5,240.13	4,891.62	6,527.33
II	Other income	1.25	1.65	0.01	2.99	0.32	2.33
III	Total income (I+II)	1,756.00	1,779.40	1,796.52	5,243.12	4,891.94	6,529.66
	Expenses						
(i)	Finance cost	1,086.62	1,057.30	996.34	3,191.42	2,890.47	3,898.52
(ii)	Impairment on financial instruments & write-offs	59.10	44.82 [#]	254.84	164.48	546.35	691.28
(iii)	Employee benefits expenses	80.58	85.46	58.23	246.72	187.73	265.96
(iv)	Depreciation and amortisation	13.05	11.33	12.60	37.01	38.81	51.44
(v)	Fees and commission expense	4.40	2.51	2.39	10.38	7.39	11.52
(vi)	Other expenses:						
	- Impairment/loss on assets held for sale	-	-	52.24	-	52.24	47.65
	- Other expenses	71.95	70.87	53.00	199.02	150.54	202.38
IV	Total expenses	1,315.70	1,272.29	1,429.64	3,849.03	3,873.53	5,168.75
V	Profit before tax (III-IV)	440.30	507.11	366.88	1,394.09	1,018.41	1,360.91
	Tax expense:						
	-Current tax	114.02	66.94	(17.11)	288.49	106.79	87.78
	-Deferred tax ((credit)/charge)	(12.16)	57.17	114.86	36.84	144.90	227.13
VI	Total tax expense	101.86	124.11	97.75	325.33	251.69	314.91
VII	Net profit after tax (V-VI)	338.44	383.00	269.13	1,068.76	766.72	1,046.00
VIII	Other comprehensive income						
	A (i) Items that will not be reclassified to profit or loss:						
	Remeasurement gain/ (loss) on defined benefit plan	0.22	0.50	(0.48)	(0.43)	(0.42)	(0.69)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.05)	(0.13)	0.12	0.11	0.11	0.17
	B (i) Items that will be reclassified to profit or loss:						
	Cash flow hedge	(7.39)	8.39	(4.87)	(17.93)	76.97	103.67
	(ii) Income tax relating to items that will be reclassified to profit or loss	1.86	(2.11)	1.23	4.51	(19.37)	(26.09)
IX	Total comprehensive income (VII+VIII)	333.08	389.65	265.13	1,055.02	824.01	1,123.06
	Earnings per share (of ₹ 10 each)*						
	-Basic (₹)	13.04	14.76	13.69	41.44	39.01	53.21
	-Diluted (₹)	13.00	14.73	13.68	41.33	38.99	53.16
	Paid-up equity share capital (Face value of ₹ 10)	259.68	259.58	168.79	259.68	168.79	168.86
	Reserves (excluding revaluation reserves) as at March 31						10,845.00

* EPS for the quarters and nine months are not annualised.

[#] Net of reversal of impairment allowance on sale of loan assets (Refer note 4).

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

Regd. Office: 9th Floor, Antriksh Bhavan, 22 Kasturba Gandhi Marg, New Delhi – 110 001

Phone: 011 – 23736857, E-mail: loans@pnbhfl.com, Website: www.pnbhfl.com

CIN: L65922DL1988PLC033856

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.

Disclosure of loans transferred / acquired during the quarter and nine months ended December 31, 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 nine months ended December 31, 2023.

(ii) The Company has not acquired, any stressed loan during the quarter and nine months ended December 31, 2023.

(iii) Details of stressed loans transferred:

(₹ in crore)

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

During the quarter ended December 31, 2023, the Company has allotted 101,616 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 nine months ended December 31, 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 January 24, 2024.

For and on behalf of the Board of Directors

Girish Kousgi
Managing Director & CEO
DIN: 08524205

Date: January 24, 2024
Place: New Delhi