



Date: January 24, 2023

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

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

Dear Sir/Madam,

Sub: Press Release on the Financial Performance of the Company for the Quarter and Nine months ended December 31, 2022.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find attached herewith the Press Release of the Company for the Quarter and Nine months ended December 31, 2022.

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

This is for your information and records.

Thanking You.

For **PNB Housing Finance Limited**

Sanjay Jain
Company Secretary & Head Compliance
Membership No. F2642
Encl: As above

Press Release

For Immediate Release

24th January 2023, New Delhi

Consolidated Unaudited Financial Results for Q3 & 9M FY2022-23 Ended 31st December 2022

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 2022. The accounts have been subjected to a limited review by the Company's Statutory Auditors in line with the regulatory guidelines. The numbers are based on IndAS.

Key Highlights (Q3 FY22-23)

- Retail Loan Asset grew by 6.6% YoY and 1.9% QoQ to INR 53,123 Crore, which is 92% of Total Loan Asset
- Loan Asset is at INR 58,034 crore as on 31st Dec 2022 as compared to INR 57,845 crore as on 31st Dec 2021
- Gross NPA is at 4.87% as on 31st Dec 2022 as compared to 6.06% as on 30th Sep 2022
- Capital Risk Adequacy Ratio stood at 24.6% as on 31st Dec 2022; Tier I capital at 22.4%
- Affordable Business presence is expanded to 82 branches & outreaches as on 31st Dec 2022
- Rights Issue Draft Letter of Offer (DLoF) was filed with SEBI on 30th Nov 2022

Financial performance (Q3 FY22-23 vs Q3 FY21-22 and Q2 FY22-23)

- Profit after Tax increased by 43% YoY and 2% QoQ to INR 269 crore.
- Net Interest Income improved by 67% YoY and 13% QoQ to INR 734 crore. During the quarter, there was a net positive impact of INR 79 crore due to assigned loans.
- Operating expenditure increased by 8% YoY and decreased by 8% QoQ to INR 124 crore.
- Pre provision Operating Profit improved by 62% YoY and 7% QoQ to INR 622 crore.
- Spread on loans stood at 3.83% in Q3 FY23 as compared to 3.38% in Q2 FY23. Excluding the net positive impact on assigned loans, the Spread for Q3 FY23 is 3.28%.
- Net Interest Margin stood at 4.68% in Q3 FY23 as compared to 4.14% in Q2 FY23.
- Gross Margin, net of acquisition cost, stood at 4.94% in Q3 FY23 as compared to 4.47% in Q2 FY23.

Financial performance (9M FY22-23 vs 9M FY21-22)

- Profit after Tax is at INR 767 crore vs INR 667 crore registering an increase of 15% YoY.
- Net Interest Income stood at INR 1,753 crore compared to INR 1,492 crore registering an increase of 17%.
- Operating Expenditure is at INR 377 crore vs INR 341 crore registering an increase of 11%.
- Pre provision Operating Profit increased by 21% to INR 1,565 crore from INR 1,291 crore.
- ECL provision as on 31st Dec 2022 is INR 1,759 crore; total provision to assets ratio at 3.03%.
- Spread on loans stood at 2.87% compared to 2.35% for 9M FY22. Excluding the net positive impact on assigned loan, the Spread for 9M FY23 is 2.50%.

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CIN: L65922DL1988PLC033856

- Net Interest Margin stood at 3.72% as compared to 2.95% in 9M FY22.
- Gross Margin, net of acquisition cost, is at 4.14% as compared to 3.21% in 9M FY22.
- Return on Asset (annualized) is at 1.59% as compared to 1.24% in FY22.
- Gearing, as on 31st Dec 2022, reduced to 4.89x compared 5.57x as on 31st Dec 2021
- Return on Equity (annualized) at 9.88% as compared to 8.92% for FY22

Business Operations

- The disbursements during 9M FY23 grew by 39% YoY to INR 10,470 crore. For Q3 FY23 stood at INR 3,425 crore compared to INR 2,828 crore in Q3 FY22 registering an increase of 21%.
 - Retail disbursement was 98% of 9M FY23 disbursements.
- Asset under Management (AUM) is at INR 65,753 crore as on 31st Dec 2022 as compared to INR 67,587 crore as on 31st Dec 2021.
- The Loan Asset stood at INR 58,034 crore as on 31st Dec 2022 as compared to INR 57,845 crore as on 31st Dec 2021.
 - Retail loans are at INR 53,123 crore as on 31st Dec 2022, registering an increase of 7% compared to 31st Dec 2021.
 - Corporate loans are at INR 4,911 crore as on 31st Dec 2022, reduced by 39% as compared to 31st Dec 2021.
- As on 31st Dec 2022, INR 2,037 crore has been restructured under the RBI's resolution framework for Covid19 related stress.

Distribution and Service Network

- The Company has 159 branches with presence in 113 cities, 27 outreach locations and 22 Hubs.
 - Affordable business presence expanded to 82 branches/outreaches as on 31st Dec 2022

Asset Quality

- Gross Non-Performing Assets is at 4.87% as on 31st Dec 2022 as compared to 6.06% as on 30th Sep 2022.
 - Retail GNPA is 2.86% as on 31st Dec 2022 as compared to 3.39% as on 30th Sep 2022.
 - Corporate GNPA is 26.61% as on 31st Dec 2022 as compared to 30.37% as on 30th Sep 2022.
- Net NPA stood at 3.22% as on 31st Dec 2022.

Capital to Risk Asset Ratio (CRAR)

- The Company's CRAR stood at 24.60% as on 31st Dec 2022, of which Tier I capital was 22.43% and Tier II was 2.17% as compared to 21.59% as on 31st Dec 2021, of which Tier I capital was 18.90% and Tier II capital was 2.69%.

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

"We are pleased to inform that the Company is making progress toward its commitment of growing Retail Loan asset and improving asset quality. In Affordable business, we have expanded our presence to 82 branches/outreaches, which will contribute to the Company's strategy of building book in this segment. We continue to focus on Loan Asset growth and Asset Quality improvement while being profitable.

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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 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. Corporate loans are mainly to developers for construction of residential / commercial properties, corporate term loans and lease rental discounting. PNB Housing Finance is a deposit taking Housing Finance Company.

Disclaimer

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

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

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Statement of consolidated financial results for the quarter and nine months ended December 31, 2022

(₹ in crore)

S.no.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	31-Mar-22
		(Unaudited)			(Unaudited)		(Audited)
	Revenue from operations						
(i)	Interest income	1,713.64	1,597.54	1,411.24	4,609.84	4,522.52	5,822.00
(ii)	Fees and commission income	66.26	71.90	60.32	248.22	144.50	262.55
(iii)	Net gain on fair value changes	16.61	6.05	23.82	22.66	103.49	111.38
(iv)	Income on derecognised (assigned) loans	-	8.92	-	10.90	-	-
I	Total revenue from operations	1,796.51	1,684.41	1,495.38	4,891.62	4,770.51	6,195.93
II	Other income	0.01	(0.98)	0.23	0.32	4.39	4.80
III	Total income (I+II)	1,796.52	1,683.43	1,495.61	4,891.94	4,774.90	6,200.73
	Expenses						
(i)	Finance cost	996.34	963.87	996.11	2,890.47	3,133.77	4,064.46
(ii)	Impairment on financial instruments & write-offs	254.84	243.23	129.48	546.35	430.82	576.36
(iii)	Employee benefits expenses	58.23	68.38	50.01	187.73	162.34	216.61
(iv)	Net loss on fair value changes	-	(0.94)	-	-	-	-
(v)	Depreciation and amortisation	12.60	13.18	13.13	38.81	39.38	53.39
(vi)	Fees and commission expense	2.39	1.59	3.34	7.39	5.75	11.12
(vii)	Other expenses:						
	- Impairment on assets held for sale	52.24	-	(2.14)	52.24	3.51	7.86
	- Other expenses	53.00	53.69	51.95	150.54	139.15	186.97
IV	Total expenses	1,429.64	1,343.00	1,241.88	3,873.53	3,914.72	5,116.77
V	Profit before tax (III-IV)	366.88	340.43	253.73	1,018.41	860.18	1,083.96
	Tax expense:						
	-Current tax	(17.11)	85.01	(2.93)	106.79	190.00	249.15
	-Deferred tax ((credit)/charge)	114.86	(7.21)	68.21	144.90	3.24	(1.67)
VI	Total tax expense	97.75	77.80	65.28	251.69	193.24	247.48
VII	Net profit after tax (V-VI)	269.13	262.63	188.45	766.72	666.94	836.48
VIII	Other comprehensive income						
	A (i) Items that will not be reclassified to profit or loss:			1.20		0.66	1.34
	Remeasurement gain/ (loss) on defined benefit plan	(0.48)	(1.74)		(0.42)		
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.12	0.44	(0.31)	0.11	(0.17)	(0.34)
	B (i) Items that will be reclassified to profit or loss:		70.01	31.63	76.97	33.68	128.69
	Cash flow hedge	(4.87)					
	(ii) Income tax relating to items that will be reclassified to profit or loss	1.23	(17.62)	(7.96)	(19.37)	(8.48)	(32.39)
IX	Total comprehensive income (VII+VIII)	265.13	313.72	213.01	824.01	692.63	933.78
Earnings per share (of ₹ 10 each)*							
	-Basic (₹)	15.95	15.57	11.18	45.47	39.59	49.64
	-Diluted (₹)	15.94	15.55	11.15	45.44	39.48	49.53
Paid-up equity share capital (Face value of ₹ 10)		168.79	168.62	168.59	168.79	168.59	168.60
Reserves (excluding revaluation reserves) as at March 31							9,703.03

* EPS for the quarters are not annualised

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").

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2. 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.

3. 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.

4. Disclosure of loans transferred / acquired during the quarter and nine months ended December 31, 2022, pursuant to RBI Notification dated September 24, 2021 on "Transfer of Loan Exposures" are given below:

(i) Details of loans not in default transferred:

(₹ in crore)

Particulars	Colending		
	Quarter ended		
	30-Jun-22	30-Sep-22	31-Dec-22
Total amount of loans transferred through colending (₹ in crore)	61.26	118.76	-
Weighted average residual maturity (in months)	215	221	-
Weighted average holding period (in months)	5	8	-
Retention of beneficial economic interest	20%	20%	-
Coverage of tangible security coverage	100%	100%	-
Rating-wise distribution of rated loans	unrated	unrated	-

(ii) Details of stressed loans transferred:

(₹ in crore)

Particulars	To Asset Reconstruction Companies (ARC) – NPA		
	Quarter ended		
	30-Jun-2022*	30-Sep-22	31-Dec-22
Number of accounts	2	35	-
Aggregate principal outstanding of loan transferred	186.96	62.52	-
Weighted average residual tenor of the loans transferred (years)	6.55	12.66	-
Net book value of loans transferred (at the time of transfer)	61.46	43.76	-
Aggregate consideration	140.00	31.26	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Excess provisions reversed to the profit and loss account on account of sale	-	-	-

* Security Receipts are rated as IVR RR2.

(iii) The Company has not acquired any stressed loan or "loans not in default".

5. During the quarter ended December 31, 2022, the Company has created an impairment provision on assets held for sale amounting to ₹ 52.24 crore to reflect the expected realisable value as on date of reporting

6. During the quarter ended December 31, 2022, the Company has created an impairment provision on assets held for sale amounting to ₹ 52.24 crore to reflect the latest realisable value as on date of reporting.

7. Figures for the previous periods have been regrouped wherever necessary in order to make them comparable with the current period.

Statutory Auditors of the Company have reviewed the consolidated financial results for the quarter and nine months ended December 31, 2022, 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, 2023.

For and on behalf of the Board of Directors

Date: January 24, 2023
Place: New Delhi

Girish Kousgi
Managing Director & CEO
DIN: 08524205

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