

Powering ahead with purpose

37th Annual Report
2024-25

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With over 37 years of experience, PNB Housing Finance is India's third-largest housing finance company by loan asset, committed to making homeownership accessible nationwide. Our portfolio spans across retail housing and non-housing loans, delivered through three focused verticals Prime, Emerging Markets and Affordable Segment (Roshni).

Scrip code

BSE: 540173
NSE: PNBHOUSING

Market capitalisation

₹22,912 crore

(As on 31st March 2025)

Where performance meets purpose

₹80,397 crore AUM 13%▲	₹74,802 crore Retail Loan Asset 18.2%▲	₹2,750 crore Net interest income 9.3%▲
2.55% Return on assets 35% bps▲	29.38% Capital adequacy ratio 12 bps▲	₹2,327 crore Operating profit 9.5%▲
₹17,642 crore Deposits 0.88%▼	₹1,936 crore Net profit 28.4%▲	₹21,972 crore Disbursements 25%▲
3.70_x Gearing	1.08% GNPA 42 bps▼	0.69% NNPA 26 bps▼

▲ yoy growth ▼ yoy decline



Powering ahead with purpose

At PNB Housing Finance, growth is not just a trajectory—it is a mission guided by purpose. In a dynamic and shifting environment, our purpose is the North Star, aligning every decision, innovation, and outcome with clarity and conviction.

We are building a future where housing finance is more inclusive, accessible, and empowering. Our strategy is centred on deepening financial inclusion, fostering digital transformation, and upholding the highest standards of governance and trust. With a strong foundation and clear strategic vision, we are expanding our presence across diverse customer segments and geographies—unlocking opportunities for individuals and families across the socio-economic spectrum.

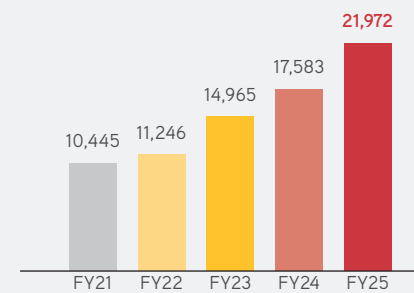
Technology continues to be a powerful enabler on this journey, enhancing the way we serve our customers, manage risk, and deliver value. At the same time, our commitment to responsible lending and stakeholder stewardship ensures that our growth is both sustainable and meaningful.

As we move ahead with renewed momentum, we remain firmly anchored in our purposes—to be a catalyst in the nation's progress, transforming lives through homeownership, and creating lasting value for all. With every step forward, we are not just financing homes—we are building futures.

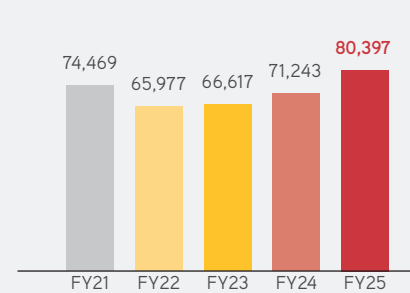
KEY PERFORMANCE INDICATORS

Pushing limits, setting benchmarks

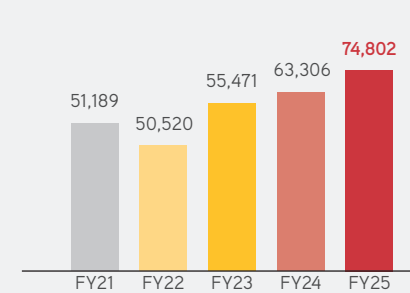
Loan disbursement*
(₹ in crore)



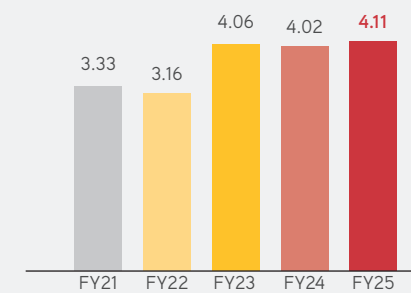
Assets under management
(₹ in crore)



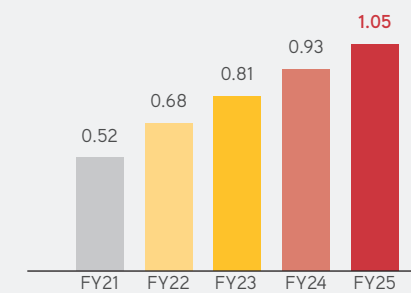
Retail loan asset
(₹ in crore)



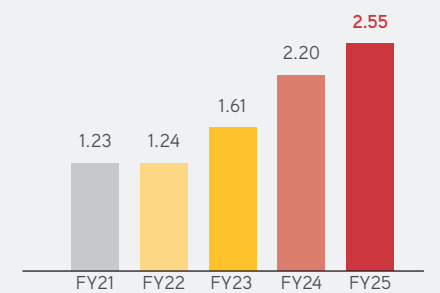
Gross interest margin
(%)



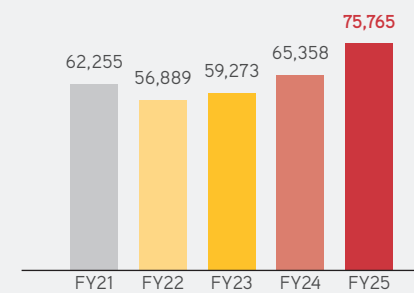
OPEX to ATA
(%)



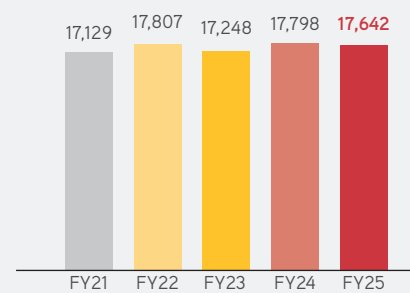
Return on asset
(%)



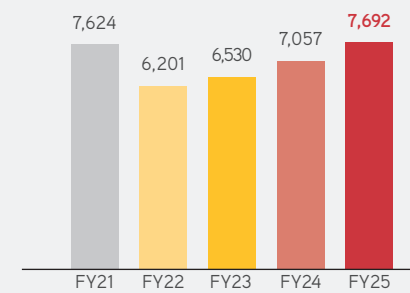
Loan asset**
(₹ in crore)



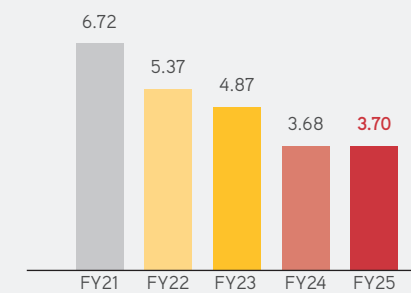
Deposit outstanding
(₹ in crore)



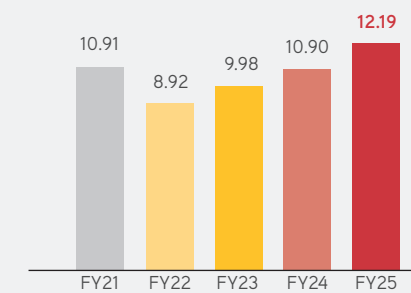
Total revenue
(₹ in crore)



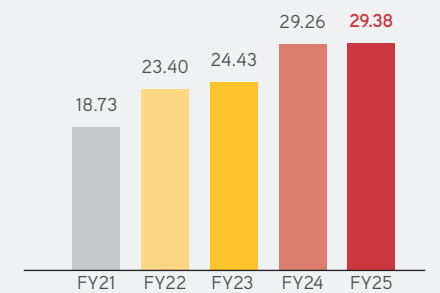
Gearing^
(%)



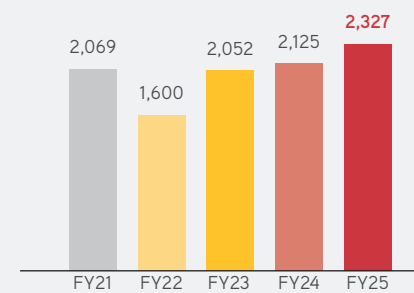
Return on equity
(%)



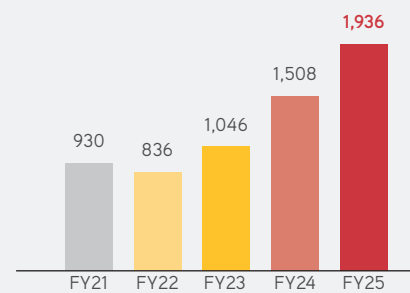
CRAR^
(%)



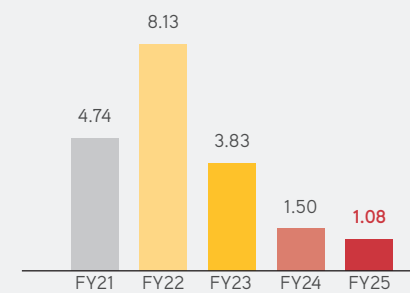
Pre-provision operating profit
(₹ in crore)



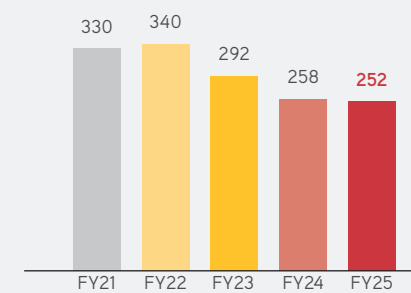
Profit after tax
(₹ in crore)



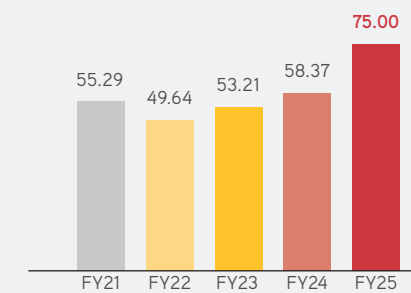
Gross non-performing assets#^
(%)



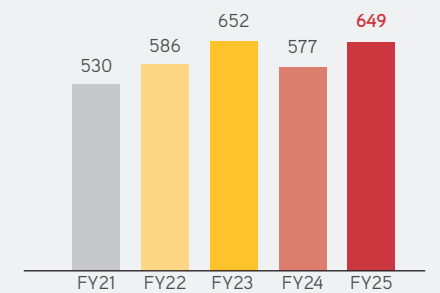
Number of loan and deposit accounts per employee^
(average)



Earnings per share
(₹)



Book value
(₹)



*Retail segment contributed to 99.84% of the total loan disbursement in FY25, whereas corporate segment contributed to 0.16%.

**Retail segment contributed to 98.73% of the total Loan asset in FY25, whereas corporate segment contributed to 1.27%.

#Principal outstanding, including principle overdue

^Indicates dates as on 31st March

Lift-off with purpose

Much like a rocket crafted with precision for a high-stakes mission, PNB Housing Finance has launched into a new orbit—powered by sound fundamentals, a clear strategic vision, and committed leadership. This lift-off is not just about momentum—it is about mission-driven progress with purpose.

Segment-led growth. Inclusive impact.

At the heart of our strategy is a three-pronged, customer-centric approach designed to expand access to housing finance across diverse geographies and income groups:

Prime: Catering to urban salaried and self-employed professionals with established credit history.

Emerging Markets: Empowering aspiring borrowers in semi-urban and emerging areas with flexible, need-based financial solutions.

Affordable Segment (Roshni): Enabling homeownership for low and middle-income households in India's Tier 2 and Tier 3 towns.

Each vertical is supported by customised underwriting frameworks, dedicated teams, and tech-led tools to enable sharp, scalable, and responsible lending.

Our Affordable business, branded as Roshni, crossed a landmark ₹5,000 crore in loan asset in just 27 months, a testament to the immense demand and our execution capabilities. Likewise, the Emerging Markets vertical, introduced in FY25, has scaled swiftly delivering high-yield, low-ticket loans, unlocking growth opportunities in Bharat's heartland.

ABOUT THE COMPANY

Empowering aspirations across India

Empowering dreams, brick by brick — PNB Housing Finance blends innovation, trust, and financial expertise to make homeownership a reality, driving inclusive growth and transforming lives across India’s dynamic housing ecosystem.

Our loan portfolio spans across Prime, Emerging Markets, and Affordable segments offering housing loans, and non-housing loans. Our wholly-owned subsidiary, PHFL Home Loans and Services Ltd., strengthens last-mile connectivity across urban and

semi-urban India, advancing inclusive growth and financial access. Promoted by Punjab National Bank and registered with the National Housing Bank, PNB Housing Finance combines strong institutional backing with deep market expertise.

We remain a catalyst in nation-building driven by innovation, robust governance and customer-centric solutions that empower millions to realise their homeownership aspirations.

Our strengths

Strong capitalisation metrics

Our financial metrics have strengthened over the past few years. As a result, our net worth rose to ₹16,863 crore as of 31st March 2025, from ₹14,974 crore a year earlier. Our Tier-I and overall capital adequacy ratios stood at 28.39% and 29.38%, respectively, as on 31st March 2025 (compared to 27.90% and 29.26% as on 31st March 2024), providing sufficient headroom to support our planned growth trajectory.

Leverage levels improved to 3.70x as of 31st March 2025, from 3.68x as on 31st March 2024. On a steady state basis we expect gearing to be in a range of 5-6x, reflecting our disciplined capital allocation and prudent balance sheet management.

Established market position

PNB Housing Finance, India’s third-largest housing finance company, has regained growth momentum with rising disbursements and an expanding retail portfolio. After a strategic consolidation phase marked by a reduction in corporate book, we have shifted focus to building a robust retail franchise. Retail now constitutes an overwhelming majority of our loan asset, with growing emphasis on Prime, Emerging Markets and Affordable segments.

Improving earnings profile

PNB Housing Finance’s profitability has strengthened, supported by stable margins, lower credit costs, and a shift towards high-yield segments like Affordable and Emerging

Markets segments. While operating expenses have inched up due to expansion, overall returns have improved. Continued focus on high yielding segments while maintain the asset quality will be key to sustain this momentum.

Investment in digitalisation

Digitalisation is a key strength for PNB Housing Finance, enabling seamless customer onboarding, faster loan processing, efficient collections, and data-driven decision-making, enhancing customer experience, operational agility, and risk management while supporting scalable, technology-led growth across diverse market segments.

The Company at a glance

37+

Years of operating history

₹75,765 crore

Loan Asset

₹80,397 crore

Total AUM

3.3 lakh+

Live loan accounts

356

Branches (pan-India)

14,000+

Channel partners
(loans + deposits)

PNB

Promoter with 28.1% holding

6,500+

Employees (PNBHFL + PHFL)



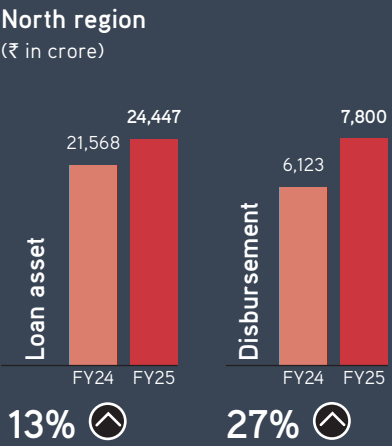
PRESENCE

Extending our reach, deepening our impact

In FY25, we expanded our physical footprint to bring housing finance closer to the underserved and aspirational segments of India. Guided by our purpose of financial inclusion, we intensified our presence across Tier 2, 3, and 4 towns targeting locations where access to formal credit remains limited but demand is rising.

Today, we serve customers across 20 states, enabled by a regionally balanced branch network, a strong channel partner ecosystem, and a decentralised credit and collection model. Our outreach is strengthened by real-time data insights, local underwriting capabilities, and a hub-and-spoke structure tailored for speed and precision.

Regional performance snapshot



MESSAGE FROM THE MANAGING DIRECTOR & CEO

From resilience to growth

●●

We began FY25 with a clear and ambitious goal - to grow our retail Loan asset by 17%. I am pleased to share that we surpassed this target, achieving robust 18.2% growth, with the retail Loan asset rising to ₹74,802 crore.

Girish Kousgi
Managing Director & CEO

Dear Stakeholders,

The financial year 2024–25 marks a pivotal chapter in the journey of PNB Housing Finance—one that reflects resilience, transformation, and renewed momentum. Over the past few years, we have laid a solid foundation by diversifying our product portfolio, expanding into high-potential markets, reducing NPAs, and consciously de-risking our book. I am pleased to share that these focused efforts are yielding visible results. During the year under review, we achieved several key milestones across businesses, asset quality, and service excellence, reinforcing our progress with purpose.

Sectoral tailwinds

The housing finance industry in India has demonstrated remarkable resilience and sustained growth, even in the face of macroeconomic challenges and regional disparities. As urbanisation accelerates and aspirations rise across Bharat, the demand for housing continues to deepen, particularly in underserved and semi-urban regions. This presents a significant opportunity for housing finance companies to widen their reach and tap into a vast, underpenetrated market.

Government support has played a catalytic role in energising this sector. Schemes such as Pradhan Mantri Awas Yojana (PMAY) 2.0 have been instrumental in driving the Affordable Housing agenda, enabling access to home ownership for millions. Further, the announcement of SWAMIH 2 fund in Budget 2025 is expected to accelerate the construction of delayed projects.

In response, housing finance companies have been agile and proactive—adapting product portfolios, embracing digital tools, expanding their presence across the country, forging meaningful partnerships with entities to enable access, and offering

customised, flexible financial solutions tailored to diverse customer needs.

According to ICRA, the industry is poised to maintain strong momentum as it continues to play a vital role in India's economic and social development. With one of the lowest mortgage penetration rates globally, the growth rates of Indian housing finance companies (HFCs) are expected to remain stable as they cater to a wider spectrum of consumers in both urban and semi-urban areas, across diverse customer profiles such as cash and non-cash and informal segments, thus boosting economic development.

Remarkable performance

We began FY25 with a clear and ambitious goal - to grow our retail Loan asset by 17%. I am pleased to share that we surpassed this target, achieving robust 18.2% growth, with the retail Loan asset rising to ₹74,802 crore. Our total Loan asset crossed the ₹75,000 crore milestone, closing the year at ₹75,765 crore as of 31st March 2025. This performance reflects the strength of our strategic intent, execution excellence and focus on sustainable expansion.

A key highlight has been the consistent growth in the Affordable and Emerging Markets segments quarter on quarter. These segments now contribute 26% to our retail Loan asset, up from 21% in the previous fiscal year. The Affordable segment, in particular, delivered exceptional performance. Having launched this business only 27 months ago, we are proud to report that it has already crossed ₹5,000 crore in March 2025. This remarkable milestone, achieved in such a short time, reinforces our belief in the segment's potential and our commitment to expanding financial inclusion across India.

Our dedicated Affordable vertical Roshni, continues to scale up its reach and operations. The number

of Roshni branches increased from 160 at the end of FY24 to 200 branches by the end of FY25. Demonstrating our commitment to nation-building, we extended our presence to the Northeast by inaugurating a new Affordable branch in Guwahati, and plan to open nine more over the period of time. With a strong national footprint, we are well-positioned to capture emerging opportunities across Tier 2, 3, and 4 towns and cities.

The strategic decision to carve out a focused 'Emerging Markets' segment has paid rich dividends. With dedicated teams across sales, credit, and operations, the Emerging Markets vertical is 19% of the retail Loan Asset and is expected to reach 25% by March 2027. This segment contributes significantly to total retail disbursements, validating our foresight and execution capability.

The NHL share in overall retail disbursements rose from 25.8% in FY24 to 30.2% in FY25. Reflecting this momentum and in alignment with our goal of margin-accretive profitable growth, we launched a dedicated Non-Home Loan (NHL) vertical at the start of FY26. This team currently operates in 10 key clusters across top cities and is focused on sourcing NHL business exclusively. In a pioneering move, we introduced a full-tenure fixed-rate NHL product, providing customers with long-term rate stability and predictability. We believe this innovation will act as a catalyst to further strengthen our NHL portfolio.

On the asset quality front, we maintained a sharp focus throughout the year, bringing gross NPAs down to 1.08% as on 31st March 2025. We emphasised on cash collection, legal initiatives and recovery. This also helped in enhancing the asset quality as recovery from written-off accounts surged more than two-fold, from ₹100 crore to ₹336 crore.

With a clear strategy of increasing retail book and de-growing corporate book, the Company posted a robust financial performance with net interest income growing by 9.3% to ₹2,750 crore. Profit

MESSAGE FROM MANAGING DIRECTOR & CEO

After Tax (PAT) rose by 28.4% to ₹1,936 crore, reflecting the strength of our underlying business model. Net Interest Margin (NIM) was at 3.70% during FY25 compared to 3.74% in FY24. The Gross Margin, net of acquisition cost, was at 4.11% for FY25.

The Company continues to maintain a well-diversified and cost-efficient long-term funding base, contributing to a year-on-year decline in the cost of borrowing by 15 basis points, bringing it down to 7.86% in FY25. During the year, the Company availed ₹5,000 crore funding from the National Housing Bank (NHB) and raised USD 350 million through External Commercial Borrowings (ECB), further strengthening its financial flexibility and long-term liquidity position. With market liquidity improving and the potential for rate cuts on the horizon, we anticipate a reduction in borrowing costs in the forthcoming quarters. We also received consistent credit rating upgrades to 'AA+' from 'AA' with 'Stable' outlook, from the country's leading credit rating agencies, CARE, CRISIL, ICRA and India Ratings.

Return on Assets (RoA) stood at 2.55%, and Return on Equity (RoE) at 12.19%. We continue to maintain a strong capital position, with a capital adequacy ratio of 29.38% and Tier 1 capital at 28.39% as of 31st March, 2025.

Continuing our growth journey

The Union Budget 2025 resolution underscores the government's resolve to drive inclusive economic progress through prudent fiscal management and forward-looking reforms. The housing sector remains a cornerstone of national development, and we welcome the thoughtful measures aimed at making home ownership more accessible and affordable for millions. The upward revision of the income tax exemption limit to ₹12 lakh is expected to



significantly increase disposable incomes, thereby stimulating housing demand across segments. This, coupled with robust infrastructure investments and a pro-growth policy environment, bodes well for the long-term expansion of the housing and real estate sectors. Further, the policy rate cuts initiated by the RBI are expected to propel credit demand in the current year. We remain confident that these initiatives will catalyse sectoral growth, aligned with India's broader vision of building a sustainable, empowered, and inclusive economy.

At PNB Housing Finance, our strategic focus remains clear and future-oriented. Guided by our core objectives, we are advancing on all fronts—from growing our retail and affordable loan portfolios, especially in underserved markets, to maintaining best-in-class asset quality through strong underwriting and collection practices. We continue to build

a diversified and cost-effective borrowing profile. Strong corporate governance underpins every step we take, reinforcing our commitment to transparency and scalability. These initiatives, combined with our focus on profitability, are driving sustainable growth and delivering long-term value to all stakeholders. We have also relaunched the corporate segment with a focused approach.

We are advancing our digital transformation journey with a clear vision to become a leading tech-driven housing finance company. Our technology revamp, initiated in Q4 FY24, is nearing completion, with visible improvements across parameters. We have piloted a new Loan Origination System and strengthened cybersecurity with 24/7 monitoring and AI-based tools. These initiatives ensure scalability, resilience, and seamless customer experiences across our growing digital ecosystem.

We are advancing our digital transformation journey with a clear vision to become a leading tech-driven housing finance company. Our technology revamp, initiated in Q4 FY24, is nearing completion, with visible improvements across parameters.

During the year, we also launched 'Roshni' a vibrant mascot symbolising hope, positivity, and empowerment. The mascot's name meaning 'light' in Hindi, reflects the Company's promise to illuminate the path to affordable for aspiring home owners.

Growing with our human capital

I take this opportunity to extend my heartfelt gratitude to our team of 6,500+ dedicated professionals (including PNB Housing Finance and PHFL) whose commitment and resilience have powered our journey of continued success. At PNB Housing Finance, we are deeply invested in fostering a culture where every individual—irrespective of role or background—can flourish. Our people strategy is built on the pillars of inclusivity, continuous learning, and holistic development. We strive to provide an empowering work environment that enables our employees to adapt, innovate, and lead. By nurturing talent at every level, we are not just building a future-ready organisation—we are creating a workplace where potential is unlocked, aspirations are fulfilled, and every contribution advances our collective mission of delivering value to customers and stakeholders

alike. This is further validated by PNB Housing Finance's recognition as a Great Place to Work twice in a row, indicating a strong commitment to employee well-being and a positive work environment.

Pursuing growth and profitability with sustainability

We operate in a VUCA world—volatile, uncertain, complex, and ambiguous, where sustainability has become essential to business continuity and risk mitigation. We firmly believe that embracing sustainability and transparently disclosing progress on ESG parameters help enhance stakeholder trust, and position businesses to be future-ready and resilient.

At its core, sustainability is about creating long-term value, building a healthier, more equitable future for our people, our organisation and our planet. At PNB Housing Finance, we integrate a sustainability lens into every facet of our business, from supporting low and middle-income households through our 'Roshni' loans, to fostering climate literacy, building a carbon-conscious culture, and sharpening our focus on diversity, equity, and inclusion (DEI). Our efforts are further strengthened by strong governance, cybersecurity protocols and impactful community programmes under our CSR framework.

As we move forward with strength and conviction, guided by our Board and Committees, we remain committed to transparent ESG disclosures and purposeful action. Our journey echoes our promise: 'Ghar ki Baat Pakki, Jab Support ho Pakka'. This reinforces our mission to fulfil home ownership aspirations of Indians, coming from diverse social and economic backgrounds.

Looking forward

As we look to the future, we have set an ambitious goal: to scale our retail Loan asset to ₹1 trillion by FY27—a vision rooted in strategic clarity and disciplined execution. Over the past three years, we have made significant investments in digitalisation to enhance customer experience, strengthen risk management, streamline credit underwriting, and expand our business reach. These initiatives, coupled with efforts to boost employee productivity and optimise operational efficiency, have laid a strong foundation for sustainable, high-quality growth.

I extend my sincere gratitude to all our stakeholders – investors, customers, valued partners, and employees – for their continued trust and belief in our journey. Your support inspires us to reach greater heights. I would also like to thank our Board members for their strategic vision and guidance.

I must take this opportunity to thank our promoters, regulators, rating agencies, lenders, and bankers for their support in shaping our growth journey. Together, as we align with the growth aspirations of our country, I am confident that we are entering a dynamic new chapter, full of promise, purpose and progress.

Warm regards,

Girish Kousgi
Managing Director & CEO

Orbit of opportunity

With a solid foundation and accelerating momentum, PNB Housing Finance has entered a high-growth orbit—firmly centered on customer needs, digital innovation, and inclusive, responsible lending. Our trajectory is aligned with India's development agenda, and we are committed to making homeownership more accessible, efficient, and secure.

Expanding access through responsible lending

As a proud partner in the national vision of Housing for All, we are actively participating in the revamped PMAY subsidy scheme in collaboration with MoHUA and NHB. By March 2025, we mobilised over 5,500 eligible beneficiaries worth ₹750+ crore—helping first-time homeowners realise their dreams.

Digitally driven. Customer first.

We continue to modernise our digital backbone through Salesforce CRM, analytics-led decision-making, and cloud-based infrastructure. These enhancements have enabled automation of over 16% of service requests, while improving our collection efficiency and strengthening risk controls.

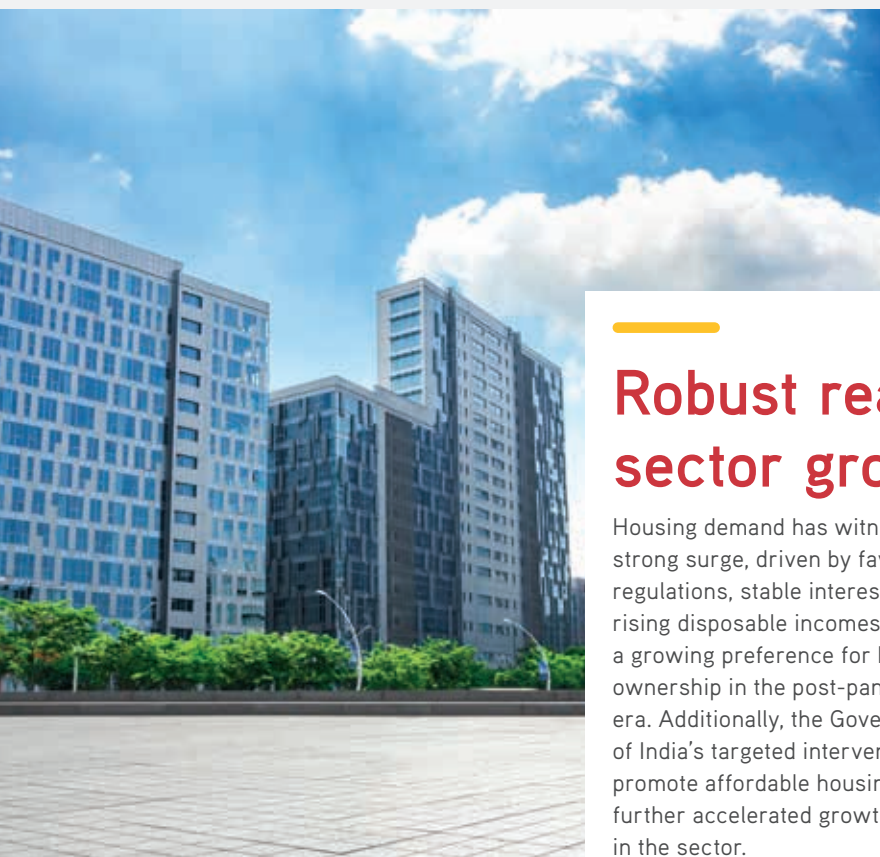
Our technology stack has also been fortified with AI/ML-enabled cybersecurity protocols, ensuring resilience, scalability, and data security.

From seamless digital onboarding and centralised processing to faster documentation and customised service delivery, we are empowering a wider spectrum of customers, including those beyond the salaried class to own a home with confidence and ease.

OPERATING CONTEXT

Favourable growth environment

In recent years, the Indian housing finance sector has experienced robust growth, propelled by a combination of factors sustained government initiatives to promote affordable housing and homeownership, a supportive interest rate environment, rising urban migration, and technology-driven improvements that have made financing more accessible than ever before.



Robust real estate sector growth

Housing demand has witnessed a strong surge, driven by favourable regulations, stable interest rates, rising disposable incomes, and a growing preference for home ownership in the post-pandemic era. Additionally, the Government of India's targeted interventions to promote affordable housing have further accelerated growth in the sector.

Key growth drivers

- » Driven by growing population, there will be 7 crore additional housing demand by 2030¹
- » India's population is expected to reach 1.51 billion by 2030 with more than 40% of Indians living in the urban regions^{2,3}
- » From USD 2,600 in FY25, India's per capita income is expected to reach USD 5,140 by 2031, driving affordability⁴
- » With a median age of 28.2 years, India is the youngest country in the world⁵

¹ CREDAI

² Weforum

³ NAREDCO

⁴ Morgan Stanley

⁵ World Population Prospects

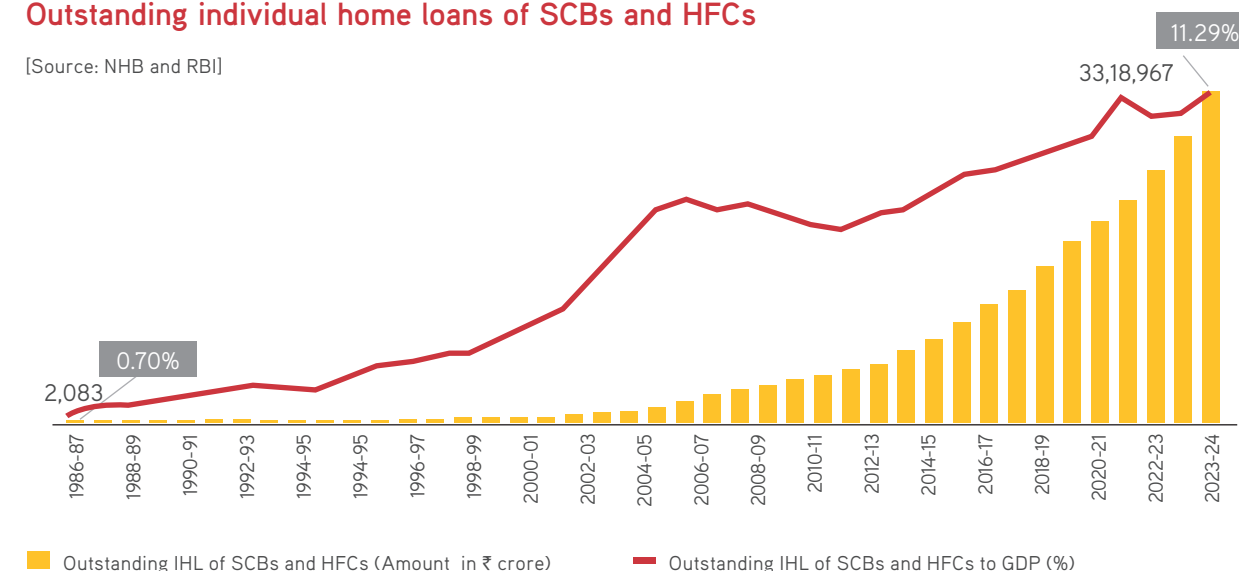
Growing importance of housing loan



Home loans are vital in India, fulfilling aspirations of homeownership, fostering financial security, and stimulating economic growth through the crucial real estate sector. Availability and affordability of housing finance has been a key driver for India's housing demand. Housing loans as a percentage of GDP increased from 3.20% in FY02 to 6.60% in FY12 and further to 11.29% in FY24.

Outstanding individual home loans of SCBs and HFCs

[Source: NHB and RBI]



■ Outstanding IHL of SCBs and HFCs (Amount in ₹ crore)

— Outstanding IHL of SCBs and HFCs to GDP (%)

Technology as a catalyst



Technology has emerged as a powerful enabler across the housing finance value chain—from loan origination and customer onboarding to underwriting, disbursal, and collections. Housing finance companies are increasingly adopting digital tools, including artificial intelligence (AI) and machine learning (ML), to enhance credit assessment and improve customer targeting. Government-led initiatives such as the Account Aggregator framework have further simplified and accelerated documentation, making the entire process more seamless, secure and efficient.

Government focus



The Indian real estate sector has benefitted from a series of transformative policy interventions from the government, designed to promote growth and ensure sustainable development. Landmark initiatives such as the Real Estate (Regulation and Development) Act (RERA), Pradhan Mantri Awas Yojana (PMAY), and the Smart Cities Mission, along with broader efforts to encourage green and resilient infrastructure, have provided strong momentum to the sector, fostering greater transparency, inclusivity and long-term viability.

STRATEGY

Moving ahead with purpose

We have clear strategic priorities for the future—focused on scaling our retail presence, deepening inclusion, protecting asset quality and unlocking operating leverage through technology. With strong governance, disciplined execution, and purpose-led growth, we are building a resilient, future-ready housing finance institution.



Growing our retail loan asset, with a focus on emerging markets

We continued to scale our retail franchise by strategically focusing on the Emerging Markets segments. Our retail loan asset portfolio reached ₹74,802 crore as of 31st March 2025, reflecting an 18% year-over-year (yoy) growth. This performance was supported by targeted disbursements, deeper geographic penetration, and improved internal productivity.

Our Emerging Markets segment, which caters to customers in outskirts of Tier 1 and Tier 2 cities, grew by 21% yoy and reached ₹14,125 crore. What makes this segment particularly strategic is its incremental yield—on average, 41 bps higher than our Prime segment. We also expanded our footprint from 50 to 60 branches during the year to deepen our presence in these markets.

Retail loan asset performance

Prime

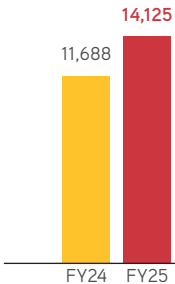
(₹ in crore)



12%

Emerging Markets

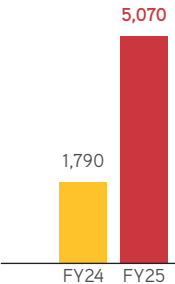
(₹ in crore)



21%

Affordable

(₹ in crore)



183%

Total Retail

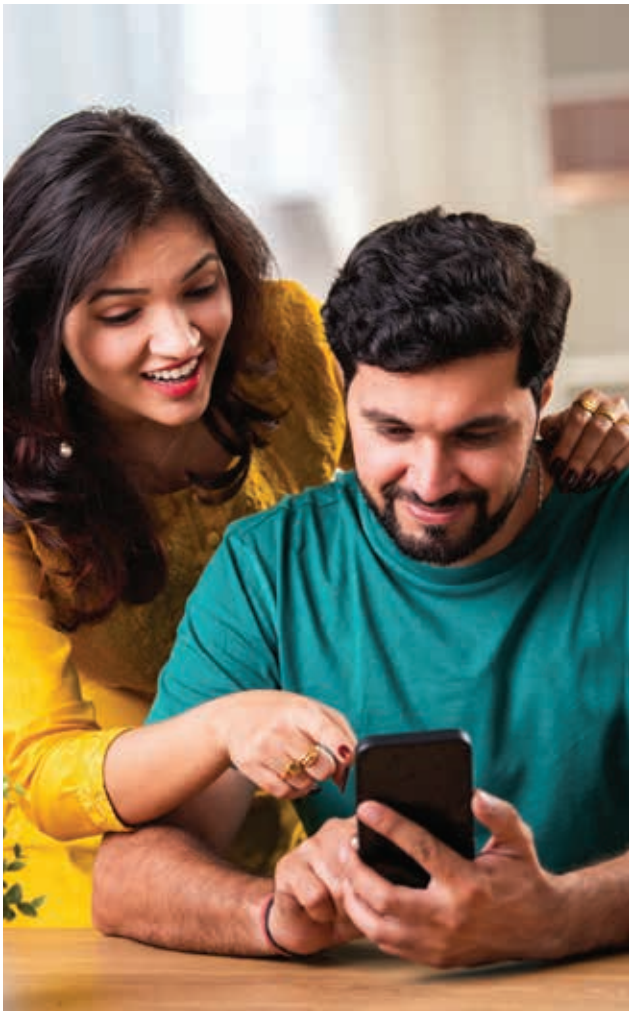
(₹ in crore)



18%

By focusing on these growth markets, we have expanded our Loan asset, improved portfolio yields, reinforced customer engagement, and built stronger regional ecosystems for our sales and servicing teams.

yoy





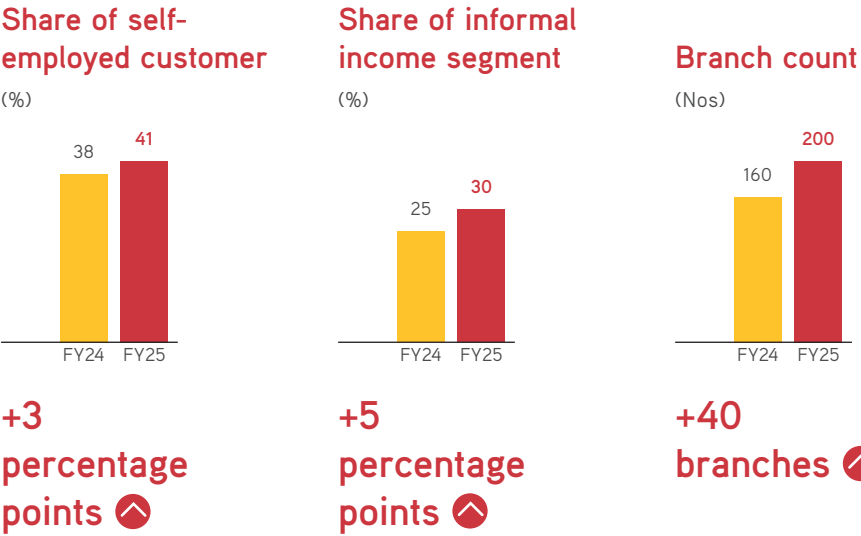
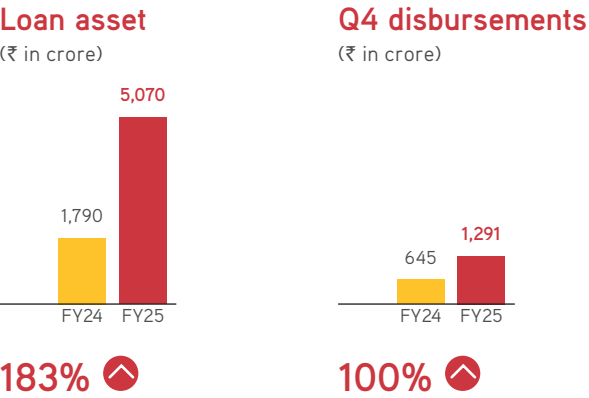
Expanding our affordable loan portfolio in Tier 2 and 3 cities

Our Affordable business, ‘Roshni’, delivered outstanding results this year. We crossed a significant milestone by scaling the affordable Loan asset from ₹1,790 crore in March 2024 to ₹5,070 crore by March 2025, marking a 183% yoy growth. This was made possible through disciplined execution, localised customer engagement, and rapid geographic expansion.

We increased our Roshni branches from 160 to 200, now covering over 130 high-potential districts across 15 states. We entered new markets like Punjab and the Northeast, with a branch launched in Guwahati. These additions increased our physical reach, and helped us engage with underserved and first-time borrowers.



Affordable Segment performance



We are especially proud of the fact that nearly 41% of the portfolio now comprises self-employed borrowers and around 30% falls under the informal income category. These customers, historically underserved by traditional lenders, are a key focus area in our financial inclusion journey.



Strengthening asset quality through robust underwriting and collections

One of our biggest achievements this year was the significant improvement in asset quality. Through proactive risk management, digitised collections, and legal enforcement under SARFAESI, we were able to bring our gross NPA down to 1.08% as of 31st March 2025, from 1.50% the year prior.

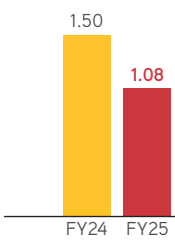
We recovered ₹336 crore from our written-off pool in FY25 – more than double the ₹100 crore recovered in FY24 – thanks to aggressive possession and resolution actions. Our SMA-2 resolution rate stood at 99.6% and X-Bucket resolution at 97%.

We have one of the best asset quality metrics among housing finance companies, and we aim to sustain this through continued investment in credit risk analytics, early resolution mechanisms and disciplined field collection.

Asset quality and recovery

Gross NPA

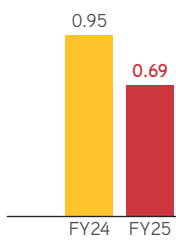
(%)



37 bps 

Net NPA

(%)



26 bps 

Collection efficiency

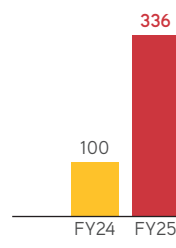
(%)



55 bps 

Recovery from written-off pool

(₹ in crore)



89% 



Maintaining a well-diversified borrowing mix and adequate capitalisation

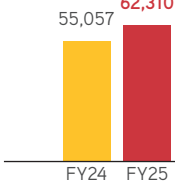
Despite tight liquidity conditions in the market, we successfully diversified our borrowings and maintained a strong capital position. Our total borrowings increased to ₹62,310 crore, while our capital adequacy ratio improved slightly to 29.38%, with Tier I capital at 28.39%.

We raised ₹5,000 crore from NHB and secured USD 350 million in ECB sanctions during the year. Our cost of borrowing improved by 15 bps yoy to 7.86%, supported by better market rates and proactive liability management.

Borrowing and capital metrics

Total borrowings

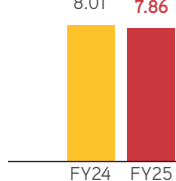
(%)



₹7,253 Cr 

Cost of borrowing

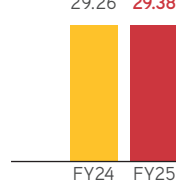
(%)



15 bps 

CRAR

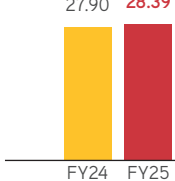
(%)



12 bps 

Tier I capital ratio

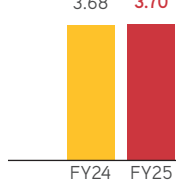
(%)



Stable

Gearing ratio

(X)



Slight increase

These numbers reflect our strength in financial planning and our ability to access stable, long-term funds across instruments—banks, deposits, NCDs, NHB and foreign currency lines.

STRATEGY



Improving return on assets (RoA) and return on equity (RoE)

This year, we made significant headway in improving our profitability ratios. Our RoA improved to 2.55%, while RoE rose to 12.2%, reflecting enhanced efficiency, higher margin business, and lower credit costs.

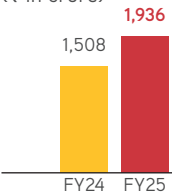
Our net interest margin (NIM) remained stable at 3.70%, while spreads stood at 2.19%. The shift toward Affordable and Emerging Markets segments played a crucial role in margin resilience. Pre-provision operating profits grew 9.5% yoy, and credit costs turned negative due to recoveries.

We believe that as we further scale our Affordable and Emerging Markets portfolios, profitability will continue to strengthen.

Profitability metrics

PAT

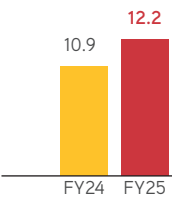
(₹ in crore)



28.4 %

RoE

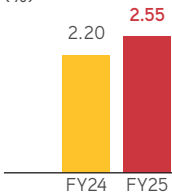
(%)



129 bps

RoA

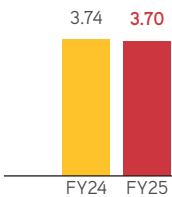
(%)



35 bps

Net Interest Margin

(%)



Stable



Strengthening corporate governance to build a scalable institution

At PNB Housing Finance, we believe that strong governance is fundamental to long-term value creation. In FY25, we took consistent steps to institutionalise best practices in governance, compliance, and risk oversight—ensuring we are not only growing but growing responsibly.

We continued to strengthen our board structure, enhanced our ESG disclosures, and reinforced risk management systems across verticals. The Risk Management Committee and Audit Committee remained deeply engaged throughout the year in monitoring credit, liquidity, cyber, and operational risks. We also realigned our internal audit systems in line with the evolving regulatory expectations for Housing Finance Companies (HFCs).

Our alignment with RBI's revised HFC guidelines included implementing tighter control over asset classification, provisioning norms, and risk-based pricing. Additionally, we progressed on the digitisation of compliance and audit trails, improving transparency and reporting accuracy.

Key governance priorities we acted on this year include:

- » **Independent board oversight:** Diverse, experienced board with dedicated focus committees.
- » **Internal audit upgrades:** Comprehensive process audits and implementation of digitised reporting workflows.
- » **Regulatory compliance:** Full alignment with NHB and RBI guidelines; prompt adoption of PMAY subsidy scheme via NHB partnership.
- » **ESG strengthening:** Progress on disclosures, data quality and social performance metrics in Affordable segment.

These efforts reflect our aspiration to be a leading, trusted, and well-governed financial institution. Our governance framework supports financial strength and compliance, reinforces stakeholder confidence in our long-term journey.



Accelerating operational efficiency through digitalisation

Technology continues to be a key enabler across our value chain—from customer acquisition to collections. We fully implemented Salesforce CRM in the affordable segment and enhanced analytics across field collections and delinquency management.

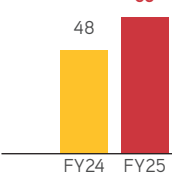
This year, each agent handled an average of 63 service calls per day, and 16% of customer service requests were addressed through automation.

As we look ahead, we will continue to invest in digital onboarding, straight-through processing, and AI-powered credit decisioning to improve speed, accuracy and customer satisfaction.

Digital performance metrics

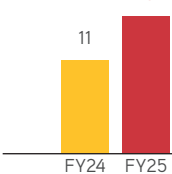
Avg. calls per agent per day

(Nos)



Automated service requests

(%)



CRM deployment

FY24 Partial

FY25 Full Rollout

Guided by the North Star

In the dynamic universe of financial services, purpose remains our North Star—illuminating our path with clarity, conviction, and a long-term view. At PNB Housing Finance, every decision is anchored in our commitment to trust, governance and value creation.

Strengthening trust through governance and ratings

We continued to fortify our governance through a transparent, compliance-first approach, anchored in ethical conduct and proactive risk management. Our robust risk framework includes predictive analytics, early warning systems and field-level resolution mechanisms—enabling effective asset recovery, reduced delinquencies and strong collection efficiencies.

We earned AA+ (Stable) credit rating upgrades from CARE, CRISIL, ICRA and India Ratings. These upgrades reflect our improved asset quality, strengthened balance sheet and disciplined governance framework.

Culture that reflects purpose

Our recognition as a Great Place to Work® twice in a row is a proud milestone—testament to our empowering work culture and deep investments in our 6,500+ employees (PNBHF+PHFL) who drive our mission forward.

Prudent financial stewardship

Our cost of borrowing improved by 15 bps yoy to 7.86%, driven by a healthier credit profile and a strategically diversified funding base. We continued to tap into a broad spectrum of sources including NHB refinance, NCDs, CPs and ECBs—ensuring financial agility and resilience.

Together, these initiatives reinforce our commitment to building a purpose-led, performance-driven institution grounded in trust, resilience and long-term value.

ESG FOCUS

Sustainability for people, planet and prosperity

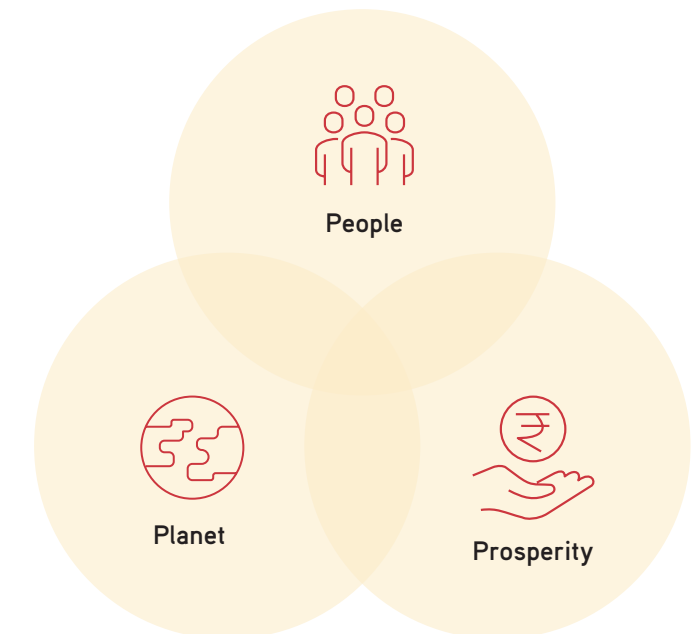
India's robust macroeconomic fundamentals and the growth trajectory of the housing sector align with our commitment to the vision of Viksit Bharat. As sustainability and ESG gain increasing importance amid evolving regulations and stakeholder expectations, we have reinvigorated our ESG approach with a sharper, more comprehensive focus. We continue to align with emerging national and global standards to drive responsible growth and long-term value creation.

"We are in the decisive decade. It is indubitable that sustainability makes sense for the planet, for the people, for the communities and for the bottom line. Sustainability is the catalyst for growth in today's changing landscape.

We see 'Sustainability' as a value center for us. It presents opportunities for differentiation and brings the most effective, inclusive, people-centric business strategy into action.

In our journey, we shall continue to demonstrate the brighter side of sustainability and strive to create a positive influence of sustainable practices within and beyond our business."

Leadership Team,
PNB Housing Finance



Our journey so far

FY23

Fundamentals

Delved deeper into the fundamentals of ESG & Sustainability

FY 24

Policy and framework around ESG

Formulated the ESG Policy to have dedicated focus

Governance around ESG

Created ESG vertical within the Company

FY25 and beyond

Benchmarking and stakeholder engagement

Conducted stakeholder discovery for engagement and materiality exercise

Materiality matrix development

Consolidated the material issues in a materiality matrix post detailed surveys

Going the next level

Further aligning with regulatory guidelines and global sustainability platforms - GRI, TCFD, S&P Global CSA, GHG Protocol and exploring PCAF

Structured disclosures around ESG

Commenced disclosure on the progress in ESG through BRSR on all essential and leadership indicators

Built on our core values



People First



Customer-Centric

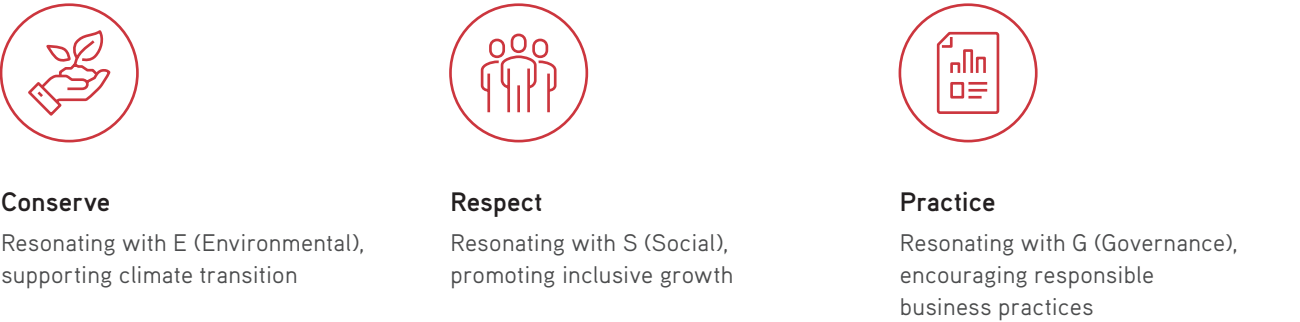


Ethical Standards

House of ESG

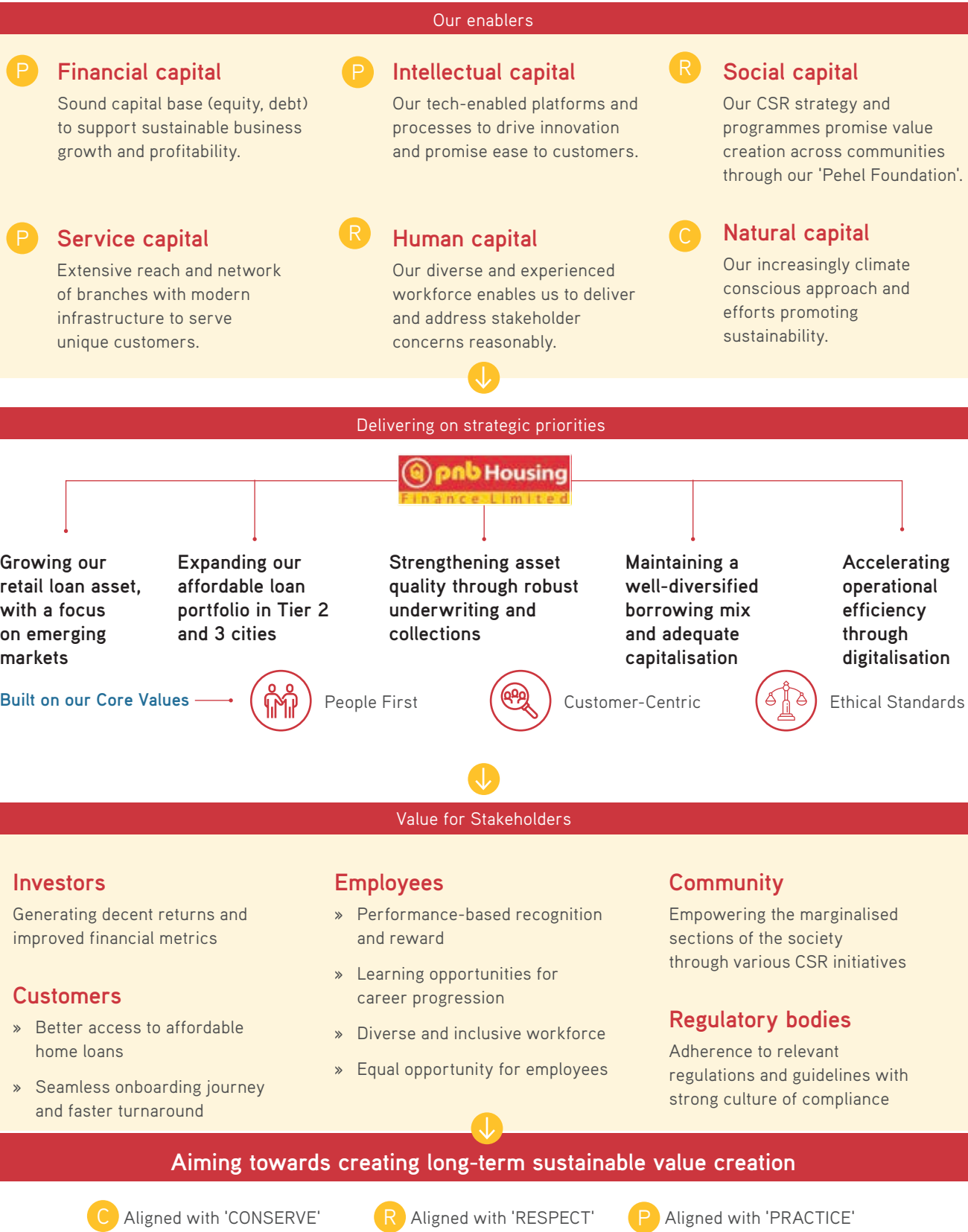


The House of ESG is an overarching framework that represents how our journey is structured and directed toward sustainable transformation. This framework enables us to translate our ESG attributes into action under three pillars:



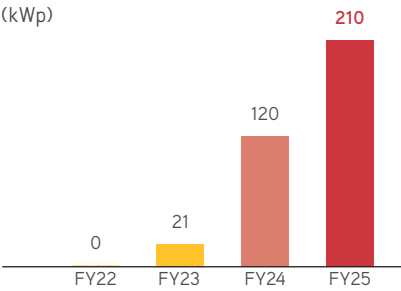
Sustainable value creation model

We have also developed our Sustainable Value Creation Model, drawing inspiration from the Integrated Reporting (IR) framework—now consolidated under the IFRS framework—to ensure proper alignment of our sustainability journey with our business.

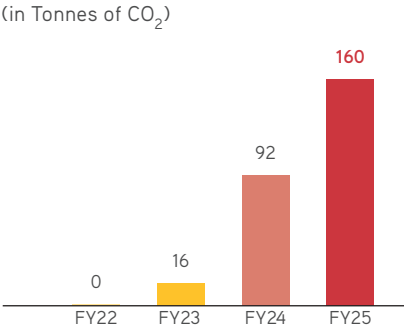


Growing responsibly – Addressing our triple bottom line

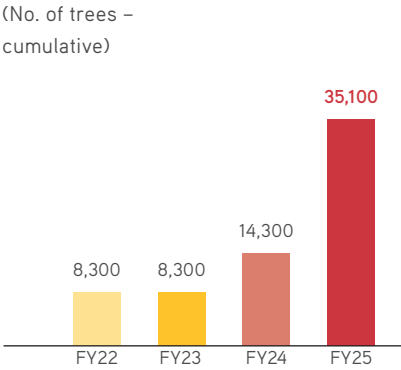
Non-fossil based cumulative capacity



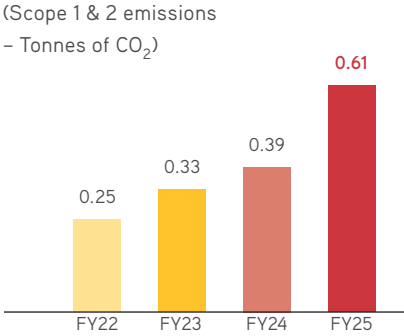
Carbon reduction potential



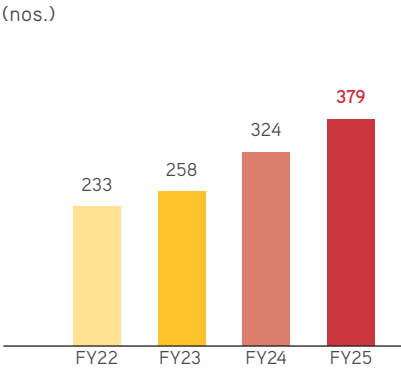
Tree plantation



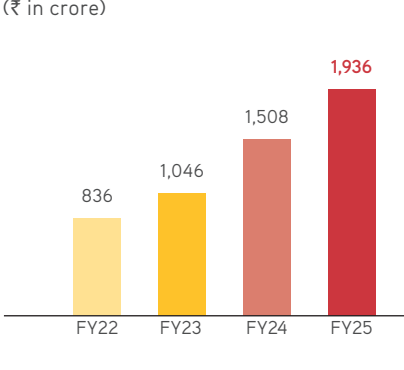
Carbon intensity per crore income



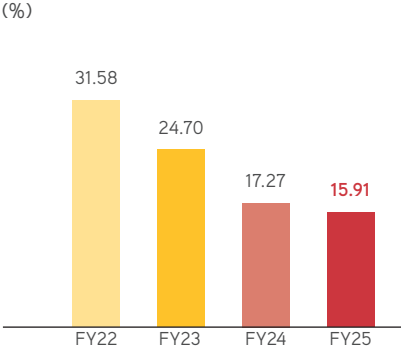
Female employees



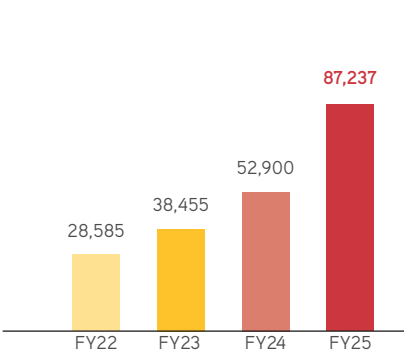
Economic value retained



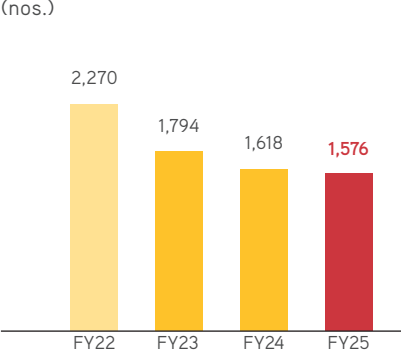
Turnover rate



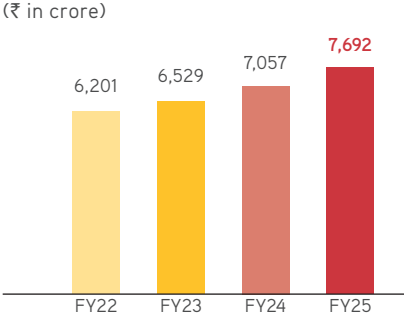
Total learning hours



Customer grievances



Direct economic value generated



Our ESG performance

As of 28th February 2025, PNB Housing Finance performed in the **top third** of the Diversified Financial Services and Capital Markets industry in the S&P Global Corporate Sustainability Assessment (S&P Global CSA).

S&P Global

In February 2025, PNB Housing Finance was assessed by Morningstar Sustainalytics to be at **‘Medium’** risk of experiencing material financial impacts from ESG factors.



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Sketching the way forward

We intend to leverage the GRI frameworks to further enhance our sustainability journey and disclose relevant ESG metrics and sustainability aspects. Participation in relevant rating platforms such as the S&P Global Corporate Sustainability Assessment, in addition to the Business Responsibility and Sustainability Reporting (BRSR) framework of SEBI, remains in our strategic focus.

PNB Housing Finance reserves the right to update and modify its future outlook in accordance with evolving regulations and changing business dynamics.

PEOPLE

People first, always

Guided by our core value of ‘People First’, we believe that nurturing talent, building trust, and promoting an inclusive and empowering culture are fundamental to building a sustainable and high-performing organisation. In FY25, we continued to strengthen our people-centric approach, making PNB Housing Finance a workplace where employees feel valued, inspired, and equipped to thrive in a dynamic business environment.

2,149

Employees

36.1 years

Average employee age

35.9 months

Average employee tenure

“You take care of your people and they will take care of your business.”

Mr. Girish Kousgi
MD & CEO



Creating a culture of trust and belonging

Our organisational ethos, captured by our brand philosophy ‘Ghar ki Baat’, reflects our deep commitment to building an environment of trust and care. Just as a home is a place of security and connection, we extend this sense of belonging to our employees.

Every action and initiative—right from recruitment to engagement, development, and recognition—embodies this spirit.

The Trust Framework at PNB Housing Finance ensures that our people practices are aligned with the highest standards of transparency, ethics, and

accountability. Our senior leadership plays a pivotal role in championing this culture, embodying values such as integrity, humility, meritocracy, and empowerment, which shape the behaviours and decisions across the organisation.

Expanding our collective potential

In FY25, we continued to scale our campus hiring programme, building on the momentum of its relaunch the previous year. A total of 43 management trainees were onboarded from 13 leading campuses across India, selected from 267 applicants.

These high-potential postgraduates have been placed across key functions, including Sales, Credit, Legal, Audit and Human Resources.

This programme is a strategic investment in shaping a pipeline of future-ready leaders, deeply aligned with the values and culture of PNB Housing Finance.

640

New hires in FY25

20%

Share of women in new hires in FY25

PEOPLE

Prarambh: A thoughtfully curated onboarding experience

- To ensure our employees begin their journey on a strong foundation, we have institutionalised ‘Prarambh’, an award-winning 90-day onboarding programme. The initiative goes beyond orientation and includes:
- » Pre-joining engagement through personalised family welcomes and tree plantations symbolising long-term growth.
 - » Structured milestones like workspace setup, buddy allocations, role orientation and policy familiarisation.
 - » Continuous support via HR check-ins, performance goal setting using SMART KPIs and quarterly feedback reviews.

Highlights of the initiative



Living our core values

Our values—People First, Customer Centricity, and Ethical Standards—serve as the bedrock of our identity.

People first

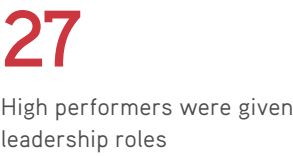
We nurture and grow talent from within. In FY25, we promoted 134 internal employees to higher roles.

Meritocracy and recognition

We revamped our performance management system to a 5-point scale, promoting objective, merit-based evaluations.

Ethical culture

We uphold fairness, transparency, and accountability through strict compliance, whistleblower policies and regular certifications.



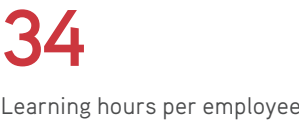
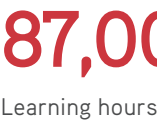
Our ‘Retention Gem’ initiative celebrates customer service employees who go above and beyond, reinforcing our values in daily practice.

Building capability

Learning and development framework

Our comprehensive Learning & Development (L&D) strategy is designed to foster a future-ready workforce:

- » **Organisation-led Interventions:** Large-scale programmes such as leadership development, regulatory training, and functional deep-dives.
- » **Functional training:** Customised for roles across sales, credit, operations and risk, delivered by internal SMEs and measured by pre-post assessments.
- » **Behavioural training:** Soft skills, customer centricity, and emotional intelligence training tailored for frontline and leadership roles.



Digital learning ecosystem

Our e-Guru LMS and LinkedIn Learning platforms offer curated, self-paced, and accessible learning opportunities. Employees receive certifications for completing courses in business, technology, and personal development. Trainers regularly recommend content based on individual training needs, enabling personalised and impactful upskilling.

Leadership Development Programme

A five-day intensive classroom workshop was conducted in collaboration with the Indian School of Business (ISB) for selected members of the Talent Pool. The programme was strategically designed to foster and strengthen organisational culture, equipping participants with advanced insights and practical tools.

Parivartan Sales Leadership Programme

A targeted development programme was conducted for nominated Area Sales Managers and Branch Business Heads to strengthen leadership and sales capabilities. The programme focused on enhancing adaptability, action orientation, customer centricity and collaboration for ASMs, while BBHs were equipped to build high-performing teams and drive cross-functional collaboration.

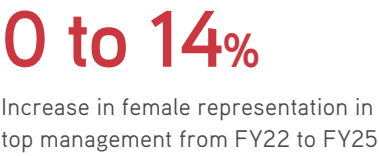
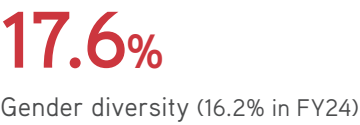
Diversity, Equity and Inclusion (DEI): The Aikyam framework



True to our belief that diversity drives innovation, we implemented the Aikyam framework to institutionalise inclusivity and empowerment across the organisation. ‘Aikyam,’ meaning unity, is centred on three pillars.

SheReturns, our women-returnee programme, offers career opportunities for women resuming work after a break, reinforcing our commitment to gender parity.

Pillar	→	Focus area	→	Impact
Diversity		Gender, ability and underrepresented talent		Broadened perspectives, better innovation and deeper customer empathy
Inclusion		Equal access, respect and growth opportunities		Higher employee morale, lower attrition, enhanced collaboration
Empowerment		Mentorship, flexible work, and leadership programmes		Future-ready workforce, increased engagement, stronger retention



PEOPLE

Innovation by all: A culture of ideas and ownership

Innovation is embedded in our DNA. At PNB Housing Finance, every employee, regardless of role, is encouraged to contribute ideas that drive progress. This philosophy is institutionalised through:

Mera Sujhaav:
The ideation platform

Our flagship platform, Mera Sujhaav, is a powerful channel for employees to share actionable suggestions. Managed by the Idea Council, chaired by the CFO and reviewed by the MD & CEO, it ensures transparency and recognition. This platform has:

- » Democratised innovation across functions and levels
- » Encouraged ownership and problem-solving
- » Rewarded impactful ideas, enhancing morale and engagement



Case study



From idea to impact: How employee feedback transformed customer engagement

One of the most impactful examples of innovation through employee input is the implementation of Salesforce CRM, replacing our legacy customer systems.

Key results

- » **Customer interaction:** Enquiry volumes doubled, repeat customer emails reduced from 2.5 to 1.6
- » **Sales performance:** Lead-to-login ratios improved 50–60%
- » **Operational efficiency:** API query closures rose from 1,574 to 2,983/month; customer email closures rose from 83% to 91%
- » **Collaboration:** Enabled real-time decision-making across 300+ branches
- » **Employee productivity:** Sales and service teams reported substantial time savings and better collaboration

Complemented by LMS upgrade

The successful upgrade of our Loan Management System, based on employee feedback, resulted in faster processing, improved compliance, and a better customer experience.

These initiatives underscore how frontline feedback can power enterprise-level change—an enduring example of innovation by all.

Future-focused talent strategy

As we look ahead, our people agenda is aligned with long-term business priorities:

- » **Succession planning:** Robust pipelines are being built through data-backed talent reviews and mobility programmes
- » **Leadership development:** Targeted grooming of high-potential talent at mid- and senior levels

- » Agile and digital capabilities: Ongoing reskilling to match evolving business models and digital-first initiatives

Strengthening retention

At PNB Housing Finance, we focus on retaining high-performing, values-driven professionals who form the backbone of our organisation. In FY25, our sustained efforts in enabling performance, providing growth opportunities, and creating a supportive work environment resulted in a marked reduction in attrition—among the best in the industry.

23.1%

Overall attrition in FY25

15.9%

Regretted attrition in FY25

Driving recognition, reward and growth

Our revamped performance management framework ensures fair and transparent assessments aligned to business impact and leadership behavior. Key elements include:

- » Role-aligned competencies that balance functional expertise and leadership behaviour
- » 360-degree feedback, promoting a culture of openness and growth
- » Merit-based rewards to recognise standout performers across geographies and functions

Anchors Club: Celebrating enduring contributions

Loyalty and legacy matter. Our Anchors Club honours long-serving

employees who have shaped our journey. Recognition is given across tenure milestones—starting from 3 years and going up to 25 years.

These individuals are our culture carriers, setting the benchmark for integrity, dedication and excellence.

184

Employees recognised as Anchors in FY25

MD's Toppers Club and Star Circle

To honour those who consistently go above and beyond, we have institutionalised two premier recognition platforms:

MD's Toppers Club – Recognises top-performing employees each quarter

MD's Star Circle – Celebrates individuals who create exceptional business impact

Winners are personally felicitated by the MD & CEO, followed by a dedicated lunch session—a forum to share experiences, ideas, and insights directly with leadership.

270

Awardees in FY25



Creating connections: Engagement that unites

We believe engaged teams drive performance—and culture is built through shared experiences. Our monthly engagement series,

'Happy Hour', brings employees together across locations for interactive, fun-filled sessions that foster bonding beyond the day-to-day. We also celebrate the extended PNB Housing Finance family.

Through 'Taiyari Udaan Ki', we recognise the academic achievements of employees' children, reinforcing our culture of inclusion and belonging.

CORPORATE SOCIAL RESPONSIBILITY

Together for tomorrow

At PNB Housing Finance, our Corporate Social Responsibility (CSR) philosophy is deeply aligned with our identity as a housing finance institution. We believe that sustainable development is vital for building resilient communities, and our CSR initiatives are designed to address critical socio-economic challenges through focused, high-impact interventions.

Our CSR strategy is built on three key pillars



Flagship initiatives

These initiatives focus on the holistic welfare of construction workers, migrant communities, and the unorganised sector, along with their families.

They offer integrated support through healthcare access, education, and skill development, improving the quality of life for underserved groups.



Strategic thematic programmes

We have defined five core thematic areas to ensure structured and outcome-driven engagement:

- » **Women empowerment:** Promoting financial independence and dignity through education, entrepreneurship and skills training.
- » **Education:** Enhancing learning outcomes via access to quality education, digital tools and infrastructure support.

- » **Healthcare:** Improving public health through preventive care, infrastructure upgrades, and tailored support for the elderly and differently-abled.
- » **Environment:** Fostering sustainability through afforestation, renewable energy adoption, waste management and conservation efforts.
- » **Sports:** Encouraging grassroots sports, including rural, Paralympic, and Olympic disciplines, to nurture talent and promote inclusivity.



Contingency pillar

Recognising the unpredictability of disasters, our contingency framework enables swift responses to crises through relief and rehabilitation efforts. We also extend support to the Indian Armed Forces and their families in areas such as healthcare, education, and need-based services.

Through these pillars, we aim to create enduring social value by fostering empowerment, inclusivity, and resilience. By collaborating with stakeholders and local communities, we remain committed to driving sustainable progress and contributing meaningfully to nation-building.

Presence

Our CSR programmes are strategically designed to be implemented across India, with a focused approach on areas proximate to PNB Housing Finance branches. By aligning our efforts with local needs, we ensure that our interventions directly contribute to the well-being and development of the communities surrounding our operations, fostering meaningful and sustainable impact.

- » No. of States covered: **16**
- » No. of Districts reached: **38**
- » Total number of beneficiaries impacted: **8 lakh+**



Flagship intervention

Welfare of construction workers community

Objective

This is dedicated to enhancing the well-being of construction worker community through comprehensive support initiatives. By fostering a safe, inclusive, and empowering environment, we aim to uplift their quality of life, promote dignity in labour, and strengthen their social and economic resilience. Our commitment lies in building a sustainable future for the workforce that forms the backbone of the industry.

This intervention has transformed lives, directly uplifted approximately 2.8 lakh construction workers while creating a ripple effect that has positively impacted 5.7 lakh dependents. A step towards dignity, resilience and a better tomorrow!

The impact was driven by healthcare, education, skilling and livelihood interventions as detailed:

HEALTHCARE

Mobile Medical Unit (MMU)

Through the Mobile Medical Unit (MMU) project, Peheil Foundation delivers essential healthcare services directly to construction sites, promoting awareness and timely medical intervention. Daily health camps offer consultations, screenings, and medicines, reaching over 2.85 lakh individuals across 12 major cities.

Vision Care through 'PNBHFL Vision First'

This initiative enhanced access to quality eye care for construction workers and underprivileged communities in Hyderabad, Visakhapatnam, and nearby districts. Eye screening camps led to 1,800 cataract surgeries and treatment of 50 corneal conditions, significantly improving vision health.

WOMEN EMPOWERMENT

Skill development of women dependents of construction workers in Gurugram

421 women beneficiaries from construction worker communities in Gurugram were equipped with tailoring and fashion designing skills, resulting in 98% employment. The NSDC-certified course offers initial salaries ranging from ₹10,000 - ₹12,000.

EDUCATIONAL SUPPORT

Education for out-of-school children

We provide education support to children of construction worker families at two construction sites in Gurugram, benefitting 238 children during the year. Various sports and extracurricular activities were organised for overall development of children. Children were also mainstreamed into age-appropriate classes in the government schools.

Strategic interventions

Objective

Our Strategic CSR efforts are anchored in five key thematic programmes—Women Empowerment, Education, Healthcare, Environment and Sports—each designed to

drive sustainable and meaningful impact. Through these initiatives, we strive to uplift communities, foster inclusivity, enhance well-being, and create opportunities for growth

and resilience. By championing empowerment, education, health, sustainability, and the spirit of sportsmanship, we aim to build a stronger, more equitable future for all.

Pehel Shakti - Women empowerment interventions

Objective

Our Women Empowerment interventions are committed to fostering equality, opportunity, and independence for women across communities. Through skill development, micro enterprises, education, health and leadership initiatives, we strive to break barriers, amplify voices, and create a strong foundation for sustainable growth. By empowering women, we pave the way for a more inclusive and resilient society.

186 girl students of Miranda House, University of Delhi, coming from economically weaker sections of society from different streams such as science and humanities were awarded scholarships to support their higher education. This scholarship is aimed at covering the student’s annual tuition fees and will be extended for a period of three years, supporting them through the completion of their undergraduate degree courses.



Pehel Shiksha – Education interventions

Objective

We are committed to advancing education by providing inclusive learning opportunities that empower individuals and communities. Through strategic initiatives like scholarships, school digitisation, skill development, school upgradation, PM Internships and infrastructure enhancement, we strive to create an environment where knowledge becomes a catalyst for transformation. By enhancing access to quality education, modern learning technologies, and safe learning environments, we empower communities to drive sustainable socio-economic progress and lifelong learning.

Pehel Shiksha has directly impacted the educational journeys of 12,372 students, equipping them with essential knowledge and skills. Its broader influence has touched 24,048 individuals, fostering a culture of learning, empowerment, and long-term socio-economic progress.

Modern science lab upgrade – Dadri, Greater Noida

Three state-of-the-art science labs (Physics, Chemistry, Biology) were set up at Bhartiya Aadarsh Inter College, benefitting 1,380 students and teachers. Equipped with modern tools, furniture, and safe electrical systems, the labs promote hands-on learning in a secure environment.

Anganwadi Renovation – Rajpura, Punjab

7 Anganwadi Centres in Rajpura were upgraded with room refurbishments, BALA painting, new toilets, kitchens, RO drinking water, handwashing units, furniture, toys, and books. The initiative supports 234 children, 100+ pregnant women, and 20 Anganwadi workers, turning these centres into nurturing community spaces.



Empower Her – Girls’ school transformation in Jodhpur, Rajasthan

Two government girls’ schools were revitalised with smart classrooms, STEM labs, solar power, rainwater harvesting, hygienic washrooms, a shaded meal area, and a new playground. Designed to remove barriers to education, the project has benefited 677 students and teachers.

PM Internship Scheme

As part of the Prime Minister’s initiative, PNB Housing Finance provided hands-on industry training to six young interns, helping prepare them for meaningful employment.

Project Parivartan – Ghaziabad, Uttar Pradesh

Classrooms from Grades 6 to 8 at Nagar Nigam Balika Inter College were renovated, along with sanitation facilities and benches, benefiting 211 students. Employee volunteers contributed through a tree plantation drive and social awareness wall painting.

School renovation – Mumbai, Maharashtra

Renovation of 16 classrooms and 6 toilets at Shree Ram Welfare Society’s High School improved the learning environment for 1,860 students, enhancing hygiene and classroom infrastructure.

Establishment of PEHEL computer labs at two Government Nursing Colleges in Gujarat

We established Computer Labs in the Government Nursing College Ahmedabad and Surat, helping 982 students and faculties across both the colleges with online study material, references, assignments, and projects to promote nursing education and research. The labs are equipped with latest technology and devices like computers, printers and high-speed internet connections, along with modern infrastructure, to offer a conducive learning environment and significantly promote nursing education and research.

Pehel Swasthya – Healthcare interventions

Objective

Our Healthcare Interventions are committed to ensuring equitable access to quality medical care and holistic well-being for all. Through initiatives focusing on preventive healthcare, maternal and child health, medical support, awareness programmes, and infrastructural enhancements, we strive to bridge healthcare gaps and foster healthier communities. Additionally, we prioritise specialised support for the elderly and specially abled individuals, ensuring dignity, accessibility, and care tailored to their unique needs. By empowering individuals and families with healthcare solutions, we aim to build a resilient and inclusive society.

Pehel Swasthya has directly impacted 16,546 individuals, providing vital healthcare services and support. An additional 1,614 dependents have also benefitted, strengthening families and communities through improved health outcomes.

Blood collection and transport vehicle – Hubli

A specially equipped vehicle has been provided to support the blood collection and transportation needs of patients with Thalassaemia, HIV and other critical conditions.



Cochlear implants for hearing-impaired children – Hyderabad

10 underprivileged children with hearing loss received cochlear implant surgeries, improving their auditory and communication abilities for a better future.

Dialysis machine support – Indore

10 dialysis machines donated to M.Y. Government Hospital have enabled 2–3 additional dialysis cycles daily, benefitting 25–30 extra patients every day.

Wheelchair distribution – 75 old-age homes

300 wheelchairs distributed across old-age homes in Chennai, Mumbai, Pune, Junagadh, Mehsana, and Anand, impacting 3,469 elderly residents. 19 PNBHFL employees participated in the distribution drive.

Smart vision glasses – Chennai

45 visually impaired individuals received AI-enabled Smart Vision glasses, enhancing their independence and quality of life.

Childcare centre – Delhi

8 new family units established to provide safe, hygienic accommodation for families of paediatric cancer patients, supporting recovery and emotional well-being.



Ultrasound machine for cancer diagnosis – Navsari

An advanced USG machine was donated to Lilaben Chimantal Parikh Cancer Centre, aiding in faster and more accurate cancer screening and diagnosis.

Burn surgery facility upgrade – Meerut

The Burn Surgery Department at LLRM Medical College is now fully operational with modern operating tables, providing specialised care to 30 patients monthly.

OT complex renovation – J.J. Hospital, Mumbai

Upgraded operation theatre complex, including post-op, scrub, and sterilisation rooms, now benefits around 500 women monthly through safer, state-of-the-art medical facilities.



Pehel Paryavaran – Environment interventions

Objective

Our Environment Interventions are dedicated to fostering sustainability, conservation, and ecological resilience. Through initiatives focused on afforestation, waste management, water conservation, renewable energy

adoption, and climate awareness, we strive to protect natural resources and promote responsible environmental practices. By empowering communities to embrace eco-friendly solutions, we aim to create a greener, healthier, and more sustainable future for generations to come.

We planted 14,800 trees in Hyderabad and Chennai, supporting biodiversity,

cleaner air, and ecosystem restoration. Additionally, a solar power plant at Rajasthan Mahila Vidyalaya, Udaipur, is promoting sustainable energy while benefiting 325 students. These initiatives reflect our commitment to environmental stewardship and a greener, healthier future for all.

Pehel Khelo India – Sports intervention

Objective

Our Sports Interventions aim to foster inclusivity, talent development, and excellence in athletics. By supporting training programmes for rural sports, nationally recognised disciplines, Paralympic and Olympic sports, we empower individuals with opportunities to hone their skills and achieve their potential.

Pehel Foundation is supporting OGG programme for 65-75 athletes preparing for Olympics, Paralympics and other events across India. Athletes are supported for training and tournaments, Sport Science (Physiotherapy, nutrition, strength and conditioning, injury rehabilitation, psychology, medical supplies, medicines and nutritional supplements), Equipment & Sports Kit, Athlete Management & Performance monitoring, etc.



Integrated village development intervention

Objective

Our Integrated Village Development Project is dedicated to fostering holistic and sustainable growth in rural communities. Through interventions in infrastructure, healthcare, education, livelihoods, women empowerment, environmental sustainability, and digital inclusion, we aim to create self-reliant villages equipped with essential resources and opportunities. By addressing socio-economic challenges and strengthening local ecosystems, we strive to transform villages into thriving hubs of prosperity, resilience, and well-being, ensuring inclusive development for all.

The Integrated Village Development Project in Bantari, Varanasi, has impacted 1,153 villagers through school upgrades, a new Anganwadi, women-led enterprises, modern farming tools, health camps, nutrition kits, pond rejuvenation, and solar streetlights—driving inclusive, sustainable rural progress and significantly improving quality of life across the community.

Support to the armed forces of India

Objective

Our CSR initiatives are dedicated to supporting armed forces veterans, war widows, and their dependents by providing financial assistance, education, healthcare programmes etc. Through structured interventions, we aim to foster resilience, empowerment, and long-term well-being for these brave individuals and their families.

7 Advance Life Support ambulances (ALS) support to Indian Army

Seven advanced life support (ALS) ambulances, equipped for hilly terrains, were supported for the Indian Army's Northern Command, covering Jammu & Kashmir, Leh, Ladakh, and Siachen. These state-of-the-art vehicles ensure timely evacuation and critical care for injured soldiers and civilians. The initiative is expected to benefit approximately 30,000 individuals across these sensitive regions.

Education grant support

Education grant of ₹12,000 each provided to 417 children of ex-servicemen, martyrs and their widows, pan-India honouring their contribution in the service of the nation.

Rooted in responsibility

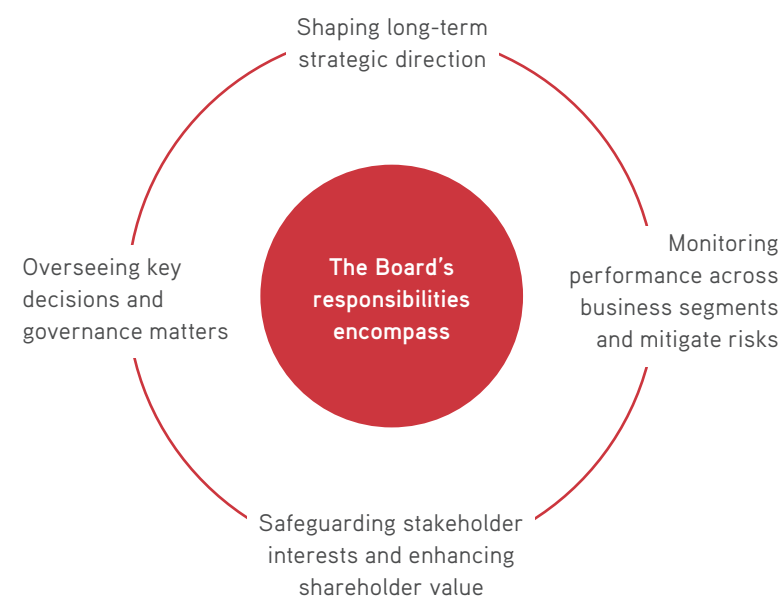
We remain steadfast in upholding the highest standards of transparency, integrity, and accountability. By constant strengthening of governance framework and consistent compliance, we safeguard stakeholders' interest and foster enduring trust across every level of the organisation.

A Board committed to purposeful oversight

Our Board of Directors bring a wealth of experience from diverse sectors including housing finance, banking, investment, economics, risk management, and fintech regulation. Their deep knowledge of financial markets and credit cycles positions the Company to navigate complexity and capitalise on growth opportunities. The Board committed to purposeful oversight plays a crucial role in guiding and governing the organisation and provides strategic direction.



Guiding the Company's strategic direction



All significant decisions are taken based on a formal schedule and in alignment with statutory and regulatory mandates. The Board operates through multiple committees including the Audit Committee (AC), Risk Management Committee (RMC), Nomination & Remuneration Committee (NRC), and the Corporate Social Responsibility Committee (CSR), among others.

63.6 years

Average age of Board members

35 years

Average experience of Board members

5.6 years

Average tenure in the Company

Board composition and Committees of the Board

Board structure

→ Managing Director & CEO (1)

→ Non-Executive Nominee Director (1)

→ Independent Directors (7)

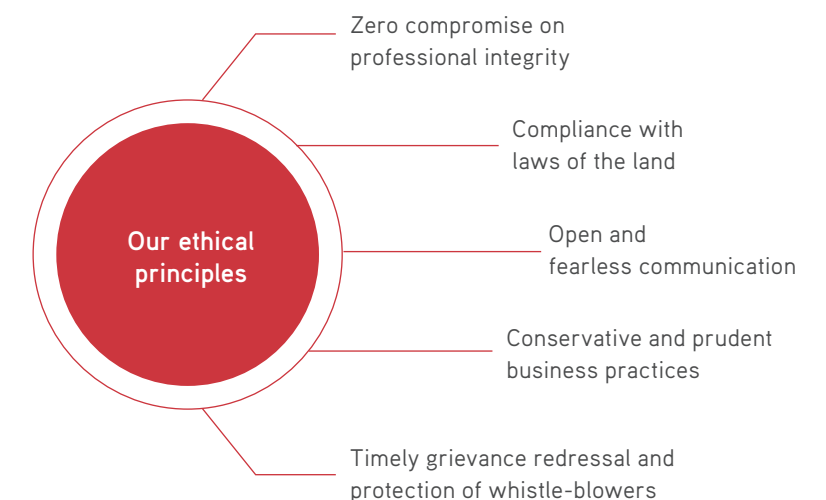
- » Audit Committee
- » Risk Management Committee
- » Credit Committee
- » Nomination and Remuneration Committee
- » Stakeholders Relationship Committee
- » Corporate Social Responsibility Committee
- » IT Strategy Committee
- » Special Committee for Monitoring and Follow-up of Frauds
- » Consumer Protection Committee

Ethics at the core

At PNB Housing Finance, ethics are non-negotiable. We believe in doing the right things and aim at enhanced reputation, increased trust and positive work culture. We have adopted comprehensive Codes of Conduct applicable to our Non-Executive Directors (including Independent Directors), Executive Directors, and senior management. These codes articulate professional and ethical conduct and are in alignment with regulatory guidelines.

Our ethical principles

The Whistle-blower Policy provides direct access to the Audit Committee Chairperson and safeguards whistleblowers from retaliation, protects their identity and ensures confidentiality.



Retention GEM initiative

This initiative reflects our core values—People First, Customer-Centricity, and Ethical Standards. It empowers employees to proactively retain customers by offering responsible solutions while adhering to ethical boundaries. Every customer interaction under this programme is subject to a clear set of internal approvals and oversight, ensuring ethical alignment and compliance.

Leadership that drives accountability

Leadership at PNB Housing Finance is not defined by hierarchy but by accountability, inclusion, and purpose. Our Annual Operating Plan (AOP) process includes cross-functional leadership engagement to align goals and numbers with the Company's broader mission.

These are further cascaded through events like the Annual Sales Kick-off and regular Town Halls.

Our flattened structure enables open dialogue and decentralised decision-making—promoting a culture where policies and strategy are communicated clearly and consistently.

GOVERNANCE

Robust risk management

In a dynamic housing finance landscape, risk governance is essential to institutional resilience. Our multi-layered Risk Management Framework is overseen by:



Board-level Risk Management Committee (RMC) – Approves and governs the risk appetite and framework



Executive RMC – Reviews key risk indicators across business functions

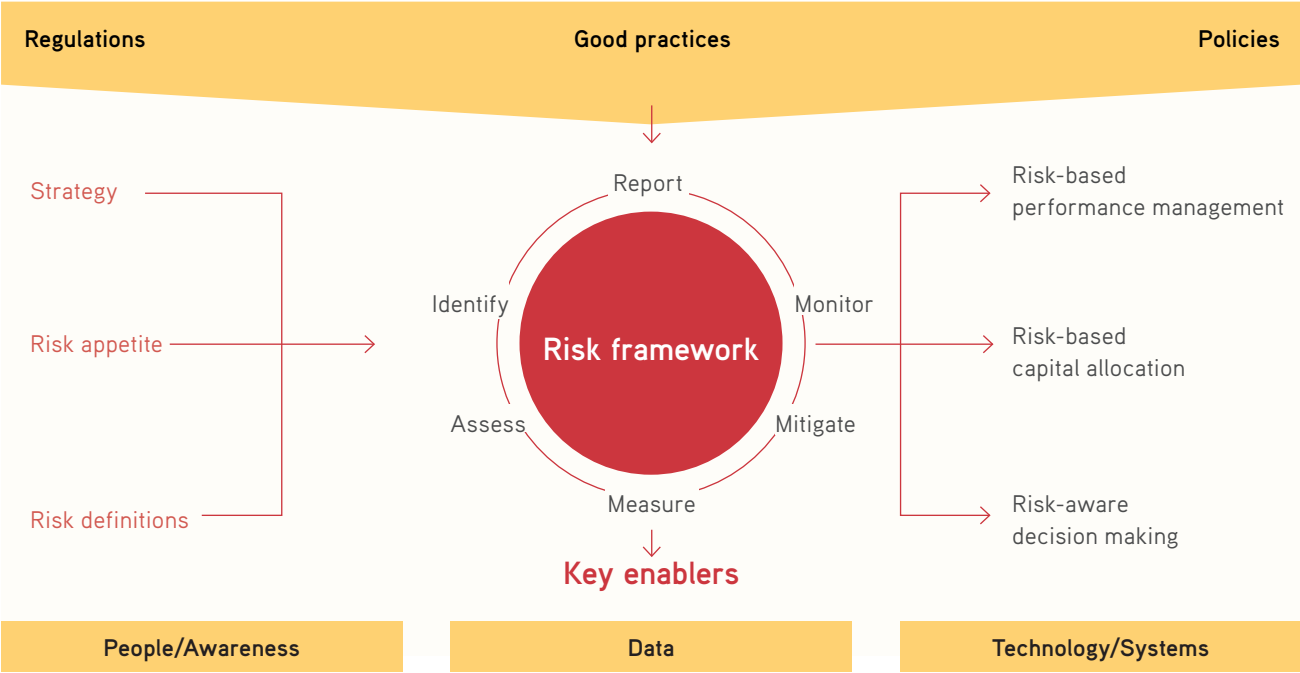


Internal Audit – Independently assesses risk controls and governance effectiveness



Compliance Function – Monitors adherence to statutory and regulatory requirements

Each business unit has its respective risks, with clear accountability across verticals. In FY25, we continued to strengthen data-backed risk evaluation mechanisms and early warning systems to stay ahead of potential vulnerabilities.



Regulatory compliance and transparency

PNB Housing Finance complies with applicable laws and regulatory requirements from RBI, NHB, SEBI, MCA, IRDAI and other authorities. In FY25, we maintained high standards in compliance with regulations covering:



Deposit mobilisation, SLR and KYC/AML



LCR, capital adequacy and credit rating



Fraud monitoring and SARFAESI procedures



Related-party transactions and corporate governance disclosures

We maintained Liquidity Coverage Ratio (LCR) well above the minimum requirement, throughout FY25.

Strengthening AML and risk controls

Our Anti-Money Laundering (AML) and Know Your Customer (KYC) framework is aligned with RBI regulations and the Prevention of Money Laundering Act, 2002. Key features include:

Risk-based customer due diligence

Customer acceptance and identification policies

Real-time transaction monitoring

Periodic employee training on AML practices

The Company conducts regular risk assessments to identify and mitigate potential exposure to money laundering and terrorism financing.

Policy framework and governance architecture

A suite of policies that strengthen our governance structure, are approved by the Board and periodically reviewed. Such policies include:

Code of Conduct for Directors and Employees

Whistle-blower Policy

Prevention of Sexual Harassment (PoSH)

Fair Practices Code

Customer Grievance Redressal Framework

Succession Planning Policy

Anti-Bribery and Anti-Corruption Policy

Outsourcing and Vendor Risk Management Policy

Information Security & Cyber Risk Management Policy

These policies are accessible to employees and stakeholders, with regular training and updates to ensure understanding and compliance.

Diversity and inclusion at the Board level

We recognise diversity as a critical enabler of robust governance and better decision-making. Our Board Diversity Policy supports inclusivity across gender, experience, expertise, age, and background. In FY25, the Board comprised individuals with varied academic credentials and professional experience across banking, housing finance, risk management, technology, and governance.

This breadth of insight helps us stay agile in the face of complex challenges and ensures we continue delivering value in a fast-evolving business environment.

Tech-driven governance practices

PNB Housing Finance continued to invest in digital governance systems during FY25. We implemented:

- 1Enhanced Board and Committee reporting dashboards
- 2Data-driven compliance tracking
- 3AI-enabled internal audit tools
- 4Automated monitoring of regulatory alerts

These tools increase accuracy and timeliness, provide the Board with greater visibility into operational and compliance metrics.

Case study

 Inbound contact centre performance dashboard

In FY25, we operationalised a real-time dashboard to track key parameters such as call drop ratio, TAT, repeat queries, and resolution speed. It promotes accountability and reinforces our value of customer centricity. Employees exceeding performance thresholds are recognised, and training gaps are addressed immediately creating a responsive service culture underpinned by data.

BOARD OF DIRECTORS

Guiding the vision, governing with purpose



Mr. Nilesh Shivji Vikamsey
Independent Director

DIN: 00031213
Date of joining: 22nd April 2016

Mr. Nilesh Vikamsey is a Chartered Accountant with over 38 years of experience in auditing and consultancy. He holds a Bachelor's degree in Commerce from the University of Bombay and is a member of the Institute of Chartered Accountants of India since 1985. Additionally, he has completed specialised courses in Information Systems Audit and Business Consultancy Studies. Mr. Vikamsey is a partner at KKC & Associates LLP and serves on the boards of Allcargo Gati Limited, Thomas Cook (India) Limited, SOTC Travel Limited, Nippon Life India Trustee Limited, Thejo Engineering Limited, Tablespace Technologies Limited, BlackSoil Capital Private Limited, and Gati Express & Supply Chain Private Limited. He is also Member of Tirupati Devasthanam and PL Capital Performing Credit Fund and President of Indo American Chamber of Commerce.



Mr. Sudarshan Sen
Independent Director

DIN: 03570051
Date of joining: 1st October 2020

A seasoned banking professional with over 38 years of experience, Mr. Sudarshan Sen is a distinguished professional with Master's degrees in Science (Mathematics) from the University of Delhi and in Business Administration from the University of Birmingham. He has served as Executive Director at the Reserve Bank of India and holds directorships at The Federal Bank Limited and Cashpor Micro Credit and Asset Reconstruction Company (India) Limited.



Dr. Tejendra Mohan Bhasin
Independent Director

DIN: 03091429
Date of joining: 2nd April 2020

A seasoned banking professional with over 38 years of experience, Dr. Tejendra Mohan Bhasin holds a Bachelor's degree in Law from the University of Delhi, a Master's degree in Science from Meerut University, an MBA from the University of Delhi, and a Ph.D. from the University of Madras. He is a Certified Associate of the Indian Institute of Bankers and was honoured with fellowship by the Indian Institute of Banking and Finance in 2010. Dr. Bhasin has served as Chairman and Managing Director of Indian Bank and was a Vigilance Commissioner at the Central Vigilance Commission. He currently chairs the Advisory Board for Banking and Financial Frauds constituted by the Central Vigilance Commission. He also holds directorships at Patanjali Foods Limited, PNB Gilts Limited and SBI Life Insurance Company Limited.

BOARD OF DIRECTORS



Mr. Chandrasekaran Ramakrishnan
Independent Director

DIN: 00580842
Date of joining: 7th October 2015

Mr. Chandrasekaran Ramakrishnan brings over 38 years of rich experience in the information technology sector. He holds a Bachelor’s degree in Mechanical Engineering from the University of Madras and a Post-Graduate Diploma in Management from the Indian Institute of Management, Bangalore. Mr. Chandrasekaran’s distinguished career includes leadership roles at Cognizant Technology Solutions India Private Limited and Tata Consultancy Services Limited. He currently serves on the boards of LTI Mindtree Limited, L&T Technology Services Limited, KSL Digital Ventures Limited, and Newgen Digitalworks Private Limited.



Ms. Gita Nayyar
Independent Director

DIN: 07128438
Date of joining: 29th May 2021

Ms. Gita Nayyar holds a Master’s degree in Business Administration from the Amos Tuck School of Business Administration, Dartmouth College, USA and brings 33 years of leadership experience. She currently serves on the boards of Oriental Hotels Limited, Transport Corporation of India Limited, Taj Sats Air Catering Limited, and Ask Investment Managers Limited. She is also a member of the Board of Governors of the Indian Institute of Management Udaipur and the Governing Body of HelpAge India. She is also recognised for her expertise in angel investing/ mentoring.



Mr. Pavan Kaushal
Independent Director

DIN: 07117387
Date of joining: 27th October 2022

Mr. Pavan Kaushal is a Chartered Accountant with over 35 years of experience in the financial services sector. He holds a Bachelor’s degree in Commerce from the University of Calcutta and a Master’s degree in Financial Management from Jamnalal Bajaj Institute of Management Studies, University of Mumbai. Mr. Kaushal has held senior leadership roles at Fullerton India Credit Company Limited and IDFC First Bank Limited. He currently serves on the boards of Innoven Capital India Private Limited, Asset Reconstruction Company (India) Limited, Lendingkart Finance Limited, and Lendingkart Technologies Private Limited. He is also a Senior Advisor for IREP Capital and Vision Edge One.



Mr. Neeraj Vyas
Independent Director

DIN: 07053788
Date of joining: 15th April 2019

Mr. Neeraj Vyas holds both Bachelor’s and Master’s degrees in Science from Vikram University, Ujjain, and brings 38 years of experience in the banking sector. Prior to joining us, he was associated with the State Bank of India. Mr. Vyas was initially appointed as an Independent Director on 15th April 2019, served as Managing Director and Chief Executive Officer, in the interim for a brief period from 28th April 2020 to 10th August 2020, and currently serves as an Independent Director since 12th August 2024.



Mr. Dilip Kumar Jain
Non-Executive Nominee Director

DIN: 06822012
Date of joining: 4th November 2022

Mr. Dilip Kumar Jain brings over 29 years of experience in the banking sector. He holds a Bachelor’s degree in Commerce from Rajasthan University and is a Chartered Accountant since 1989. Currently, he serves as Chief General Manager and the Chief Financial Officer of Punjab National Bank.



Mr. Girish Kousgi
Managing Director and Chief Executive Officer

DIN: 08524205
Date of joining: 21st October 2022

Mr. Girish Kousgi, our Managing Director and CEO, holds an Executive Master’s Diploma in Business Administration from the Indian Institute of Commerce and Trade. He has over 27 years of experience in the financial services industry, having served in leadership roles at Can Fin Homes Limited, Tata Capital Financial Services Limited, IDFC Bank Limited, and ICICI Bank Limited. In addition to his leadership at PNB Housing Finance, Mr. Kousgi serves on the Boards of the subsidiaries, PHFL Home Loans and Services Limited, and PEHEL Foundation.

LEADERSHIP TEAM



Girish Kousgi
Managing Director
and CEO



Ajay Kumar Mohanty
Head – Internal Audit and
Chief of Internal Vigilance



Jatul Anand
Chief Credit & Collections
Officer



Vinay Gupta
Chief Financial Officer



Satish Singh
Chief People Officer



Dilip Vaitheeswaran
Chief Sales Officer –
Retail



Valli Sekar
Chief Sales & Collection
Officer – Affordable



Veena G Kamath
Company Secretary



Krishna Kant
Chief Compliance
Officer



Anshul Dalela
Head – Customer Service
& Operations



Anubhav Rajput
Chief Information Officer



Vikas Rana
Head of Construction
Finance Business



Bhavya Taneja
Chief Marketing Officer



Neeraj Manchanda
Chief Risk Officer

AWARDS AND RECOGNITIONS





Standing (L-R): Anubhav Rajput, Neeraj Manchanda, Anshul Dalela, Vikas Rana, Dilip Vaitheeswaran, Satish Singh and Krishna Kant

Sitting (L-R): Bhavya Taneja, Valli Sekar, Girish Kousgi, Jatul Anand, Vinay Gupta, Ajay Kumar Mohanty and Veena G Kamath

Driving executive excellence

