

PLACEMENT MEMORANDUM AS PER SCHEDULE II OF SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021



PNB HOUSING FINANCE LIMITED

(A Public Company Listed on National Stock Exchange Limited and Bombay Stock Exchange Limited)
(Promoted by Punjab National Bank - A Government of India Undertaking)

Registered & Corporate Office: 9th Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi - 110 001
Tel No: (011) 23445200, 23445215

Website: www.pnbhousing.com; E-mail: sanjay.jain@pnbhousing.com, investor.relations@pnbhousing.com

CIN: L65922DL1988PLC033856; PAN: AAACP3682N;

Date & Place of Incorporation: November 11, 1988, New Delhi

Certificate of registration number issued by National Housing Bank: 01.0018.01 and regulated by Reserve Bank of India

Date: March 16, 2023

Type of Placement Memorandum: Private Placement

ISSUE BY PNB HOUSING FINANCE LIMITED (“COMPANY” OR “ISSUER”) OF PRIVATE PLACEMENT OF LISTED, SECURED, RATED, TAXABLE, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF INR 1,00,000 (RUPEES ONE LAKH) EACH FOR SERIES LVII (1 YEAR 6 MONTHS 3 DAYS TENOR) FOR CASH AT PAR FOR AN AMOUNT OF INR 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) WITH GREEN SHOE OPTION TO RETAIN OVER-SUBSCRIPTION AMOUNT UPTO INR 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) AGGREGATING ISSUE SIZE OF INR 300,00,00,000 (RUPEES THREE HUNDRED CRORE) WITH COUPON RATE OF 8.70% P.A. PAYABLE ANNUALLY AND REDEEMABLE AT PAR ON SEPTEMBER 17, 2024 (“NCDs” / “the Issue”/“debentures”).

This Placement Memorandum is related to the NCDs to be issued by PNB HOUSING FINANCE LIMITED (the “**Issuer**” or “**Company**”) on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the debentures under Companies Act, 2013 and rules framed thereunder, SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021 amended from time to time (“SEBI NCS Regulations”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and RBI Circular for Raising money through private placement of non-convertible debentures (NCDs) by non-banking financial companies, each as amended and to the extent applicable. The issue of the NCDs comprised in the Issue and described under this Placement Memorandum has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on July 26, 2022 and the Board of Directors of the Issuer on January 24, 2023 and the Memorandum and Articles of Association of the Company.

DEBENTURE TRUSTEE	REGISTRAR AND TRANSFER AGENT	CREDIT RATING AGENCY	CREDIT RATING AGENCY
IDBI Trusteeship Services Limited Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai - 400001 Tel No. (022)40807000, Fax No. 91-22-66311776 Contact person: Ms. Sheetal Mehta E-mail: itsl@idbitrustee.com Website: www.idbitrustee.com	Link Intime India Pvt. Ltd. C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 Tel No. +91 22 49186000, Fax No. +91 22 49186060 Contact person: Mr. Amit Dabhade E-mail: debtca@linkintime.co.in Web: www.linkintime.co.in	CRISIL Ratings Limited (A subsidiary of CRISIL Limited) CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076 Contact Person: Krishnan Sitaraman Tel: (022) 33423000 Email- Id: crisilratingdesk@crisil.com Website: www.crisil.com/ratings	ICRA Limited 3rd Floor, Electric Mansion Appasaheb Marathe Marg, Prabhadevi, Mumbai, Maharashtra 400025 Tel:+91-22-61143406 Contact Person: L Shivakumar Tel:+91-22-61143406 Email id- shivakumar@icraindia.com Website: www.icra.in

Chief Financial Officer	Compliance Officer & Company Secretary	Promoter
Mr. Vinay Gupta E-mail: vinay.gupta@pnbhousing.com Tel: 011-23445205	Mr. Sanjay Jain E-mail: sanjay.jain@pnbhousing.com Tel: 011-23354286	Punjab National Bank Website: https://www.pnbindia.in/

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer having made all reasonable inquiries, accepts responsibility for and confirms that this Placement Memorandum contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Placement Memorandum are true and correct in all material aspects and are not misleading, that the opinions and intentions expressed herein are honestly stated and there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

UNDERTAKING OF THE ISSUER

Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page number 9 under the section 'General Risks'."

PNB Housing Finance Limited having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Document contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Company has no side letter with any debt securities holder except the one(s) disclosed in the offer document/placement memorandum. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

GENERAL RISK

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section III of this placement memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

RISKS IN RELATION TO TRADING OF SECURITIES

No assurance can be given regarding an active or sustained trading in the securities of the Company/Issuer nor regarding to the price at which the securities will be traded after listing.

CREDIT RATING

CRISIL Rating has assigned a rating of "CRISIL AA/Stable" (for an amount of INR 5,700 crore) and ICRA Limited has assigned a rating of "ICRA AA/Stable (for an amount of INR 300 crore)

Note: The rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. The rating may be subject to revision or withdrawal at any time by the assigning rating agency on the basis of new information and each rating should be evaluated independently of any other rating. Rating is valid as on date of issuance and listing.

Please refer **Annexure-4** for the rating rationale (For Press Release refer the link: CRISIL Ratings Limited [CRISIL Press Release](#) and ICRA Limited [ICRA Press Release](#))

Neither the Company, nor any of it's director/promoter is/are been declared as a wilful defaulter

ELECTRONIC BOOK MECHANISM

The Company is in compliance with the necessary requirements of the Electronic Book Mechanism Guidelines and the details pertaining to the uploading the placement memorandum on the Electronic Book Provider platform,

The issue shall be open for bidding and subscribed to in accordance with the guidelines issued by SEBI and NSE pertaining to the procedure of Electronic Book Mechanism set out in terms specified by the Operational Circular and the related operational guidelines issued by the concerned Electronic Book Provider, as may be amended, clarified, and updated from time to time (collectively, "Electronic Book Mechanism Guidelines")

THIS PLACEMENT MEMORANDUM IS DATED MARCH 16, 2023

This is a Placement Memorandum. Note: This Placement Memorandum is neither a Prospectus nor a Statement in lieu of Prospectus. It does not constitute an offer or an invitation to the public to subscribe to the Debentures to be issued by the Company. This Placement Memorandum is intended to form the basis of evaluation for potential investors to whom it is addressed and who are willing and eligible to subscribe to these Debentures. The contents of this Placement Memorandum are intended to be used by the investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient. The Company can, at its sole and absolute discretion, change the terms of the offer.

LISTING

The NCDs are proposed to be listed on Wholesale Debt Market ("WDM") segment of National Stock Exchange of India Limited ("NSE").

REGULATORY REFERENCE

Issued in conformity with Form PAS-4 prescribed under Section 42 and Rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 and SEBI Circular bearing reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 and SEBI Circular bearing reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 and SEBI Circular bearing reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 and SEBI Circular bearing reference no. SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated November 12, 2020 and SEBI (Issue And Listing Of Non-Convertible Securities) Regulations, 2021 dated August 9, 2021 and SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 as may be amended from time to time.

ISSUE HIGHLIGHTS

Series	8.70% PNB Housing Finance Limited 2024 Series LVII
Nature of Instrument	Listed, Secured, Rated, Taxable, Redeemable Non-Convertible Debentures
Face Value	INR 1 lakh
Issue size	INR 150 crore with green shoe option of INR 150 crore
Option to retain oversubscription (Amount)	Green shoe up to INR 150 crore aggregating up to INR 300 crore
Date of opening of the issue	Thursday, March 16, 2023
Date of closing of the issue	
Date of earliest closing of the issue, if any	Not Applicable
Credit Rating	CRISIL AA/Stable and ICRA AA/Stable
Eligible Investor	As specified under Term Sheet
Coupon/Dividend Rate	8.70%
Coupon Payment Frequency	Annually and on Maturity
Redemption Date	September 17, 2024
Redemption Amount	At par, INR 1,00,000 per debenture
Details of Underwriting of the Issue	Not applicable
Arranger to the issue	Trust Investment Advisors Private Limited

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SECTION I. DISCLAIMER

1. ISSUER'S DISCLAIMER

This Placement Memorandum is neither a Prospectus nor a Statement in Lieu of Prospectus and is prepared in conformity with Form PAS-4 prescribed under Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014; SEBI (Issue And Listing Of Non-Convertible Securities) Regulations, 2021 dated August 9, 2021 and SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 as may be amended from time to time; Master Direction – Non Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India vide its notification no. DOR.FIN.HFC.CC.No.120/03/10.136/2020-21 dated February 17, 2021, as shall be amended from time to time. This Placement Memorandum does not constitute an offer to public in general to subscribe for or otherwise acquire the NCDs to be issued by PNB Housing Finance Ltd. (the "Issuer"/ the "Company"/ "PNBHFL"). This Placement Memorandum is for the exclusive use of the addressee and it should not be circulated or distributed to third party (ies). It is not and shall not be deemed to constitute an offer or an invitation to the public in general to subscribe to the Non-Convertible Debentures ("NCDs") issued by the Issuer. This NCD issue is made strictly on private placement basis. Apart from this Placement Memorandum, no offer document or prospectus has been prepared in connection with the offering of this NCD issue or in relation to the Issuer.

This Placement Memorandum is not intended to form the basis of evaluation for the prospective subscribers to whom it is addressed and who are willing and eligible to subscribe to the NCDs issued by the Issuer. This Placement Memorandum has been prepared to give general information regarding the Issuer to parties proposing to invest in this issue of NCDs and it does not purport to contain all the information that any such party may require. The Issuer believes that the information contained in this Placement Memorandum is true and correct as of the date hereof. The Issuer does not undertake to update this Placement Memorandum to reflect subsequent events and thus prospective subscribers must confirm about the accuracy and relevancy of any information contained herein with the Issuer. However, the Issuer reserves its right for providing the information at its absolute discretion. The Issuer accepts no responsibility for statements made in any advertisement or any other material and anyone placing reliance on any other source of information would be doing so at his own risk and responsibility.

Prospective subscribers must make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in NCDs. It is the responsibility of the prospective subscriber to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for and purchase the NCDs. It is the responsibility of the prospective subscriber to verify if they have necessary power and competence to apply for the NCDs under the relevant laws and regulations in force. Prospective subscribers should conduct their own investigation, due diligence and analysis before applying for the NCDs. Nothing in this Placement Memorandum should be construed as advice or recommendation by the Issuer or by the Arrangers to the Issue to subscribers to the NCDs. The prospective subscribers also acknowledge that the Arrangers to the Issue do not owe the subscribers any duty of care in respect of this private placement offer to subscribe for the NCDs. Prospective subscribers should also consult their own advisors on the implications of application, allotment, sale, holding, ownership and redemption of the NCDs and matters incidental thereto.

This Placement Memorandum is not intended for distribution. It is meant for the consideration of the person to whom it is addressed and should not be reproduced by the recipient. The securities mentioned herein are being issued on private placement basis in dematerialization form and this offer does not constitute a public offer/ invitation.

2. SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") DISCLAIMER

The NCDs have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Placement Memorandum. It is to be distinctly understood that this Placement Memorandum should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this Placement Memorandum. However, SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Placement Memorandum.

3. ARRANGERS DISCLAIMER

It is advised that the Issuer has exercised self-due-diligence to ensure complete compliance of prescribed disclosure norms in this Placement Memorandum. The role of the Arranger to the Issue in the assignment is confined to marketing and placement of the NCDs on the basis of this Placement Memorandum as prepared by PNBHFL. The Arrangers to the Issue have neither scrutinized/vetted nor have they done any due-diligence for

verification of the contents of this Placement Memorandum. The Arrangers to the Issue shall use this Placement Memorandum for the purpose of soliciting subscription in the NCDs to be issued by PNBHFL on private placement basis. It is to be distinctly understood that the aforesaid use of this Placement Memorandum by the Arrangers to the Issue shall neither in any way be deemed or construed that this Placement Memorandum has been prepared, cleared, approved or vetted by the Arrangers to the Issue, nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Memorandum; nor do they take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme Issuer. The Arrangers to the Issue or any of its directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this Placement Memorandum.

4. STOCK EXCHANGE DISCLAIMER

As required, a copy of this Placement Memorandum has been submitted to National Stock Exchange of India Limited (hereinafter referred to as "NSE"/ "Stock Exchange") for seeking in-principle approval for listing of the NCDs. It is to be distinctly understood that such submission of the Placement Memorandum with NSE or hosting the same on its website should not in any way be deemed or construed that the Placement Memorandum has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Memorandum; nor does it warrant that this Issuer's securities will be listed or continue to be listed on the Stock Exchange; nor does it take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

5. RBI/NHB DISCLAIMER

The Company is having a valid certificate of registration dated July 31, 2001 issued by the National Housing Bank (NHB) under Section 29A of the National Housing Bank Act, 1987. However, the RBI and the NHB do not accept any responsibility or guarantee about the present position as to the financial soundness of our Company or for the correctness of any of the statements or representations made or opinion expressed by the Issuer and for repayment of amount of any amount due to any investor in respect of the NCDs.

6. CREDIT RATING AGENCY DISCLAIMER

The credit rating of the NCD issuance is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc

7. DEBENTURE TRUSTEE DISCLAIMER

The Debenture Trustee does not guarantee the terms of payment regarding the Issue as stated in this Placement Memorandum and shall not be held liable for any default in the same. Neither the Debenture Trustee nor any of its affiliates / representatives make any representations or assume any responsibility for the accuracy of the information given in this Placement Memorandum.

The Debenture Trustee ipso facto does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by the subscribers to the Debentures.

8. DISCLAIMER WITH RESPECT TO JURISDICTION

This Placement Memorandum has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in New Delhi, India only.

9. FORCE MAJEURE

The Issuer reserves the right to withdraw the private placement of the NCD issue prior to the earliest closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law. In such an event, the Issuer will refund the application money, if any, along with interest payable on such application money, if any, without assigning any reason.

SECTION II. DEFINITIONS/ ABBREVIATIONS

TERM	DESCRIPTION
Allotment/ Allot/ Allotted	The issue and allotment of the NCDs to the successful Applicants in the Issue
Allottee	A successful Applicant to whom the NCDs are allotted pursuant to the Issue, either in full or in part
ALM	Asset Liability Management
Applicant/ Investor	A person who makes an offer to subscribe the NCDs pursuant to the terms of this Placement Memorandum and the Application Form
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the NCDs and which will be considered as the application for Allotment of NCDs in the Issue
Articles	Articles of Association of the Company as originally framed or as altered from time to time or applied in pursuance of any previous company law or of the Companies Act, 2013
Associate Company	A company in which the Issuer has a significant influence, but which is not a subsidiary company of Issuer having such influence and includes a joint venture company. Significant influence means control of at least 20% of total voting power, or control of or participation in business decisions under an agreement.
Beneficial Owner(s)	Debenture holder(s) holding debenture(s) in dematerialized form (Beneficial Owner of the Debenture(s) as defined in clause (a) of sub-section of Section 2 of the Depositories Act, 1996)
Board/ Board of Directors	Collective body of directors of the Company or committee thereof, unless otherwise specified
CAGR	Compound Annual Growth Rate
CAR	Capital Adequacy Ratio
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Coupon Payment Dates	The date on which interest on NCDs shall fall due for payment as specified in this Placement Memorandum
Debentures/ NCDs	Private placement of listed, secured, rated, taxable, redeemable non-convertible debentures of INR 1 lakh each for cash at par for an amount of INR 150 crore with green shoe option to retain over-subscription upto INR 150 crore aggregating Issue Size up to INR 300 crore to be issued by PNB Housing Finance Limited
Debenture holders	Any person or entity holding the debentures and whose name appears in the list of Beneficial Owners provided by the Depositories
Debt Securities	Non-Convertible debt securities with a fixed maturity period which create or acknowledge indebtedness and includes debenture, bonds or any other security whether constituting a charge on the assets/ properties or not, but excludes security receipts, securitized debt instruments, money market instruments regulated by the Reserve Bank of India, and bonds issued by the Government or such other bodies as may be specified by the Board.
Deemed Date of Allotment	The cut-off date declared by the Company from which all benefits under the NCDs including interest on the NCDs shall be available to the Debenture holders. The actual allotment of NCDs (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository	A depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996
Depository Participant	A Depository participant as defined under Depositories Act
DP	Depository Participant
DRR	Debenture Redemption Reserve
EBP	Electronic Book Provider
EPS	Earnings Per Share
Financial Year/ FY	Period of twelve months ending March 31, of that particular year
FIs	Financial Institutions
GIR	General Index Number
GOI	Government of India
HFC	Housing Finance Company registered with National Housing Bank
Independent Director	An independent director referred to in sub-section (5) of section 149 of the Companies Act, 2013
Issuer/ Company/ PNBHFL	PNB Housing Finance Limited, incorporated on November 11, 1988 under the Indian Companies Act, 1956 and having its registered office at 9th Floor Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi - 110 001 and bearing CIN L65922DL1988PLC033856
IT Act	The Income Tax Act, 1961, as amended from time to time
Key Managerial Personnel	Key managerial personnel, in relation to the Company, shall mean: <ul style="list-style-type: none"> i. Managing Director & Chief Executive Officer, Whole-Time Directors; or the Manager; ii. Company Secretary;

TERM	DESCRIPTION
	iii. Chief Financial Officer; and iv. Any such other officer as may be prescribed under the Companies Act.
LODR Regulation	SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as may be amended from time to time.
MD	Managing Director & Chief Executive Officer of the Company
Memorandum/ Memorandum of Association	Memorandum of association of the Company as originally framed or as altered from time to time in pursuance of any previous company law or of the Companies Act, 2013
NBFCs	Non-Banking Financial Companies, as defined under RBI guidelines
NHB	National Housing Bank
NPAs	Non-Performing Assets
NRI	Non-Resident Indians
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited, being the stock exchange on which, the NCDs of the Company are proposed to be listed. NSE shall be the designated stock exchange for the Issue.
OCBs	Overseas Corporate Bodies
PAN	Permanent Account Number
PAT	Profit After Tax
PBIT	Profit Before Interest and Tax
Placement Memorandum / Private Placement Offer Letter	Private placement of listed, secured, rated, taxable, redeemable non-convertible debentures (“NCDs”) of face value of INR 1,00,000 (Rupees One Lakh) each for cash at par for an amount of INR 150 crore with green shoe option to retain over-subscription upto INR 150 crore aggregating Issue Size up to INR 300 crore to be issued by PNB Housing Finance Limited
Private Placement	Offer of NCDs or invitation to subscribe to the NCDs of the Issuer (other than by way of public offer) through issue of this Placement Memorandum, in pursuance of section 42 of the Companies Act, 2013 without prejudice to the provisions of Section 26 of the Companies Act, 2013, by PNB Housing Finance Limited to not more than 200 investors in a financial year for Non QIB investors on such conditions including the form and manner of private placement as prescribed under the Companies Act, 2013 read with the Master Direction – Non Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India vide its notification no. DOR.FIN.HFC.CC.No.120/03/.10.136/2020-21 dated February 17, 2021, as shall be amended from time to time.
Promoter	Punjab National Bank, a government of India undertaking, validly existing under the Companies Act, 2013.
RBI	Reserve Bank of India
Record Date	Reference date for payment of interest/ repayment of principal
Registrar	Registrar to the Issue, in this case being Link Intime India Private Limited
ROC	Registrar of Companies, National Capital Territory of Delhi & Haryana
Rs./ INR/ ₹	Indian National Rupee
RTGS	Real Time Gross Settlement
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Debt Regulations	SEBI (Issue and Listing Of Non-Convertible Securities) Regulations, 2021 dated August 9, 2021 and SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 as may be amended from time to time.
TDS	Tax Deducted at Source
The Companies Act	The Companies Act, 1956, as amended and/or The Companies Act, 2013, to the extent notified by the Ministry of Corporate Affairs, Government of India, as applicable and amendments thereto
The Companies Act, 1956	The Companies Act, 1956, as amended and in force
The Companies Act, 2013	The Companies Act, 2013, to the extent notified by the Ministry of Corporate Affairs, Government of India, as applicable and amendments thereto
The Issue/ The Offer	Private placement of listed, secured, rated, taxable, redeemable non-convertible debentures (“NCDs”) of face value of INR 1,00,000 each for cash at par at par for an amount of INR 150 crore with green shoe option to retain over-subscription upto INR 150 crore aggregating Issue Size up to INR 300 crore to be issued by PNB Housing Finance Limited
Trustees / Debenture Trustee	Trustees for the Debenture holders in this case being IDBI Trusteeship Services Limited
YTM	Yield to Maturity

SECTION III. RISK FACTORS & MANAGEMENT'S PERCEPTION

RISK FACTORS

Risks Relating to Our Business

- 1. Our inability to recover the full value of collateral or amounts outstanding under defaulted loans in a timely manner, or at all, could adversely affect our business, results of operations, cash flows and financial condition.**

Our portfolio of products primarily consists of retail loans, which include a range of individual housing loans, loans against property, and non-residential premises loans. Our portfolio also includes corporate loans (construction finance, lease rental discounting and corporate term loans). The underlying security on our loans is primarily mortgages. As a result, a substantial portion of our loan portfolio is exposed to events affecting the real estate sector. The demand for our housing loans, in particular, is affected by movement in real estate prices.

The value of the collateral on the loans disbursed by us may decline due to adverse market conditions, including an economic downturn or a downward movement in real estate prices. If we are required to revalue a property which serves as collateral for a loan during a period of reduced real estate prices or if we are required to increase our provisions for loan losses, it could result in a material adverse effect on our business, financial condition and results of operations. Also, if any of the projects which form part of our collateral are delayed for any reason, it may affect our ability to enforce our security, thereby effectively diminishing the value of such security. Any failure to recover the expected value of collateral could have a direct impact on our business and expose us to losses and, in turn, result in a material adverse effect on our business, results of operations, cash flows and financial condition.

We may also not be able to realise the full value of our collateral, due to, among others, delays in foreclosure proceedings, defects in the perfection of collateral, fraudulent transfers by customers and decreases in the value of collateral. Foreclosure on collateral may also be subject to delays and administrative requirements that could result in, or be accompanied by, a decrease in the value of the collateral. We may also encounter difficulties in repossessing and liquidating collateral. We cannot assure you that we will be able to successfully repossess the collateral in the event of default under a loan agreement. In the event of any inability or delay in the repossession and liquidation of the collateral securing loans in default on a timely basis or at all, we may incur losses which could adversely affect our business, results of operations and financial condition.

- 2. We are subject to periodic inspections by the NHB. Non-compliance with observations made during any such inspections could result in penalties and fines, and could adversely affect our reputation, business, financial condition, results of operations and cash flows.**

We are subject to periodic inspection by the NHB under the NHB Act, 1987 (the "NHB Act") read with RBI Master Directions for HFCs, pursuant to which the NHB inspects our books of accounts and other records for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the NHB or for obtaining any information which we may have failed to furnish when being called upon to do so. Inspection by the NHB is a regular exercise and is carried out periodically by the NHB for all HFCs under the NHB Act. In the past certain observations were made by the regulator during such inspections regarding our business and operations. These observations relate to, amongst others, financial aspects such as calculation of CRAR in our HFC, operational aspects including certain deficiencies viz. overstatement of NOF, failure to maintain required liquid assets in terms of provisioning, shortfall in creation of floating charge, issues in maintenance of deposit control account, LTV for certain loans beyond NHB norms, non-compliance with credit concentration norms, non-classification of certain loans as NPA and non-compliance with policy circulars issued by the NHB, to which we are currently in the process of responding. In the event we are unable to resolve these deficiencies to the NHB's satisfaction, it may result in a restriction of our ability to conduct our business as we currently do. While we seek to comply with all regulatory provisions applicable to us, in the event we are unable to comply with the observations made by the NHB, we could be subject to penalties and restrictions which may be imposed by the NHB. Imposition of any penalty or adverse finding by the NHB during the ongoing or any future inspection may have a material adverse effect on our reputation, business, financial condition and results of operations.

- 3. Any increase in the levels of NPAs in our Gross AUM could adversely affect our business, cash flows, results of operations, and financial condition.**

Our portfolio of products primarily consists of retail loans, which include a range of individual housing loans, loans against property, and non-residential premises loans. Our portfolio also includes corporate loans (construction finance, lease rental discounting and corporate term loans). Our retail Loan Asset from salaried customers, and self-employed customers, such borrowers may be particularly adversely affected by various factors such as business failure, insolvency, lack of liquidity, loss of employment or personal emergencies, any of which could be exacerbated by the COVID-19 pandemic and its impact on the Indian economy. These factors could lead to

increased customer defaults, leading to an increase in the levels of our NPAs and possible fall in the rate of loan portfolio expansion.

Further, the RBI Master Directions, which are applicable to us, have laid down prudential norms with regard to NPAs, including in relation to the identification of NPAs and income recognition against NPAs, though we follow Ind AS for income recognition against NPAs. If the credit quality of our loan book deteriorates or we are unable to implement effective monitoring and collection methods, our results of operations and financial condition may be adversely affected. As we intend to continue our efforts to originate new loans, we cannot assure you that there will not be significant additional NPAs in the future.

Further, the RBI Master Directions/norms on NPAs may become more stringent than they currently are, which may adversely affect our profitability and results of operations. In the event that the aggregate impairment provision under Ind AS 109 is lower than that required under the Income Recognition, Asset Classification and Provisioning Norms, then the difference shall be appropriated from the Net Profit or loss after tax to a separate "Impairment Reserve". Should the overall credit quality of our AUM deteriorate, the current level of our provisions may not be adequate to cover further increases in the amount of our NPAs.

On November 12, 2021, the RBI issued a circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications (the "November 12 Circular") pursuant to which certain aspects of the Master Circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances (IRACP norms) dated October 1, 2021 were clarified and harmonized and made applicable to all lending institutions (including HFCs). Pursuant to the November 12 Circular it is clarified that the classification of borrower accounts as special mention accounts ("SMAs") or NPAs will be on a day-end position basis and accounts can only be upgraded from an NPA to a 'standard' asset after the clearance of all overdues (in other words, only if the entire arrears of interest and principal are paid by the borrower).

If we are required to increase our provisioning in the future due to increased NPAs or due to any decrease in the value of the underlying collateral or deterioration in the quality of our security or the introduction of more stringent requirements in respect of loan loss provisioning, this may reduce our profit after tax and adversely impact our results of operations. Further, there can be no assurance that we will be able to recover the outstanding amounts due under any defaulted loans. We may also face difficulties in disposing of the underlying assets relating to such loans, as a result of which we may be unable to realize any liquidity from such assets. Further, as our loan portfolio grows, our NPAs and Stage 2 assets may increase and the current level of our provisions may not adequately cover any such increases. We cannot assure you that there will not be a significant increase in the portion of our loans that are classified as NPAs as our loan portfolio matures. Any material increase in NPAs or deterioration in our provisioning coverage ratio may require us to increase our provisions, which could result in a material adverse effect on our business, cash flows, results of operations, and financial condition.

4. We may not be able to maintain our capital adequacy ratio, which could adversely affect our business.

The RBI Master Directions require HFCs to comply with a capital to risk (weighted) assets ratio, or CRAR, consisting of Tier I and Tier II capital, which has been revised over time, and collectively shall not be less than 15% of the HFC's risk-weighted assets and the risk adjusted value of off-balance sheet items on or before March 31, 2022 and thereafter. This ratio is used to measure an HFC's capital strength and to promote stability and efficiency of the housing finance system. At a minimum, Tier I capital of an HFC, at any point of time, cannot be less than 10%, and common equity Tier I capital cannot be less than 9% of risk weighted assets. Further, we are required to ensure that the total Tier II capital at any point of time, should not exceed 100% of Tier – I capital.

As we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier I and Tier II capital in order to remain in compliance with the applicable capital adequacy ratios. There is no assurance that our NPA level will continue to stay at its current level. Further, the RBI may increase its current CRAR requirements or risk weight for assets, which may require us to raise additional capital. We compete with other HFCs to attract capital and we cannot assure you that we will be able to raise adequate additional capital in the future in order to maintain our CRAR above the existing and future minimum required levels or otherwise on terms favourable to us, in a timely manner, or at all, which may adversely affect the growth of our business.

5. We have experienced decreases in our total income and Gross AUM in prior periods, which may have a material adverse effect on our business, results of operations, cash flows and financial condition.

The Company has witnessed decline in its total income and asset under management in FY21 and FY22 as compared to the previous year. We cannot assure you that we will not experience similar slowdowns in our income or AUM growth. Further, growth in our business exposes us to a wide range of increased risks within India, including business risks, operational risks, liquidity risks, interest rate risks and market risks, and the possibility that the quality of our AUM may decline. Moreover, our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key management personnel, maintaining effective risk

management policies, continuing to offer products which are relevant to our target base of customers, developing managerial experience to address emerging challenges and ensuring a high standard of customer service. Going forward, we may not have adequate processes and systems such as credit appraisal and risk management to sustain this growth.

Our results of operations depend on a number of internal and external factors, including the increase in demand for housing loans in India, competition, the RBI's monetary and regulatory policies, NHB / RBI regulations, inflation, our ability to expand geographically and diversify our product offerings and also, significantly, on our net interest income. Further, it cannot be assured that we will not experience issues such as capital constraints, difficulties in expanding our existing business and operations, and hiring and training of new personnel in order to manage and operate our expanded business.

Our business also depends on our marketing initiatives. There can be no assurance in relation to the impact of such initiatives and any failure to achieve the desired results may negatively impact our ability to leverage our brand value. There can also be no assurance that we would be able to continue such initiatives in the future in a similar manner and on commercially viable terms. Furthermore, any adverse publicity about, or loss of reputation by us could negatively impact our results of operations.

If we grow our loan book too rapidly or fail to make proper assessments of credit risks associated with new borrowers or new businesses, a higher percentage of our loans may become non-performing, which would have a negative impact on the quality of our assets and our business, prospects, financial condition, cash flows and results of operations.

We cannot assure you that our existing or future management, operational and financial systems, processes, procedures and controls will be adequate to support future operations or establish or develop business relationships beneficial to future operations. Any one or a combination of some or all of the above-mentioned factors may result in a failure to maintain the growth of our AUM which may in turn have a material adverse effect on our business, results of operations, cash flows and financial condition.

6. We are vulnerable to volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to vary and consequently affect our profitability.

Our operations are vulnerable to volatility and mismatches in interest rates. Our net interest income ("NII") and profitability directly depend on the difference between the average interest rate at which we lend and the average interest rate at which we borrow. We are vulnerable to volatility and mismatch in generally prevailing interest rates, especially if the changes are sudden or sharp.

The cost of our funding and the pricing of our loan products are highly sensitive to a number of factors, many of which are beyond our control, including the RBI's monetary policies, inflationary expectations, competition, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors. Volatility and changes in interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest bearing liabilities because of the different maturity periods applicable to our loans and borrowings and also because liabilities generally re-price faster than assets.

While any reduction in our cost of funds may be passed on to our customers, we may not have the same flexibility in passing on any increase in our cost of funds to our customers, thereby affecting our net interest income. Similarly, competition pressures may require us to reduce our cost of lending to our customers without a proportionate reduction in our cost of borrowing from our lenders. Further, if we do not pass on the reduced interest rates to our borrowers, it may result in some of the borrowers prepaying the loan to take advantage of the reduced interest rate environment, thereby impacting our growth and profitability. Declining interest rates also result in a higher component of principal being repaid in every EMI, resulting in reduced growth of our loan portfolio despite robust new disbursements showing lower loan portfolio growth rates overall.

If interest rates rise, some or all of our lenders may increase the interest rates at which we borrow resulting in an increase in our effective cost of funds. We may or may not be able to pass on the increased interest rates to our borrowers simultaneously with the increase in our borrowing rates, or at all, thereby affecting our net interest income and we may find it difficult to compete with our competitors, who may have access to low-cost funds or lower cost deposits. Additionally, an increase in interest rates may result in some of our borrowers, particularly those with variable interest rate loans, prepaying their loans by arranging funds from other less expensive sources, thereby impacting our growth and profitability. Further, we are prohibited under the RBI Master Directions from charging pre-payment penalties on loans with variable interest rates. An increase in general interest rates in the economy could reduce the overall demand for housing finance and impact our growth.

Our inability to retain customers as a result of changing interest rates may adversely impact our earnings in future periods and as a consequence have a material adverse effect on our business, financial condition and results of operations. There can be no assurance that we will be able to adequately manage our interest rate risk in the future, and if we are unable to do so, this could have an adverse effect on our net interest income and net interest margin,

which could in turn have a material adverse effect on our business, results of operations, cash flows and financial condition.

The pricing on our issuances of debt will also be negatively impacted by any downgrade or potential downgrade in our credit ratings. This would increase our financing costs, affect our margins and adversely affect our future issuances of debt and our ability to raise new capital on a competitive basis. An increase in interest rates applicable to our borrowings, without a corresponding increase in interest rates we charge on our loans to our customers or that we receive on our investments, will result in a decline in our NII and Net Interest Margin (“NIM”). Competitive pressures may also require us to routinely lower the interest rates at which we lend to our customers without a proportionate reduction in interest rates at which we borrow.

To effectively compete with other housing finance providers in India, we may need to maintain low interest rates without a proportionate reduction in interest rates at which we borrow, which may result in a relative decline in average yields for us. Furthermore, certain of our customers may prepay their loans to take advantage of a declining interest rate environment. Similarly, an increase in interest rates could result in our customers, particularly those with variable interest rate loans, prepaying their loans if less expensive loans are available from other sources. This could adversely affect our business, results of operations, cash flows and financial condition.

7. We may face interest rate and maturity mismatches between our assets and liabilities in the future, which may cause liquidity concerns.

We may also face potential liquidity risks due to mismatches in the maturity of our assets and liabilities. Such mismatches, where the financial terms of an institution’s assets and liabilities do not match, are a key financial parameter for us. As is typical for a company in the business of lending, in addition to deposits, a portion of our funding requirements is met through short and medium-term funding sources such as bank loans, NCDs, commercial paper, or cash credit. However, a significant portion of our assets (such as loans to our customers) have maturities with longer terms than our borrowings. Our inability to obtain additional credit facilities or renew our existing credit facilities for matching the tenure of our liabilities in a timely and cost-effective manner or at all, may lead to mismatches between our assets and liabilities, which in turn may adversely affect our operations and financial performance.

There can be no assurance that a substantial number of our customers will roll over their deposits with us upon maturity, and we may be required to pay higher interest rates in order to attract or retain further deposits. Moreover, raising long-term borrowings in India has historically been challenging and is also dependent on our credit ratings. Our inability to obtain additional credit facilities or renew our existing credit facilities for matching tenure of our liabilities in a timely and cost-effective manner or at all, may adversely affect our liquidity position. Furthermore, the long average tenure of our loans may expose us to risks arising out of economic cycles and our exposure to liquidity risk may increase as a result of an increase in delinquency rates on our loans or the risk of being unable to liquidate a position in a timely manner at a reasonable price, which may in turn materially and adversely affect our business, financial condition and results of operations.

8. The COVID-19 pandemic poses unique challenges to the economy and to our business and the effects of the pandemic could adversely impact our ability to originate loans, our customers’ ability to service our loans, our liquidity and our employees. Such effects, if they continue for a prolonged period, may have a material adverse effect on our business, cash flows, results of operations, and financial condition.

An outbreak of COVID-19 was recognized as a pandemic by the World Health Organization (“WHO”) on March 11, 2020. In response to the COVID-19 outbreak the governments of several countries, including India, had taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit their time outside of their homes. Temporary closures of businesses were ordered and numerous other businesses were temporarily closed on a voluntary basis as well.

Given the uncertainty regarding the duration and long-term impact of COVID-19, there is no assurance that the ongoing COVID-19 pandemic, including the detection and spread of new variants, will not result in an adverse impact to our business, financial condition and results of operations.

Our liquidity may be affected by the COVID-19 pandemic which may impact our ability to continue to operate and grow our business. We fund substantially all of the loans through borrowings under our various funding facilities. Given the broad impact of COVID-19 on the financial markets, our ability to borrow money to fund our current and future customer demand is uncertain.

There is no assurance that COVID-19 will not have a material adverse effect on our business.

9. Our indebtedness and conditions and restrictions imposed by our financing arrangements could adversely affect our ability to conduct our business and operations.

Our primary sources of funding are loans and deposits. In addition to deposits, our funding requirements is met through short and medium-term funding sources such as bank loans, NCDs, commercial paper, or cash credit. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business, which depends on the timely repayment by our customers. We have entered into agreements with certain banks and financial institutions for short-term and long-term borrowings.

Some of our loan agreements also require us to maintain certain periodic financial ratios. Non-compliance with such covenants could result in penal interest being charged or trigger events of default under the relevant financing agreements. In the past, we have not been in compliance with financial covenants relating to asset quality/Net NPA ratio under certain of our loan agreements and in relation to certain facilities, we continue to be non-compliant. We have submitted waiver requests in relation to the above non-compliance to the relevant lenders. While certain banks have granted us waivers for such breaches and certain lenders have reset the required financial covenants to be maintained, certain of our waiver requests are still pending with our lenders. While we are awaiting such waivers, we cannot assure you that we will be able to obtain such waivers or meet all the financial/ non-financial covenants/ ratios and other covenants included in the financing agreements in future. In the event we are unable to obtain such waivers or if the relevant financial covenants are not reset pursuant to our requests, there may be cross default, penal interest being charged, triggering of events of default under the respective loan agreements or cancellation of the facility. Additionally, most of our financing agreements also contain cross-default and cross-acceleration clauses, which are triggered in the event of default by our Company under the respective financing agreements. There is no assurance that we will receive condonations or waivers for any breaches from any of our present or future lenders.

Our future borrowings may also contain similar restrictive provisions. In the event that we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which are only identified in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. We may be forced to sell some or all of the assets in our portfolio if we do not have sufficient cash or credit facilities to make repayments. The restrictive clauses/ covenants under the financing arrangements as mentioned above are in the ordinary course of business as an HFC and will continue post completion of the Issue, as is customary for borrowing arrangements entered in the ordinary course of business.

We cannot assure you that our business will generate sufficient cash to enable us to service our debt or to fund our other liquidity needs. In addition, we may need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all.

10. We may not be able to sustain the growth in our deposits or access sources of capital as frequently as we expect, which could have a material adverse effect on our liquidity position, financial condition, business and results of operations.

We believe that certain funding sources, such as deposits, which are primarily retail in nature and hence relatively more stable, form integral parts of our overall borrowing mix. In addition, we also avail ourselves of NHB refinancing and term loans from banks and financial institutions.

The interest rates that we must pay to attract deposits are determined by numerous factors such as the prevailing interest rate structure, competitive landscape, and regulatory landscape. In addition, acceptance of deposits requires compliance with a number of restrictions under the applicable regulations in India. For instance, under the RBI Master Directions, we are only allowed to mobilise public deposits up to three times of our Net Owned Fund ("NOF").

Further, we are not allowed to accept or renew any public deposit which is repayable on demand or on notice, or unless such deposit is repayable after a period of one year or more, but not later than 10 years from the date of acceptance or renewal of such deposits, or which pays interest at a rate exceeding 12.50% per annum. HFCs are not permitted to offer NRIs a deposit rate that exceeds the maximum rate specified by the RBI for similar deposits offered by scheduled commercial banks. The tenure for deposits by NRIs cannot be less than one year and more than three years. Moreover, HFCs are not permitted to pay to any broker on public deposit collected by or through it: (a) brokerage, commission, incentive or any other benefit in excess of 2.00% of the deposit so collected; and (b) reimbursement of expenses in excess of 0.5% of the deposit so collected. The interest rate offered by deposits compared to other investment options plays a vital role in customers choosing to invest in deposits. Deposits tend to be more attractive in an increasing interest rate scenario, as compared to a declining interest rate scenario.

The NHB provides refinance for certain qualifying loans at reduced, competitive rates to certain qualifying HFCs pursuant to various housing schemes, including rural and affordable housing schemes. Moreover, under the RBI Master Directions, on or after March 31, 2022, deposits including public deposits, together with borrowings from various sources including loans or other assistance from the NHB, cannot exceed 12 times of an HFC's NOF. However, there can be no assurance that we will continue to be eligible for refinancing from the NHB in the same proportion as prior periods, or at all.

In addition, we may not have access to funding at the same levels as we have in prior periods. Recently, certain defaults in the HFC industry have affected sources of funding for NBFCs. In addition, any increases in our NPAs may affect our access to sources of funding. Our failure to sustain the growth in our deposits or access other low-cost sources of funds could have a material adverse effect on our liquidity position, financial condition, business and results of operations.

11. We may have to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the NHB and RBI, which may increase our compliance costs, and subject us to penalties.

We are regulated principally by RBI and have reporting obligations to the NHB. We are also subject to the corporate, taxation and other laws in effect in India. The regulatory and legal framework governing us differs in certain material respects from that in effect in other countries and may continue to change as India's economy and commercial and financial markets evolve. In recent years, existing rules and regulations have been modified, new rules and regulations have been enacted and reforms have been implemented which are intended to provide tighter control and more transparency in India's housing finance sector. Activities of HFCs are primarily regulated by the RBI Master Directions, including various aspects of our business, such as the definition of housing finance and housing finance company, net owned fund requirement, capital adequacy, sourcing of funds, onboarding of customers and risk management and asset classification and provisioning. Accordingly, there may be further scrutiny and instructions from the RBI in relation to the regulation of HFCs. If we fail to comply with such requirements, we may be subject to penalties or compounding proceedings.

The laws and regulations governing the housing finance industry in India have become increasingly complex and cover a wide variety of issues. Compliance with many of the regulations applicable to our operations in India, including any restrictions on investments and other activities currently being carried out by us, involves a number of risks. Moreover, new regulations may be passed that restrict our ability to do business. Further, these regulations are subject to frequent amendments and depend upon government policy. We cannot assure you that we will not be subject to any adverse regulatory action in the future. The costs of compliance may be high, which may affect our profitability. If we are unable to comply with any such regulatory requirements, our business and results of operations may be materially and adversely affected.

Pursuant to amendments to the NHB Act which came into force on August 9, 2019 (the "NHB Act Amendments"), the following changes were made, among others, (i) the regulation authority over the housing finance sector was transferred from NHB to RBI and, accordingly, the RBI has the power to determine policy and issue instructions in relation to housing finance institutions; and (ii) the RBI has the power to regulate by specifying conditions or prohibit the issue by any HFC which is a company of any prospectus or advertisement soliciting deposits of money from the public.

Further, on February 17, 2021, RBI issued the RBI Master Directions in supersession of, inter alia, the NHB Directions. The RBI Master Directions apply to every HFC registered under the NHB Act.

Further, the RBI Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("NBFC-ND-SI Directions") and RBI Master Directions are applicable on various aspects to HFCs including managing risk and code of conduct in outsourcing of financial services, liquidity risk management framework and liquidity coverage ratio.

Further, pursuant to a notification dated November 18, 2019 issued by the Ministry of Corporate Affairs, certain prescribed non-banking finance companies (which include HFCs) with asset size of ₹ 500 crore or more, as per last audited balance sheet have been notified as a category of financial service providers ("Notified FSPs") for the purposes of the Insolvency and Bankruptcy Code, 2016. The Ministry of Corporate Affairs has also issued the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, in terms of which the RBI may initiate insolvency and liquidation proceedings under the IBC against Notified FSPs (which includes our Company) for a 'default' in terms of the IBC.

Additionally, pursuant to the RBI Master Directions, HFCs accepting deposits are currently required to pursue liquidity risk management which should cover, among other things, adherence to gap limits, making use of liquidity risk monitoring tools and adoption of stock approach to liquidity risk. We are required to maintain a liquidity buffer in terms of liquidity coverage ratio ("LCR") that enables us to survive any acute liquidity stress scenario for 30 days. As a deposit taking HFC, we are required to maintain a minimum LCR of 50%, which under the applicable RBI Master Directions is required to increase in the manner set forth below.

From	December 1, 2022	December 1, 2023	December 1, 2024	December 1, 2025
Minimum LCR	60%	70%	85%	100%

There can be no assurance that we will be able to maintain our LCR within these limits or that these LCR requirements will not increase further in the future, which may require us to raise additional capital in the form of approved investments. Our inability to raise sufficient capital when necessary or on terms favourable to us to meet these requirements could have a material adverse effect on our growth, and as a result, our business, financial condition and results of operations.

The Scale Based Regulation for NBFCs (“**SBR Regulations**”), which came into effect on October 1, 2022, reflect the RBI’s attempt to premise the regulatory framework for NBFCs on the scale, size, leverage, risk and complexity of its operations. In this respect, the SBR Regulations place the NBFCs into four brackets, namely, base layer, middle layer, upper layer and top layer, and prescribe a customised regulatory framework for each. Presently, our Company is categorised in the upper category, and accordingly, we are subject to certain additional capital, prudential guidelines, regulatory changes and governance requirements, basis which bracket we fall within such as the Company is required to, among other things, (a) maintain common equity tier 1 capital of at least 9% of risk weighted assets, (b) hold differential provisioning towards different classes of standard assets, (c) adhere to the large exposures framework issued by RBI and (d) put in place a board-approved policy for adoption of the enhanced regulatory framework applicable to NBFC-UL. The SBR Regulations have also merged the credit concentration limits for investments and lending into a single exposure limit of 25% for single borrower/party and 40% for single group of borrowers/parties. Our board is required to ensure that the stipulations prescribed for the NBFC-UL are adhered to by September 30, 2024, at the latest. There can be no guarantee that we will be able to comply with any increased or more stringent regulatory requirements in a timely manner, in part or at all. Failure to comply with such further regulatory requirements could lead to regulatory actions, including penalties, which may have an adverse effect on our future business, cash flows, results of operations, and financial condition.

Uncertainty in the applicability, interpretation or implementation of the above regulations may impact the viability of our current business or restrict our ability to grow our business in the future. If the interpretation of regulations by the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. Any changes in the existing regulatory framework, including any increase in the compliance requirements, may require us to divert additional resources, including management time and costs towards such increased compliance requirements. Such an increase in costs could have an adverse effect on our business, prospects, financial condition and results of operations. Additionally, our management may be required to divert substantial time and effort towards meeting such enhanced compliance requirements and may be unable to devote adequate time and efforts towards our business, which may have an adverse effect on our future business, prospects, financial condition and results of operations.

12. We depend on the accuracy and completeness of information provided by our potential borrowers and third-party service providers. Our reliance on any misleading information given by potential borrowers may affect our judgment of credit worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, results of operations, cash flows and financial condition.

In deciding whether to extend credit or enter into other transactions with potential borrowers, we rely on information furnished to us by potential customers for certain key elements of the credit assessment process, including their income, assets, financial transactions, credit history, and analysis of the information by independent valuers and advocates. To further verify the information provided by potential borrowers, we conduct searches with credit bureaus for credit history, creditworthiness and conduct of borrowers. We also verify information with registrars and sub-registrars of assurances for encumbrances on collateral. We follow the know your customer (“**KYC**”) guidelines prescribed by the RBI on the potential borrower, verify the place of business or place of employment as applicable to the potential borrower and also verify the details with the sanctions list of the RBI as circulated from time to time. Such information includes representations with respect to the accuracy and completeness of information relating to the financial condition of potential borrowers, and independent valuation reports and title reports with respect to the property secured. Additionally, once a prospective borrower has submitted a completed loan application, our empanelled third-party agencies conduct various on-site checks to verify the prospective customer’s work and home addresses. Our risk management measures may not be adequate to prevent or deter fraud in all cases, which may adversely affect our business, results of operations and financial condition.

While we have a credit appraisal process, there can be no assurance that information furnished to us by potential borrowers and analysis of the information by independent valuers or the independent searches conducted by us with credit bureaus, or the on-site verification conducted by our empanelled third-party agencies will be accurate, or that we will interpret the information provided correctly, and our reliance on such information given by potential borrowers may affect our judgment of the credit worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, results of operations, cash flows and financial condition. Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our non-performing assets, which could adversely affect our business, results of operations, cash flows and financial condition.

13. We rely on our information technology systems for our business and operations. A failure, inadequacy or security breach in our information technology and telecommunication systems may adversely affect our business, cash flows, results of operations, and financial condition. In addition, security breaches of customers' confidential information that we store may expose us to liability and harm our reputation.

We are reliant on IT systems in connection with, but not limited to, financial controls, risk management and transaction processing. The size and complexity of our computer systems may make them potentially vulnerable to breakdown, system integration problems, malicious intrusion and computer viruses. Our ability to operate and remain competitive depends in part on our ability to maintain and upgrade our information technology systems and infrastructure on a timely and cost-effective basis, including our ability to process a large number of transactions on a daily basis. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our financial, accounting and other data processing systems, management information systems and our corporate website may fail to operate adequately or become disabled as a result of events beyond our control, including a disruption of electrical or communications services. We may also face risks relating to our migration to a new IT infrastructure as part of our digital transformation program. For instance, in 2020, we launched our digital acquisition platform 'ACE', our flagship mobile app for contactless applications and onboarding.

There is no assurance that our transition to our new technological platforms will be smooth or in the manner that we anticipate or that the any or all technologies we adopt will achieve the efficiencies we expect, or that we will not face any disruptions or problems resulting from any or all technologies we use, which may adversely affect our business, results of operations, cash flows and financial condition. Although we have not experienced any significant disruptions to our information technology systems in the past, we cannot assure you that we will not encounter disruptions in the future. Further, while we have procedures to monitor for and prevent system failures, and to recover from system failures in the event they occur, there is no guarantee that these procedures will successfully prevent a system failure or allow us to recover quickly from a system failure.

As part of our business, we store and have access to confidential information of our customers, including bank information, credit information and other sensitive data. Any accidental security breaches whether by employees who may have a lack of experience with our newer information technology systems or other unauthorized access to confidential information could expose us to liability related to the loss of the information, legal proceedings against us including the potential imposition of penalties, and negative publicity. Data security breaches could lead to the loss of trade secrets or other intellectual property, or the public exposure of personal information (including sensitive financial and personal information) of our customers and employees. Security measures could be breached by third-party actions, intrusion into our software by hackers due to software flaws or due to employee error and malfeasance. In addition, we may be required under applicable regulations to notify individuals of data security breaches involving their personal data. Any security breach may cause our customers to lose confidence in the effectiveness of our data security measures, and in turn have an adverse effect on our business, cash flows, results of operations, and financial condition.

14. Any downgrade in our credit ratings may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and adversely affect our ability to borrow on a competitive basis.

Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. We have received ratings from rating agencies such as CRISIL Limited ("CRISIL"), ICRA Limited ("ICRA"), Credit Analysis and Research Limited ("CARE") and India Ratings and Research Private Limited ("India Ratings (Fitch)"). For instance, we have received "CRISIL AA/Stable and "CARE AA/Stable" credit ratings, from CRISIL and CARE, respectively, for our fixed deposit programmes, respectively, and "CARE AA/Stable" by CARE and "CRISIL AA/Stable" by CRISIL for our long-term loan facilities as well as for our NCDs (secured and unsecured) and A1(+) credit ratings from CRISIL and CARE for our commercial paper programme. However, any downgrade in our credit ratings may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and may have an adverse effect on our future issuances of debt and our ability to borrow on a competitive basis. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of repayment of certain of our borrowings. If any of these risks materialise, it could have a material adverse effect on our business, cash flows, financial condition and results of operations.

15. We may not be able to identify or correct defects or irregularities in title to the properties which are made collateral to the loans offered by us to our customers, which may adversely affect our business. Our further inability to realise the loan amount from such properties may adversely affect our business.

There is no central title registry for real property in India and the documentation of land records in India has not been fully digitized. Property records in India are maintained at the state/district/local sub-registrar level and in local

languages and are updated manually through physical records. Therefore, property records may not be available online for inspection, may be illegible, untraceable, tampered and incomplete, may not have been updated regularly, may be inaccurate in certain respects or may have been kept in poor condition which may impede title investigations or our ability to rely on such property records. Title to land in India is often fragmented, and in many cases, land may have multiple owners. Title may also suffer from irregularities, such as non-execution or non-registration of conveyance/title deeds and inadequate stamping and may be subjected to encumbrances that we are unaware of and that may not be apparent on the face of the relevant documentation. Any defects in, or irregularities of, title may result in a loss of development or operating rights over the land, which may prejudice our ability to realize the loan amount extended to our customers in case of a default in payment. This will compel us to write off such loans or litigate the cases with a heavy cost and an indefinite time to resolution, which will adversely affect our revenues.

Furthermore, although we have procedures in place to identify defects or irregularities in title to the properties which are made collateral to the loans offered by us to our customers, there is no mechanism to verify multiple executions on the same day with different registrars or to verify the legitimacy of such executions.

The Government of India established and operationalised the Central Registry of Securitization Asset Reconstruction and Security Interest of India (“CERSAI”) on March 31, 2011 under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFAESI Act”) to create a central database of all mortgages created by lending institutions. However, the management and maintenance of this database is subject to the accuracy of descriptions of property submitted by borrowers and set out in the relevant property deeds. Although data is required to be updated on the CERSAI portal, potential disputes or claims over title to our mortgaged properties may arise. Moreover, an adverse decision from a court or adjudicating agency may result in additional costs and delays in the realization of any disbursement made by us. Any such disputes, whether resolved in our favour or not, may divert management’s attention, harm our reputation, and otherwise disrupt or adversely affect our business, financial condition and results of operations.

16. If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We are exposed to a variety of risks, including credit risk, liquidity risk, market risk, interest rate risk, operational risk, and information security and technology risk. We have devoted significant resources to develop our risk management policies and procedures and plan to continue to do so in the future. The effectiveness of our risk management policies is affected by the quality and timeliness of available data. Our policies and procedures to identify, monitor and manage risks of fraud, money laundering, any other credit, operational or other risks may not be fully effective. Our Board and the Risk Management Committee reviews our risk management policies from time to time. We also depend on our information technology systems to assist us with our risk management functions. However, our policies and procedures to identify, monitor and manage risks may not be fully effective. Some of our risk management processes may not be automated and subject to human error.

Further, some of our methods of managing risks are based upon the use of observed historical market behaviour. As a result, these methods may not accurately predict future risk exposures, which could be significantly greater than those indicated by the historical measures. To the extent that any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risks are not effective, we may face risk exposure in certain market environments or particular types of risk as a result of not being able to effectively mitigate those market or credit risks. In addition, as we seek to expand the scope of our operations, we also face the risk of being unable to develop commensurate risk management policies and procedures.

Our earnings are dependent upon the effectiveness of our management of changes in credit quality and risk concentrations, the accuracy of our valuation models and our critical accounting estimates and the adequacy of our allowances for loan losses. To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses. In addition, certain processes are carried out manually, which may increase the risk that human error, tampering, frauds or manipulation will result in losses that may be difficult to detect. As a result, we may suffer monetary losses, which may not be covered by our insurance policies.

While we have systems and procedures in place to ensure that risk is managed through a standardised framework there can be no assurance that the Risk Management Committee will successfully identify and correct defects or irregularities in title to the properties which are made collateral to the loans offered by us to our customers, which may adversely affect our business.

If we fail to effectively implement our risk management policies, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

17. We depend on third-party selling agents for referrals of a certain portion of our customers, who do not work exclusively for us.

We depend on external direct selling agents (“DSAs”), who are typically proprietorships and self-employed professionals, for, among others, soliciting potential customers, creating database of potential customers, collecting loan applications, marketing of our financial products, coordinating with the developers and builders approved by our Company to provide the options to the potential customers according to their financial needs. Our agreements with such DSAs typically do not provide for any exclusivity, and accordingly, such DSAs can work with other lenders, including our competitors. There can be no assurance that our DSAs will continue to drive a significant number of customers to us, and not to our competitors, or at all. Further, there can be no assurance that these agents will be able to meet the monthly targets agreed upon in the agreements executed by our Company with these agents.

18. We may experience difficulties in expanding our business or pursuing new business opportunities in new regions and markets.

Our portfolio of products primarily consists of retail loans, which include a range of individual housing loans, loans against property, and non-residential premises loans. Our portfolio also includes corporate loans (construction finance, lease rental discounting and corporate term loans). As part of our growth strategy, we continue to evaluate attractive growth opportunities to expand our business, such as in the affordable housing segment. Factors such as competition, customer requirements, regulatory regimes, culture, business practices and customs in these new markets may differ from those in our current markets, and our experience in our current markets may not be applicable to these new markets.

Our present and future business may be exposed to various additional challenges, including obtaining necessary governmental approvals, identifying and collaborating with local business and partners with whom we may have no previous working relationship; successfully marketing our products in markets with which we have no previous familiarity; attracting potential customers in a market in which we do not have significant experience or visibility; attracting and retaining new employees; expanding our technological infrastructure; maintaining standardized systems and procedures; and adapting our marketing strategy and operations to different regions of India in which different languages are spoken, including engagement with local and national DSAs, deposit brokers and connectors. To address these challenges, we may have to make significant investments that may not yield the desired results or incur costs that we may not recover. As we enter new markets and regions, we are likely to compete with not only other banks and financial institutions but also the local unorganized or semi-organized private financiers, who may be more familiar with local regulations, business practices and customs, and may have stronger relationships with target customers. In particular, we have shifted our focus towards the retail segment and cannot assure you that our strategy realignment, or our increased emphasis on our affordable housing portfolio will be successful. Our development of new products may not yield the intended results, and may in turn have an adverse effect on our business, prospects, and results of operations.

19. We are exposed to risks related to concentration of loans to certain real estate developers and risks associated with construction finance loans, as well as risks related to concentration of loans to self-employed customers.

Our corporate book is spread across 38 unique developers as of December 31, 2022. If the loans to any of our large customers becomes non-performing, it could result in deterioration of the credit quality of our loan portfolio, which could in turn have a material and adverse effect on our business, financial condition and results of operations.

We offer our retail customers a variable interest rate, which are linked to our reference rate. Based on market conditions, we price our loans at either a discount or a premium to our reference rate, which is determined primarily on the basis of our cost of borrowings, which in turn is determined by a number of factors, many of which are beyond our control, including the RBI’s monetary policies, the applicable regulations prescribed by the NHB and the RBI, inflation, competition and the prevailing domestic and international economic conditions..

Self-employed customers are often considered to be higher credit risk customers due to their potential to be more exposed to fluctuations in cash flows from income and their increased exposure to adverse economic conditions generally. To the extent we are not able to successfully manage the risks associated with lending to these customers, it may become difficult for us to make recoveries on these loans. In addition, we may experience higher delinquency rates due to prolonged adverse economic conditions or a sharp increase in interest rates. An increase in delinquency rates could result in a reduction in our interest income and as a result, lower revenue from our operations, while increasing costs as a result of the increased expenses required to service and collect delinquent loans.

20. Any negative events affecting the Indian real estate sector could adversely affect the value of the collateral for our loans, our business and result of operations.

All of our AUM is exposed to the real estate sector as the underlying security on these loans is primarily mortgages. In the event the real estate sector is adversely affected due to any reason whatsoever, including without limitation, the passing of any stringent norms regarding construction, floor space index or other compliances, the value of our collateral may diminish which may affect our business and results of operations in the event of a default in repayment by our clients. Also, if any of the projects which form part of our collateral are stalled for any reason for any length of time, the same may affect our ability to enforce our security, thereby effectively diminishing the value of such security.

The value of real estate properties secured under our loans is largely dependent on housing market conditions prevalent at that time, as well the quality of the construction and the relevant developer. Following the introduction of the SARFAESI Act and the subsequent extension of its application to HFCs, we are allowed to enforce any security interest and take certain other actions, including taking over the management of the business of the borrower, and which includes our right to transfer (in any manner) the underlying collateral after 60 days' notice to a borrower whose loan has been classified as non-performing.

Although the enactment of the SARFAESI Act has strengthened the rights of creditors by allowing expedited enforcement of security in an event of default, there is still no assurance that creditors like us will be able to realize the value of the collateral, in full or in part, pursuant to enforcement action under the SARFAESI Act. The Debt Recovery Tribunal ("DRT") has the power to issue a stay order prohibiting the lender from selling the assets of a defaulted borrower. As a result, there can be no assurance that any foreclosure proceedings would not be stayed by the DRT or any other relevant authority. In addition, delays on our part to take immediate action, delays in bankruptcy foreclosure proceedings, economic downturns, defects in security and fraudulent transfers by borrowers, may hinder our ability to realize the full value of security, which may result in a material adverse effect on our business, cash flows, results of operations, and financial condition.

21. Our profitability may be impacted by high operating costs.

One of the key ratios we use to measure our performance is the cost to income ratio, which we measure as the ratio of total operating expenses to our net income. Our ability to improve our profitability depends on our efforts to continue to grow our loan portfolio and expand our operations, while at the same time reducing our costs. High cost to income ratios could adversely affect our margins, return on average assets and profitability. In recent years, we have made a number of investments in connection with our business transformation, including affordable loan-specific branch expansion, and digitisation, which, along with a reduction in revenue, have impacted our cost to income ratio.

As we continue to expand our business and operations consistent with our growth strategy, our operating expenses could increase in the near future, primarily on account of increased expenditure on branch expansion for the affordable segment, automation, collections and digitisation, and other activities related to marketing and distribution of our loan products. In order to reduce our cost to income ratio and to efficiently utilise our available resources in the future, we will need to derive economies of scale and other efficiencies by continuing to grow our loan portfolio significantly. Our business could also be adversely affected by factors outside of our control such as a decline in global and Indian economic growth or increase in real estate prices, changes in regulatory policies, decline in customer demand for loans, inflation and changes in interest rates, which could reduce our interest income and increase our operating expenses and adversely affect our ability to grow our business. Higher operating costs may result in an increase in our cost to income ratio, which may result in lower margins and returns on our average assets, which may in turn materially and adversely affect our business, prospects, financial condition and results of operations.

22. We are party to certain legal proceedings and any adverse outcome in these or other proceedings may adversely affect our business.

The proceedings against the Company are pending at different stages of adjudication before various courts, tribunals and appellate tribunals. A significant degree of judgment is required to assess our exposure in these proceedings and determine the appropriate level of provisions, if any. There can be no assurance on the outcome of the legal proceedings or that the provisions we make will be adequate to cover all losses we may incur in such proceedings, or that our actual liability will be as reflected in any provision that we have made in connection with any such legal proceedings. The outcome of such legal proceedings may have a material adverse effect on our business and financial condition. The details of all pending legal proceedings against us and our promoters are detailed at Section V(3)(b).

23. We may not be able to obtain, renew or maintain statutory and regulatory permits and approvals required to operate our business, which may materially and adversely affect our business, cash flows, results of operations, and financial condition.

Our operations are subject to extensive government regulation and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India for carrying out our business. This includes registration with the NHB for carrying out business as an HFC, registration with the CERSAI, our legal entity identifier code as well as maintaining licenses under various applicable national and state labour laws in force in India for some of our offices and employees. While we currently possess or have applied for renewals of certain licenses, including shops and establishment licenses for some of our branches, there can be no assurance that the relevant authorities will renew these in the anticipated timeframe, or at all. In addition, we may apply for more approvals. We cannot assure you that we will be able to maintain the conditions required to retain all our licenses.

Moreover, we cannot assure you that approvals and licenses currently held by us would not be suspended or cancelled in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Additionally, failure by us to comply with the terms and conditions to which such licenses, approvals, permits or registrations are subject, and/or to renew, maintain or obtain the required licenses, approvals, permits or registrations may result in the interruption of our operations and may have a material adverse effect on our business, cash flows, results of operations, and financial condition.

24. We are exposed to risks that may arise if our customers opt for balance transfers to other banks or financial institutions, or if customers face increased difficulties in refinancing their existing housing loans from other banks and financial institutions to our Company.

We offer our customers the option to choose between a fixed interest rate, a variable interest rate, or a combination of fixed and variable interest rates, in order to give them the flexibility to hedge against unexpected interest rate movements. Variable interest rate loans are linked to our applicable reference rate (PNBHFR), which varies according to the type of customer and is fixed in accordance with the perceived risks and opportunities for the type of customer.

Customers with variable interest rates on their loans are exposed to increased loan tenures or increased equated monthly instalments ("EMIs") when the loans' interest rate adjusts upward from an initial fixed rate, as applicable, to the rate computed in accordance with the applicable index and margin. Such customers typically seek to refinance their loans through balance transfer to other banks and financial institutions, to avoid increased EMIs that may result from an upwards adjustment of the loans' interest rate. While refinancing of loans by other lenders could in certain circumstances be beneficial for our customers, it results in a loss of interest income expected from such loans over the course of their tenure. In addition, all housing finance providers in India are prohibited from charging pre-payment penalties on loans with variable interest rates, which has led to a high incidence of balance transfer, which results in a high turnover of loan assets between lenders, causing lenders to incur increased origination costs. In addition, increased difficulties for customers in refinancing their existing housing loan from another bank or financial institution, may also adversely affect our balance transfer loan originations. As competition in the housing finance sector intensifies, certain of our customers with variable interest rate loans may not be able to find balance transfer options at comparably lower interest rates or other financing alternatives. As a result, they may be exposed to the risks associated with increases in EMIs, which may lead to increased delinquency or default rates. Increased delinquency rates may also result in deterioration in credit quality of our loan portfolio, which could have an adverse effect on our business, results of operations and financial condition.

25. We have entered into a number of related party transactions and may continue to enter into related party transactions, which may involve conflicts of interest.

All related party transactions that we enter into are subject to an approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act, SEBI LODR Regulations and our related party transactions policy. We have entered into a number of related party transactions, within the meaning of Ind AS-24. While we believe that all such transactions have been conducted on an arm's length basis, in accordance with our related party transactions policy, applicable provisions of the Companies Act and SEBI LODR Regulations and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties.

It is likely that we may enter into related party transactions in the future. Such transactions may give rise to potential conflicts of interest with respect to dealings between us and such related parties. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour.

26. Our relationship with and reliance on our Promoter, PNB, may result in certain conflicts of interest, which may adversely affect our business, operations, results of operations and financial condition.

Our Promoter, PNB, owns 32.53% of our fully diluted equity share capital including vested and unvested options. PNB is a nationalised bank and financial institution engaged in the business of providing a range of banking and financial services in India. PNB has access to a wider customer network than us, along with better access to low cost funding. Certain other PNB group companies and members of the Promoter Group are also engaged in a range of financial services, including life and other insurance, lending, and investment services. There are no agreements between us and PNB or any other PNB group companies that restrict us or them from offering similar

products and services. Further, certain other members of our Promoter Group, namely PNB (International) Limited, United Kingdom and Druk PNB Bank Limited, Bhutan, which are subsidiaries of our Promoter, and Everest Bank Limited, Nepal, which is a joint venture of our Promoter, are engaged in the same line of business as that of our Company. As a result, our relationship with PNB may cause certain conflicts of interest, particularly with respect to distribution of housing and non-housing loans and deposit products as PNB continues to distribute these products and we may compete with PNB on the basis of range of product offerings, interest rates and fees as well as customer service, particularly in the retail housing market. We may also compete with PNB for capital and other low-cost sources of funding. There can be no assurance that we will be able to successfully compete with PNB, and our failure to do so could materially and adversely affect our reputation, business, financial condition and results of operations.

We rely on PNB in connection with the right to use the name, brand and trademark "PNB" and the associated logo. We believe that our relationship with PNB has also assisted us in the past with branding and marketing of our products. Our ability to market our products could be impacted if we are no longer able to use the PNB brand or if there is adverse publicity with respect to the PNB brand. Subject to certain conditions, the terms of certain of our financing agreements require, among others, our Company to continue to carry "PNB" in our name, PNB to own at least 26% of our equity share capital, remain a promoter of our Company and/or to be the single largest shareholder of our Company until the relevant loan remains outstanding.

Any further dilution in PNB's shareholding in our Company could require us to obtain consent of, or waivers from, the relevant lenders and/or the RBI. Our failure to obtain relevant consent or waivers from our lenders and/or the regulator or a deterioration of our relationship with PNB could materially and adversely affect our reputation, operations, business, financial condition and results of operations.

27. We have contingent liabilities and our results of operations and financial condition may be adversely affected if these contingent liabilities materialize.

We have contingent liabilities, which could adversely affect our business and results of operations. As of March 31, 2022, our contingent liabilities in respect of income tax aggregated to ₹20.74 crore which are disputed and currently under appeal. This includes contingent liability of ₹1.84 crore which have been decided by the Commissioner of Income Tax (Appeals) in our favour. In the event that any of these contingent liabilities materialize, our results of operations and financial condition may be adversely affected. Moreover, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current Financial Year, or in the future.

28. Our Statutory Auditor has included an emphasis of matter paragraph in their report on our financial statements for the Financial Years 2021 and 2020.

Our Statutory Auditor has included emphasis of matters in their report on our financial statements for the Financial Years 2021 and 2020, which describe uncertainties relating to the effects of COVID-19 pandemic on our operations. In addition, the emphasis of matter in our Statutory Auditor's report on our financial statements in Financial Year 2020 describes the moratorium we offered on the payment of instalments to all eligible borrowers classified as standard as on February 29, 2020. As a result, ageing of the accounts which have opted for moratorium has been determined with reference to days past due status as of February 29, 2020.

29. Our business and operations significantly depend on our senior management and other key employees and may be adversely affected if we are unable to retain them.

Our senior management has contributed significantly to our business and operations, and we continue to depend significantly on the continued services and performance of our senior management and other key employees and our ability to attract and retain such personnel. Our ability to identify, recruit and retain our senior management and other key employees is critical to the successful operation of our business. We face a continuing challenge to recruit, adequately compensate and retain a sufficient number of suitably skilled personnel, knowledgeable in sectors to which we lend. There is significant competition in India for such personnel, which has increased in recent years as a significant number of commercial banks, small finance banks, payment banks, NBFCs and HFCs have recently commenced operations. We also need to train and motivate existing employees to adhere to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of our customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. As we continue to expand our business and operations, recruiting and retaining qualified and skilled managers is critical to our future, especially since our business depends on our credit appraisal, asset valuation and collection methodologies and direct customer relationships, which are largely personnel-driven aspects of our business. Our inability to attract and retain our senior management and other key employees due to these or other reasons could significantly impair our ability to continue to manage and grow our business and may result in an adverse effect on our business, prospects, financial condition and results of operations.

30. Our insurance coverage may not be sufficient or may not adequately protect us against losses, and successful claims that exceed our insurance coverage could harm our results of operations and diminish our financial position.

We maintain insurance coverage of the type and in the amounts that we believe are commensurate with our operations. We have insured our various properties and facilities against the risk of fire, theft and other perils. We have, among others, a burglary policy, group mediclaim policy, group accident policy. In addition, we also maintain a directors and officers liability insurance policy. We believe that our insurance coverage is commensurate with, and appropriate to, our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. Even if we have insurance for the incident giving rise to the loss, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. However, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time.

In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, or at acceptable cost, or at all. In addition, there are various types of risks and losses for which we do not maintain insurance because they are either uninsurable or because insurance is not available to us on acceptable terms. We cannot assure you that that we will not face claims that are not covered by our existing insurance coverage, which could adversely affect our business, financial condition, cashflows and results of operations. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, financial condition, cashflows and results of operations.

31. We outsource certain operational activities to third-party service providers. Any lapse by such third party service providers may have adverse consequences on our business and reputation.

We have entered into a number of outsourcing agreements with different third party service providers for certain services including, among others, cash management services, housekeeping services, back-office support services, security services, documents and records management, software application management services, technology infrastructure services. Our fraud control, field investigation teams at processing hubs, and collection teams work regularly with third party customer verification agencies to conduct credit appraisals, to verify customer details and to collect overdue payments from customers. Our technical teams work closely with external valuation agencies to assess the market value of a property provided as collateral. Our legal teams regularly work with independent legal advisers in connection with due diligence of our customers' documents as well as title verification of property provided as collaterals by our customers.

In addition, our internal audit team conducts periodic audits for all our functions, offices and branches. The business team is responsible for conducting a review and assessment of the financial and operational conditions of our service providers, in order to determine their ability to continue to meet their obligations. In reviewing our service providers, our business functions cover areas such as performance standards, confidentiality and security and business continuity preparedness, the process of which is reviewed by our internal audit department. Further, onsite vendor audits are conducted for critical functions on a sample basis by appointing external firms. However, there can be no assurance that such measures would be adequate. Accordingly, we are exposed to the risk that third party service providers may be unable to fulfil their contractual obligations to us (or will be subject to the risk of fraud or operational errors by their respective employees) and to the risk that their (or their vendors') business continuity and data security systems prove to be inadequate. Any defaults or lapses by our third-party service providers could result in a material adverse effect on our business, reputation, financial condition and results of operations.

Further, while some of the agreements entered into with our third-party service providers provide that we are indemnified for payment of statutory dues, levies, penalties, interests imposed by any statutory authority and employee benefits of the personnel provided by such agencies, however we are not indemnified for any loss or damage that we may suffer as a result of the act or omission of such personnel. In the event of any such occurrence, we may incur losses, and to that extent, our business, financial condition, results of operations and prospects may be adversely affected.

32. We are subject to the risk of failure of, or a material weakness in, our internal control systems.

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. In addition, several of our credit appraisal, portfolio management and collection related processes are yet to be fully automated, which may increase the risk that human

error will result in losses that may be difficult to detect. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material adverse effect on our business, reputation, financial condition and results of operations.

33. Our investments are subject to market risk.

As part of our treasury management, we invest in certain long-term fixed income government securities in order to meet our SLR obligations. We also invest surplus funds out of our borrowings and operations in such securities. These securities can be government securities, NCDs carrying sovereign guarantee, NCDs issued by state governments or public sector enterprises, debt mutual funds, fixed deposits with banks, commercial papers and other highly rated NCDs. Our investment policy prescribes investment limits for each of these securities. Certain of these investments are unlisted, offering limited exit options. The value of these investments depends on several factors beyond our control, including the domestic and international economic and political scenario, inflationary expectations and the RBI's monetary policies. Any decline in the value of the investments may have an adversely effect on our business, financial condition and results of operations.

34. Hedging arrangements we have entered into in respect of fluctuations in interest rates or currency exchange rates may be inadequate and are subject to the risks of default.

We have entered into adequate hedging arrangements to hedge the entire balance sheet risk on our exposure to foreign exchange fluctuations and have also executed interest rate swaps to reduce the risk of interest rate fluctuations. However, there can be no assurance that our existing hedging arrangements will completely wipe out our foreign currency exchange risk or interest rate risk, or that such hedging arrangements will protect us against any unfavourable fluctuations in exchange rates or interest rates. Further, there remains the counterparty credit risk where the relevant counterparty may fail to perform its obligations under the hedging arrangement. If the Company is unable to pass on any increase in our costs due to fluctuations in interest rates or exchange rates to our customers, it could reduce our profitability and result in a material and adverse effect on our cash flows, results of operations and financial condition.

35. Negative publicity could damage our reputation and adversely impact our business and financial results.

Reputational risk, or the risk to our business, earnings and capital from negative publicity, is inherent in our business. The reputation of the banking and financial services industry in general has been closely monitored as a result of the global financial crisis and other matters affecting the financial services industry. Negative public opinion about the banking and financial services industry generally or us specifically (including our Promoter) could materially adversely affect our ability to attract and retain customers and may expose us to litigation and regulatory action. While we have developed our brand and reputation over our history, any negative incidents or adverse publicity could rapidly erode customer trust and confidence in us, particularly if such incidents receive widespread adverse mainstream and social media publicity or attract regulatory investigations. Negative publicity can result from our own, our Promoter's or our third- party service providers' actual or alleged conduct in any number of activities, including lending practices, mortgage servicing and foreclosure practices, technological practices, corporate governance, regulatory compliance, mergers and acquisitions, and related disclosure, sharing or inadequate protection of customer information, and actions taken by government regulators and community organizations in response to that conduct. Although we take steps to minimize reputational risk in dealing with customers and other constituencies, we, as a large financial services organization with a high industry profile, are inherently exposed to this risk. Any future issues that draw media coverage could have an amplified negative effect on our reputation and brand. In addition, negative publicity related to key brands we have partnered may damage our reputation, even if the publicity is not directly related to us. Any negative publicity that we may receive could diminish confidence of the public in our business and operations and may result in increased regulation and legislative scrutiny of industry practices as well as increased litigation, which may further increase our costs of doing business and adversely affect our brand.

36. The unsecured loans taken by our Company can be recalled by the lenders at any time, which may have an adverse effect on our business operations and cash flows. Further, our Company has investments in debt instruments which are unsecured.

As on December 31, 2022, our Company has availed unsecured loans from HDFC Bank amounting to ₹1,800 crore. Further, our Company has investments in unsecured instruments viz mutual funds, government securities, and corporate NCDs. Any default by the issuer of principal and/or interest payable on our investments not being secured may adversely impact our Company's financial condition.

37. Our Promoter and our Directors have interests in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Further, our Promoter and certain of our Directors are involved in one or more ventures which are in the same line of business as that of our Company.

Our Promoter and our Directors may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Our Promoter and our Director(s) may also be deemed to be interested to the extent of Equity Shares held by them as well as to the extent of any dividends, bonuses, or other distributions on such Equity Shares. Our Promoter receives interest income on loans advanced to the Company, and bank charges for routine banking operations, and also receives rent and maintenance charges for the premises let out to the Company. Further, the promoter provides interest on the deposits placed by the Company with the Promoter and also provides fees for the servicing of an assigned loan portfolio. Some of our Directors may be interested as nominee Directors of our Promoter on our Board.

Also, there can be no assurance that our directors will not engage in any competing business activity or acquire interests in competing ventures in the future. We cannot assure you that our relationship with PNB will not result in certain conflicts of interest.

38. We do not own all our branch offices. Any termination or failure by us to renew the lease agreements in a favourable and timely manner, or at all, could adversely affect our business, cash flows, results of operations, and financial condition. Moreover, many of the lease agreements entered into by us may not be duly registered or adequately stamped.

Most of our branch offices are located on leased premises. The lease agreements can be terminated, and any such termination could result in any of our offices being shifted or shut down. Some of the lease agreements may have expired in the ordinary course of business and we are currently involved in negotiations for the renewal of these lease agreements. While we have not faced major issues renewing the leases of our offices in the past, if these lease agreements are not renewed or not renewed on terms favourable to us, we may suffer a disruption in our operations or increased costs, or both, which may affect our business and results of operations. Further, most of our lease agreements may not be adequately stamped or duly registered. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on our business, cash flows, results of operations, and financial condition.

EXTERNAL RISK FACTORS

39. Significant changes by the Government or the RBI or the NHB in their policy initiatives facilitating the provision of housing and housing finance or any change in the tax incentives that the Government currently provides to HFCs may have an adverse effect on our business, results of operations and financial condition.

The Government of India provides certain incentives and implemented various policies/regulations to encourage providing credit to the housing industry. In addition, the RBI provides certain incentives to the housing finance industry by extending priority sector status to certain housing loans. However, we cannot assure you that the Government, the RBI and the NHB will continue to provide such incentives in the future. Further, pursuant to Section 36(1)(viii) of the (Indian) Income Tax Act, 1961 (the "Income Tax Act"), up to 20% of profits from housing finance activities may be carried to a special reserve and will not be subject to income tax.

Any significant change by the Government in its various policy initiatives, regulations facilitating provision of housing and housing finance or any change in the tax incentives that it currently provides to HFCs may have an adverse effect on our business, results of operations and financial condition.

40. The housing finance industry is highly competitive and if we are not able to compete effectively, it could adversely affect our business and results of operations.

We operate in a highly competitive industry and compete with banks, HFCs, small finance banks and NBFCs in the geographies in which we operate. Our competitors may have more resources, a wider branch and distribution network, access to cheaper funding, superior technology and may have a better understanding of and relationships with customers in these markets. Our competitors may also have access to more leads sourced from online channels. This may make it easier for our competitors to expand and to achieve economies of scale to a greater extent. In addition, our competitors may be able to rely on the reach of the retail presence of their affiliated group companies or banks. Competition in this market segment has also increased as a result of other liberalization measures affecting the housing finance industry in India and we expect competition to intensify in the future.

Our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost debt funding, and to charge optimum interest rates when lending to our customers. Consequently, our ability to maintain or increase our margins will be dependent on our ability to pass on increases in the interest rates on our interest-bearing liabilities to our customers. Moreover, any increases in the interest rates on the loans we extend may also result in a decrease in business. We cannot assure you that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive housing finance industry. If we are unable to compete effectively, our business and results of operations may be adversely affected.

41. The growth rate of India's housing finance industry may not be sustainable.

We expect the housing finance industry in India to continue to grow as a result of anticipated growth in India's economy, increases in household income and demographic changes. Further, the Government of India has been pursuing various social welfare schemes and initiatives to enhance the flow of credit to the housing sector and increase home ownership in India. Various Central Government policies and initiatives such as "Smart Cities" and the "Pradhan Mantri Awas Yojana" or the "Housing For All by 2022" scheme have reinforced the primacy of the housing sector and the need to provide housing to all and are expected to promote the low income housing segment through partnerships with private sector entities. However, it is not clear how certain trends and events, such as the impact of COVID-19 on the economy the pace of India's economic growth, the development of domestic capital markets and the ongoing reform will affect India's housing finance industry. In addition, there can be no assurance that the housing finance industry in India is free from systemic risks. Consequently, there can be no assurance that the growth and development of India's housing finance industry will be sustainable. Any slowdown or reversal of the growth of India's housing finance industry may affect our business, results of operations, cash flows and financial condition.

42. A slowdown in economic growth in India or global economic instability, occurrence of pandemic situation could result in an adverse effect on our business, financial condition and results of operations.

Our financial performance and the quality and growth of our business depend significantly on the health of the overall Indian economy, the GDP growth rate and the economic cycle in India. A slowdown in the Indian economy could adversely affect our business and our customers and contractual counterparties, especially if such a slowdown were to be continued and prolonged. In periods of high rates of inflation, our operating expenses may increase which could have an adverse effect on our cash flows and results of operations.

We may also be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is commonly referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis, which exposes us to the systemic risks faced by entities operating in the Indian financial system, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme.

Further, in light of the increasing linkage of the Indian economy to other global economies, the Indian economy is increasingly influenced by economic developments and volatility in securities markets in other countries. Global slowdown of the financial markets and economies has in the past contributed to weakness in the Indian financial and economic environment. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. These economies could be adversely affected by various factors, such as political and regulatory changes including adverse changes in liberalisation policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. The global credit markets have continued to experience significant volatility in recent years, which have had, and may continue to have, a significant adverse effect on the availability of credit and the confidence of the financial markets, globally as well as in India. The global economic downturn led to an increased level of consumer delinquencies, lack of consumer confidence, decreased market valuations and liquidity, increased market volatility and a widespread reduction of business activity generally. The resulting economic pressure and dampened consumer sentiment may adversely affect our business and our results of operations. A recession in the United States and other countries in the developed world and a slowdown in economic growth in markets such as China could also have an adverse impact on economic growth in India. Any slowdown in these economies could adversely affect the ability of our customers to borrow for housing, which in turn would adversely impact our business and financial performance. A slowdown in the pace of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults among corporate, retail and rural customers, which could result in an adverse effect on our business, financial condition and results of operations.

43. Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.

The financial statements included in this Placement Memorandum have been prepared in accordance with Ind AS. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Placement Memorandum, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the SEBI ICDR Regulations included in this Placement Memorandum, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Memorandum should be limited accordingly.

44. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our properties and may require us to suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or other countries could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of our securities. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of the COVID-19 pandemic or future outbreaks of the COVID-19 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the market price of our securities.

RISKS RELATING TO THE NCDs

45. There is no guarantee that the NCDs issued pursuant to this Issue will be listed on NSE in a timely manner, or at all/

In accordance with Indian law and practice, permissions for listing and trading of the NCDs issued pursuant to this Issue will not be granted until after the NCDs have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of NCDs to be submitted. There could be a failure or delay in listing the NCDs on the Stock Exchange. If permission to deal in and for an official quotation of the NCDs is not granted by the Stock Exchange, we will forthwith repay, without interest, all monies received from the Applicants in accordance with prevailing law in this context, and pursuant to the Placement Memorandum. While none of our securities or debt instruments have been denied permission to list in any stock exchange in India or abroad during last three years, any such refusal in future might adversely affect tradability as well as price of then existing other listed securities or debt instruments.

46. There has been no prior developed market for the NCDs, and it may not develop in the future, and the price of the NCDs may be volatile.

The NCDs have no established trading market. There can be no assurance that an active public market for the NCDs will develop or be sustained. The liquidity and market prices of the NCDs can be expected to vary with changes in market and economic conditions, our financial condition and prospects and other factors that generally influence market price of NCDs. Such fluctuations may significantly affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs.

You may not be able to recover, on a timely basis or recover at all, the full value of the outstanding amounts and/or the interest accrued thereon, in connection with the NCDs.

Our ability to pay interest accrued on the NCDs and/ or the principal amount outstanding from time to time in connection therewith would be subject to various factors, including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/ or the interest accrued thereon in a timely manner, or repay at all.

47. Foreign investors subscribing to the NCDs are subject to risks in connection with (i) exchange control regulations, and, (ii) fluctuations in foreign exchange rates.

The NCDs will be denominated in Indian rupees and the payment of interest and redemption amount shall be made in Indian rupees. Various statutory and regulatory requirements and restrictions apply in connection with the NCDs held by foreign investors. The amounts payable to foreign investors holding the NCDs, on redemption of the NCDs and/or the interest paid/payable in connection with such NCDs would accordingly be subject to prevailing Exchange Control Regulations. Any change in the Exchange Control Regulations may adversely affect the ability of such foreign investors to convert such amounts into other currencies, in a timely manner or may not be permitted to be converted at all the amounts realized by foreign investors on redemption or payment of interest on the NCDs by us. Risks relating to any international regulations, FATCA, taxation rules may apply on foreign investors as the Issue may be marketed to them.

48. The NCDs are not guaranteed by the Republic of India.

The NCDs are not the obligations of, or guaranteed by, the Republic of India. Although the Government owned (through PNB) 32.53% of our Company's issued and paid up share capital as of March 31, 2022, the Government is not providing a guarantee in respect of the NCDs. In addition, the Government is under no obligation to maintain the solvency of our Company. Therefore, investors should not rely on the Government ensuring that our Company fulfils its obligations under the NCDs.

49. Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the NCDs are legal investments for it, (ii) the NCDs can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the NCDs.

50. The NCDs are subject to the risk of change in law.

The terms and conditions of the NCDs are based on Indian law in effect as of the date of issue of the relevant NCDs. No assurance can be given as to the impact of any possible judicial decision or change to Indian law or administrative practice after the date of issue of the relevant NCDs and any such change could materially and adversely impact the value of any NCDs affected by it.

51. Any downgrading in credit rating of our NCDs may affect the trading price of our NCDs and our ability to raise funds.

The NCDs proposed to be issued under this Issue has been rated ["AA"] by CRISIL Ratings Limited and ICRA Limited. Said credit ratings may be suspended, withdrawn or revised at any time by the assigning Credit Rating Agencies. Any revision or downgrading in the above credit rating may lower the value of the NCDs and may also affect our ability to raise further debt on competitive terms.

52. Payments made on the NCDs will be subordinated to certain tax and other liabilities preferred by law.

The NCDs will be subordinated to certain liabilities preferred by law such as to claims of the Gol on account of taxes, and certain liabilities incurred in the ordinary course of our transactions. In the event of bankruptcy, liquidation or winding-up, our assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to these NCDs have been paid. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining, after paying amounts relating to these proceedings, to pay amounts due on the NCDs. Further, there is no restriction on the amount of debt securities that we may issue that may rank above the NCDs.

53. The NCD Holders may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. Failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose the holders to a potential loss.

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the secured NCD Holders on the assets adequate to ensure 110% asset cover for the Secured NCDs, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the Secured NCDs. A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the Secured NCDs could expose you to a potential loss.

54. Our non-convertible debentures ("NCDs") are listed on the NSE and we have defaulted in complying with certain covenants and certain obligations under SEBI LODR Regulations and circulars issued thereunder. Any further default, non-compliances and delays in obtaining waivers and complying with such obligations and reporting requirements in the future may render us liable to prosecution and/or penalties.

Our NCDs are listed on the wholesale debt segment of NSE. We are required to comply with various applicable rules and regulations, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and SEBI LODR Regulations, in terms of our listed NCDs. There have been certain instances of defaults, non-compliance and delays in complying with the terms of such NCDs and complying with the obligations and reporting requirements under SEBI LODR Regulations and various circulars issued thereunder.

55. There is no assurance that the NCDs issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.

In accordance with applicable law and practice, permissions for listing and trading of the NCDs issued pursuant to this Issue will not be granted until after the NCDs have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the stock exchanges. There could be a failure or delay in listing the NCDs on the Stock Exchanges for reasons unforeseen. If permission to deal in and for an official quotation of the NCDs is not granted by the stock exchanges, our Company will forthwith repay, with interest, all monies received from the Applicants in accordance with prevailing law in this context, and pursuant to this Placement Memorandum. There is no assurance that the NCDs issued pursuant to this Issue will be listed on stock exchanges in a timely manner, or at all.

56. The fund requirement and deployment mentioned in the Objects of the Issue have not been appraised by any bank or financial institution.

We intend to use the proceeds of the Issue, after meeting the expenditures of and related to the Issue, for our various financing activities including lending, subject to applicable statutory and/or regulatory requirements, and for general corporate purposes including repayment of our existing loans and for our capital expenditure and working capital requirements. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue. Further, as per the provisions of the SEBI NCS Regulations, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for the Issue.

**SECTION IV. DISCLOSURES AS PER SCHEDULE II OF SEBI (ISSUE AND LISTING OF NON-
CONVERTIBLE SECURITIES) REGULATIONS, 2021 (AS AMENDED)**

A. Issuer Information

1. Name and address of the following

Name of the Issuer	PNB Housing Finance Limited
Registered and Corporate Office	9 th Floor Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi - 110 001
Telephone No.	(011) 23445200, 23445205
Website	www.pnbhousing.com
E-mail	investor.relations@pnbhousing.com
CIN	L65922DL1988PLC033856
Date of incorporation	November 11, 1988
Company Secretary and Compliance Officer	Mr. Sanjay Jain Registered Office: 9th Floor Antriksh Bhawan 22, Kasturba Gandhi Marg New Delhi - 110 001 Tel No.: (011)23445206 E-mail: sanjay.jain@pnbhousing.com
Chief Financial Officer	Mr. Vinay Gupta Registered Office: 9th Floor Antriksh Bhawan 22, Kasturba Gandhi Marg New Delhi - 110 001 Tel No.: (011)23445206 E-mail: vinay.gupta@pnbhousing.com
Debenture Trustees	 <p>IDBI Trusteeship Services Limited Registered Office Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai - 400001 Tel No. (022)40807000, Fax No. 91-22-66311776 Contact person: Ms. Sheetal Mehta E-mail: itsl@idbitrustee.com Website: www.idbitrustee.com</p>
Credit Rating	<p>CRISIL Ratings</p> <p>CRISIL Ratings Limited CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076 Contact Person: Krishnan Sitaraman Tel: (022) 33423000 Email-Id: crisilratingdesk@crisil.com Website: www.crisil.com/ratings</p>  <p>ICRA Limited 3rd Floor, Electric Mansion Appasaheb Marathe Marg, Prabhadevi, Mumbai, Maharashtra 400025 Tel:+91-22-61143406 Contact Person: L Shivakumar Tel:+91-22-61143406</p>

	Email id- shivakumar@icraindia.com Website: www.icra.in
Registrar to the Issue	 <p>Link Intime India Pvt Ltd C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083 Tel No. +91 22 49186000 Fax No. +91 22 49186060 Contact person: Mr. Amit Dabhade E-mail: debtca@linkintime.co.in Website: www.linkintime.co.in</p>
Statutory Auditors	<p>T R Chadha & Co LLP Chartered Accountants</p> <p>M/s. T R Chadha & Co LLP B-30 Connaught Place Kuthiala Building, New Delhi-110001 Firm Registration No. 006711N/N500028 Contact Person: Neena Goel Tel No. 011- 43259900; Fax- 43259930 Email: delhi@trchadha.com Website: https://www.trchadha.com/</p> <p><i>Singhi & Co.</i> <i>Chartered Accountants</i></p> <p>M/s Singhi & Co. Chartered Accountants Address : Unit No. 1704, 17th Floor, Tower B, World Trade Tower, DND Flyway, C-01, Sector-16, Noida, UP – 201301 Firm Registration No. 302049E Contact Person: B K Sipani Tel No. 0120-297005 Email: newdelhi@singhico.com Website : www.singhico.com</p>
Legal Counsel	None for the issue
Guarators	None for the issue
Arrangers	 <p>Trust Investment Advisors Private Limited Registered Office: 109/110, 1st Floor, Balarama, Bandra Kurla Complex, Bandra (East), Mumbai - 400051. Corporate Address 1101, Naman Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400051. Tel: +91 022 4084 5000 Contact Person: Nipa Sheth E-mail: mbd.trust@trustgroup.in Website: www.trustgroup.in</p>

2. A brief summary of the business/ activities of the Issuer and its subsidiaries with the details of branches / units and line of business containing at least following information:

2.1 History of the Issuer

The Company was incorporated under Companies Act, 1956 on November 11, 1988 as private limited company. The word private was deleted under section 44 with effect from December 30, 1989. The initial paid up capital of the Company was INR 10 crore. The paid up capital was increased to INR 30 crore with effect from March 31, 1999. In December 2009, Punjab National Bank ("PNB") disinvested 26% of its shareholding in favor of Destimoney Enterprises Ltd. ("DEL"). The Company had issued 1,35,29,411 Compulsory Convertible Debentures ("CCD") to DEL, amounting to INR 137.32 crore on June 25, 2010. Each CCD has been converted into one equity share on June 08, 2012. As on March 31, 2016, the authorized equity share capital comprised of 15,00,00,000 equity shares of face value of INR 10/- each aggregating to INR 150 crore.

The Company brought an IPO of INR 3,000 crore in November 2016. The authorized share capital as on date has increased to INR 500 crore. Post listing Issued and Paid up Share Capital of the Company increased to INR 165.64 crore.

As on December 31, 2022, paid-up and subscribed capital of the Company comprised of 16,87,93,264 fully paid up equity shares of face value of INR 10/- each aggregating to INR 168.79 crore of which 5,49,14,840 equity shares are held by Punjab National Bank (constituting 32.53% of paid up share capital). Post December 31, 2022, the Company allotted 30,904 Equity Shares pursuant to exercise of option/units under ESOP Scheme 2016 and RSU Scheme 2020.

1. Promoted by Punjab National Bank, a premier nationalized bank more than a century old bank having total assets size INR 14,01,797 (In Crore) as on December 31, 2022.
2. Professionally managed Company with a strong track record of profitability.
3. Incorporated under the Companies Act, 1956 and commenced operations on November 11, 1988.
4. Registered as a housing finance company with National Housing Bank (NHB).
5. Listed on National Stock Exchange of India Limited and BSE Limited on November 07, 2016.
6. Presence in most of the major cities throughout the country with a network of 159 with presence in 113 cities, 27 outreach centres locations and 22 decision-making hubs as on December 31, 2022.
7. Loans outstanding of INR 58,097.46 crore as on December 31, 2022.
8. Deposits outstanding INR 17,347.88 crore as on December 31, 2022.
9. Gross NPAs of 4.86% as on December 31, 2022 (against 8.12% as on March 31, 2022) and Net NPAs of 3.22% (against 5.06% as on March 31, 2022)
10. Total Income of INR 4864.58 Crore during nine months ended December 31, 2022
11. Profit after Tax of INR 773.36 Crore during nine months ended December 31, 2022
12. Net worth of INR 10,642.65S Crore as on December 31, 2022
13. Capital Adequacy Ratio of 24.60% as on December 31, 2022

PROMOTER

Our promoter is Punjab National Bank ("PNB"), a nationalised bank and financial institution engaged in the business of providing a range of banking and financial services in India. The shareholding of Punjab National Bank is 32.53 % as on December 31, 2022.

PNB, India's first Swadeshi Bank, commenced its operations on April 12, 1895 from Lahore, with an authorised capital of INR 2 lakh and working capital of INR 20,000. The Bank was established by the spirit of nationalism and was the first bank purely managed by Indians with Indian Capital. During the long history of the Bank, 9 banks have been merged/amalgamated with PNB.

Post amalgamation of eOBC & eUNI w.e.f April 01, 2020, PNB has expanded its presence across India. As at the end of December, 2022, Bank has total 45,613 delivery channels with a network of 10,049 domestic branches, 2 International branches, 12,957 ATMs & 22,607 Business Correspondents. PNB is the second largest Public Sector Bank (PSB) in the country with Global Gross Business at INR 20,67,116 crore. The Bank continues to maintain its forte in low cost CASA deposits with a share of 43.72%. Bank's focus has been on qualitative business growth, recovery and arresting fresh slippages. Permanent Account Number of Punjab National Bank is AAACP0165G.

As on March 31, 2022 (for FY 2021-22), key financial parameters of PNB stood as under:

Particulars (standalone)	Amount (INR in crore)
Paid Up Share Capital	2202.20
Reserves & Surplus	93284.69
Net Profit	3456.96
Deposits	11,46,218.45
Advances	728185.67

Declaration confirming that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the non-convertible securities are proposed to be listed, at the time of filing the draft offer document:

We confirm that the requisite details for promoters and directors have been submitted to stock exchange at the time of seeking in-principle approval for the said issuance.

BUSINESS OVERVIEW

We are the fourth largest Housing Finance Company (“HFC”) in India in terms of assets under management (“AUM”) and second largest Housing Finance Company in terms of deposits in India, as of September 30, 2022. As of December 31, 2022, our AUM aggregated to ₹65,753 crore. We operate an extensive pan-India retail network through a hub-and-spoke model with the following key components: branches, outreach centres, decision-making hubs, channel partners, zonal offices (which are co-located with our processing hubs) and a Central Support Office (“CSO”). As of December 31, 2022, our distribution network included 159 branches with presence in 113 cities, 27 outreach centres locations and 22 decision-making hubs. Our branches, which act as our ‘spokes,’ are the primary point of sale and service for customers, while our hubs are loan decision-making units.

Since 1988, the Company has steadily grown in business. During nine months ended December 31, 2022, Company’s total income was INR 4864.58 Crore, and profit after tax was INR 773.36 crore. As on December 31, 2022, the total borrowings were INR 51,898.95 crore & the net worth stood at INR 10,642.65 crore as on December 31, 2022.

LENDING

The Company primarily provides retail loans, which include a range of individual housing loans, loans against property, and non-residential premises loans. Our portfolio also includes corporate loans (construction finance, lease rental discounting and corporate term loans).

PRODUCTS & SERVICES

We have a diverse and well-balanced range of products and offer a range of retail loans, including individual housing loans, affordable loans, retail loans against property, and retail non-residential premises loans; and corporate loans, including construction finance loans, corporate term loans, and lease rental discounting, all of which can be adapted to suit the requirements of our customers. Our portfolio of products primarily consists of retail and corporate loans, which can be further classified as follows:

- Retail loans:
 - Individual housing loans
 - Home purchase loans
 - Residential self-construction loans
 - Residential plot loans
 - Residential plot cum construction loans
 - Home extension loans
 - Home renovation/improvement loans
 - Affordable loans (focused on affordable housing)
 - Retail loans against property including retail lease rental discounting
 - Retail non-residential premises loans
- Corporate loans
 - Construction finance
 - Lease rental discounting
 - Corporate term loans

We serve a wide range of customers, including self-employed and salaried retail customers and continuously seek to innovate and improve our product offerings. In addition to retail loans for the salaried and self-employed segments, we are currently focused on expanding our existing affordable housing retail loan offering which we expect will help lower the average ticket size of our loan and expand yields.

We are currently focused towards optimizing our operating model through digital interventions, customer-friendly, tech-enabled and cost optimised approach, so that it can withstand various business cycles. We believe that, as we continue to expand our operations, our market position and pan-India presence along with the growing size and scale of the Indian housing industry presents us with significant opportunities to grow our operations and gain a competitive edge over our peers. As of December 31, 2022, we had over 2,50,000 active retail customers, which includes both housing loan and non-housing loan customers.

BORROWING

We have a diversified borrowing mix. Our funding requirements are met through short and medium-term funding sources such as loans from banks and financial institutions, NCDs, ECBs and refinancing from the NHB. In addition, we are a deposit taking HFC and borrow through deposits. As at December 31, 2022, our borrowings (other than debt securities and deposits) were ₹ 29,438.90 crore, debt securities were ₹ 3,873.63 crore, subordinated liabilities were ₹ 1,238.32 crore and deposits were ₹ 17,347.88 crore. Our cost of borrowings as of December 31, 2022, March 31, 2022, 2021 and 2020 were 7.37%, 7.30%, 7.91%, and 8.26%, respectively, of our total borrowings.

The Company has shareholders' approval to borrow upto INR 1,05,000 crore under section 180 of the Companies Act, 2013. The total borrowings of the Company are well within this limit. The Company borrows funds from different sources such as public deposits, bank borrowings, refinance from NHB and NCDs/non-convertible debentures. There is a healthy mixture of different sources so as to broad base various sources, reduce cost of funds and meet the ALM requirement.

The Company has maintained Net Interest Margin ("NIM") of about 3.00%-3.70% in the last three years through efficient funds management and reduction in cost of funds. The Company brings down cost of borrowings by tying up low-cost funds.

INFORMATION TECHNOLOGY

Digitisation and innovation remain at the forefront of our evolution as a digital solutions service provider in the housing finance industry, and to support our growing retail lending portfolio. We aim to optimise our operating model through strategic digital interventions and a customer-friendly, tech-enabled and cost-efficient approach, which we believe is central to the diverse product portfolio that we offer to our customers. Our systems and processes are also technology enabled across our front office and back office, with a view to ultimately digitize the entire life cycle of each loan from origination to closure. We have initiated steps to automate our underwriting process for straight-through processing for the salaried segment, introduced credit appraisal memorandum automation for financial appraisal and eligibility calculations, machine learning based score cards for various business and customer segments and business rule management engine for on-the-fly application of policy rules.

CORE VALUES

➤ People First

- Our people are our only assets.
- Grow talent, work inclusively with humility, continuously learn from our experience and past.
- Empower our people.
- Enable high performance, recognize and reward only performance.
- Merit driven, fair, supportive, respect each other, believe in equal opportunity.
- Give responsibility and demand accountability.
- Work in teams and take complete ownership of our doings. Team spirit is critical to us.
- How can I help others? Is our Team motto.
- Foster spirit of belongingness. We are a great place to work.

➤ Customer-Centric

- Where customers feel at home, build long term relationship – 'Ghar Ki Baat'.
- Hand hold customers over the entire relationship.
- Deep understanding of the real estate developers expectations - and give solutions.
- Our business partners are our customers too.
- Safeguard customers' interest, give responsible advice.
- Passionately create magic for external and internal customers. We exceed expectations.

- Empathetic and pro-active, We deliver” Atithi Deva Bhava”.
- Invert the pyramid and serve the front line.
- Satisfied customers are our brand ambassadors.

➤ **Ethical Standards**

- Make no compromise in our professional ethics - 'We do the right things, We do things right.
- Transparent and compliant with the law of the land.
- Encourage and respond to open communication.
- Conservative and take prudent business risk.
- Fearless. We raise timely alarm.
- Manage meaningful, relevant and engaging CSR.
- Contribute to nation's well-being.

MANAGEMENT & MANPOWER

The Company is headed by a Managing Director & CEO. He is assisted by a senior team drawn from business, risk, operations, human relations, internal audit and finance & accounts stationed at central support office. The Regional and Zonal hubs at 22 locations are headed by a hub head and each of 159 branches are headed by a branch head.

The Company has accorded high importance to the Human Resources Development and is hiring specialized manpower from the market in order to upgrade the knowledge, skill and concept at every level in the context of the emerging realities. New recruitments under various verticals are underway as part of new organization structure.

The various training programmes are oriented towards upgrading the knowledge on lending policies, developing marketing and recovery skills, upgrading legal knowledge, financial market so that the employees are able to cope up with present needs, develop quality business etc.

The Company ensures that right kind and mix of people are posted at the right place. The Company also has well laid down system and procedure for promotion of its employees at the various cadres. The Company has well-qualified and experienced work force of 1,591 employees as on December 31, 2022.

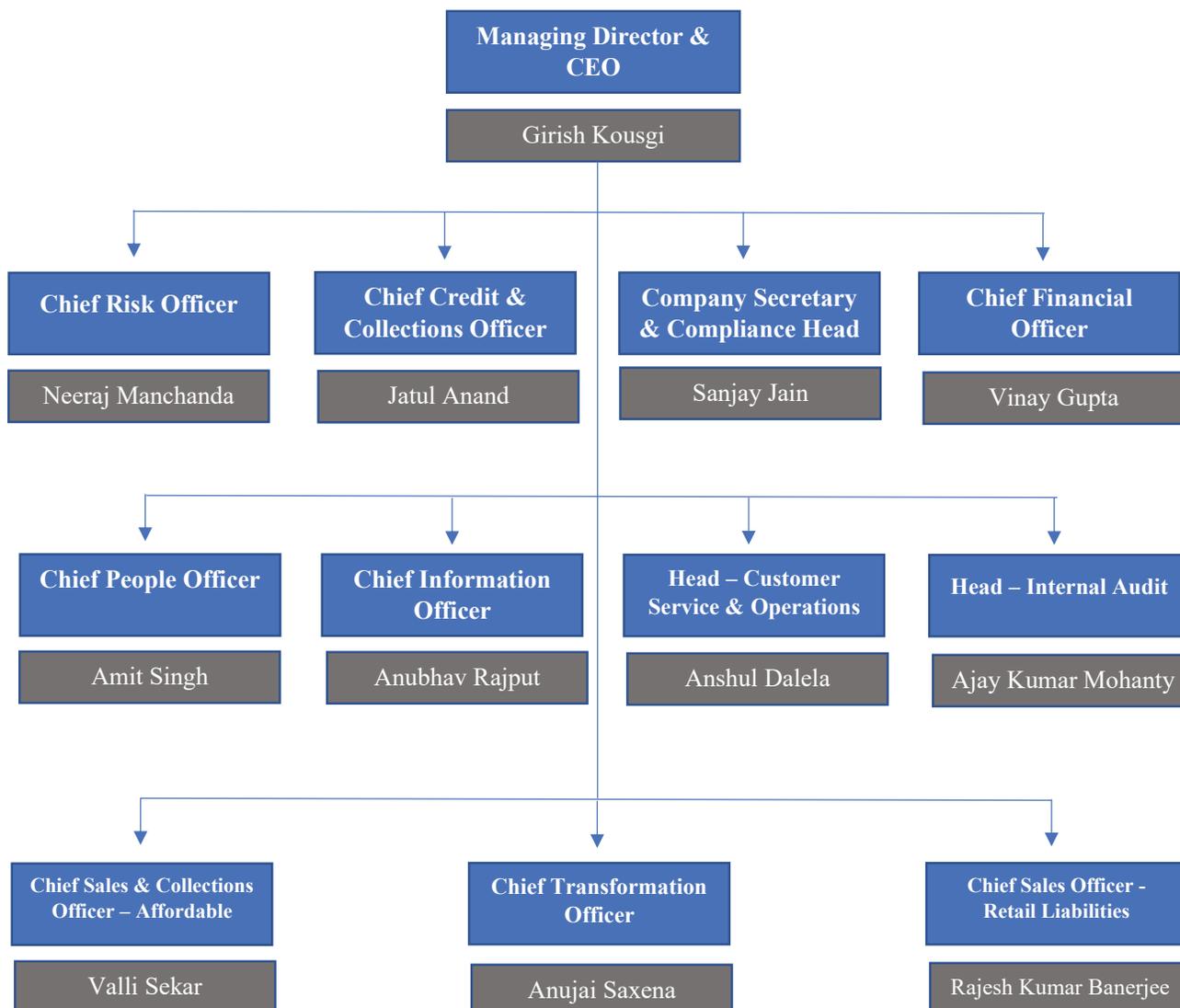
DETAILS OF SUBSIDIARIES OF THE ISSUER:

The Company has two wholly owned subsidiaries by the name of 'PHFL Home Loans and Services Limited' and Pehel Foundation (Section 8 Company) as on the date of this Placement Memorandum.

DETAILS OF ASSOCIATE COMPANIES, JOINT VENTURES, AFFILIATES OF THE COMPANY/ COMPANIES PROMOTED/ CO-PROMOTED BY THE COMPANY.

The Company does not have any associate company/ joint venture/ affiliate company/ company promoted/ co-promoted as on the date of this Placement Memorandum.

2.2 Corporate Structure of the Issuer



2.3 Project cost and means of financing, in case of funding of new projects

The funds being raised by the Company through the Issue are not meant for financing any particular project. The Company shall utilize the proceeds of the Issue in accordance with the “Objects of the Issue” as set out in this Placement Memorandum.

3. Financial Information

- 3.1 Columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the placement memorandum or issue opening date**

Refer Annexure – 12

The financial results (standalone and consolidated) of the Company along with Auditor's report shall be reviewed at below links.

FY 2019-20	https://www.pnbhousing.com/wp-content/uploads/2020/06/PNBHousing_Outcome-of-Board-Meeting-held-on-June-13-2020.pdf
FY 2020-21	https://www.pnbhousing.com/wp-content/uploads/2021/04/PNBHousing_Outcome-of-Board-Meeting.pdf
FY 2021-22	https://www.pnbhousing.com/wp-content/uploads/2022/05/Combined-File.pdf
H1FY23	https://www.pnbhousing.com/wp-content/uploads/2022/10/Financial-Results.pdf

- 3.2 Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may disclose unaudited financial information for the stub period in the format as prescribed therein with limited review report in the placement memorandum, as filed with the stock exchanges, instead of audited financial statements for stub period, subject to making necessary disclosures in this regard in placement memorandum including risk factors:**

Financial Results along with Limited Review Report for the latest quarter ended December 31, 2022 can be reviewed from the link: <https://www.pnbhousing.com/wp-content/uploads/2023/01/FinancialresultsF.pdf>. - Refer Annexure-13

- 3.3 The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.**

Please refer Clause 3.1 and 3.2.

- 3.4 Key Operational and Financial Parameters on Standalone and Consolidated basis:**

The following tables present the summary financial information of our Company for the period ended March 31, 2020, March 31, 2021, March 31, 2022 and September 30, 2022.

A. BALANCE SHEET (Consolidated)

(INR in crore)

Particular's	H1FY23	FY2021-22	FY2020-21	FY2019-20
Net Fixed Assets (including CWIP and intangible assets under development)	151.37	153.94	183.65	255.14
Current Assets	15,296.40	11,064.79	13,871.45	12,033.82
Non-Current Assets	49,017.52	54,510.88	57,337.10	66,640.77
Total Assets	64,465.29	65,729.61	71,392.20	78,929.73
Non-Current Liabilities (Including Maturities of Long-Term Borrowings and Short-Term Borrowings)				
Financial Liability				
Borrowings,	34,536.04	33,671.42	37,764.00	41,362.13
Trade Payables	-	-	-	-
Other Financial Liabilities	225.99	232.03	309.18	317.66
Provisions	18.85	14.75	15.97	17.03
Deferred Tax Liabilities (Net)			-	-
Current Tax Liabilities (Net)	-	-	62.93	-
Other Non-Current Liabilities	13.45	21.01	24.42	26.76
Current Liabilities (Including Maturities of Long-Term Borrowings)				
Financial Liability				
Borrowings	17,261.90	19,333.55	21,628.44	26,372.97
Trade Payables	21.94	16.29	17.82	86.92
Other Financial Liabilities	1,821.48	2,288.76	2,417.91	1,372.29
Provisions	3.52	2.58	2.42	1.91
Other Current Liabilities	123.82	277.59	226.08	1,374.29
Equity (Equity And Other Equity)	10,438.30	9871.63	8,923.03	7,997.77
Total Equity and Liabilities	64,465.29	65,729.61	71,392.20	78,929.73

B. PROFIT & LOSS STATEMENT (Consolidated)

(INR in crore)

Particular's	H1FY23	FY2021-22	FY2020-21	FY2019-20
Total Revenue From				
A. Operations	3095.11	6195.93	7,603.92	8,481.84
B. Other Income	0.31	4.80	20.16	7.71
Total Expenses (Excluding Taxes)	2443.89	5116.77	6,417.05	7,678.54
Profit / Loss Before Taxes	651.53	1083.96	1,207.03	811.01
Profit / Loss After Tax	497.59	836.48	929.90	646.24
Other Comprehensive Income	61.29	97.30	-20.69	-55.30
Total Comprehensive Income	558.88	933.78	909.21	590.94
Earnings Per Equity Share-Continue Operation:				
(A) Basic;	29.51	49.64	55.29	38.45
(B) Diluted	29.47	49.53	55.26	38.41
Earning Per Equity Share - Discontinue Operation	NA	NA	NA	NA
Earning Per Equity Share for Combined Continue And Discontinue Operation				
(A) Basic;	29.51	49.64	55.29	38.45
(B) Diluted	29.47	49.53	55.26	38.41

C. CASH FLOW STATEMENT (Consolidated)

(INR in crore)

Particular's	H1FY23	FY2021-22	FY2020-21	FY2019-20
Net Cash Used in / Generated from Operating Activities	-351.28	6256.08	6,611.28	8,928.50
Net Cash Used In / Generated from Investing Activities	27.78	-1474.99	20.55	-62.53
Net Cash Used in Financing Activities	-1496.34	-6684.03	-8,177.59	-4,385.61
Changes In Cash and Cash Equivalents	-1819.84	-1902.94	-1,545.76	4,480.36
Net increase/decrease of cash and cash equivalents during the period	-1819.84	-1902.94	-1,545.76	4,480.36

D. ADDITIONAL INFORMATION (Consolidated)

(INR in crore)

Particular's	H1FY23	FY2021-22	FY2020-21	FY2019-20
Net Worth	10438.30	9871.63	8,923.03	7,997.77
Cash And Cash Equivalents	3245.78	5065.62	6,968.56	8,514.32
	1,156.19	1248.47		
Current Investments*			102.98	122.95
Assets Under Management (Gross)	65,960.62	66,982.89	75,402.78	84,169.02
Off Balance Sheet Assets	-	-		
Total Debts to Total Assets	80.35%	80.64%	83.19%	85.82%
Debt Service Coverage Ratio	NA	NA	NA	NA
Interest Income	2896.20	5822.00	7,189.83	7,688.21
Interest Expense	1894.13	4064.46	5,100.73	5,874.95
Interest Service Coverage Ratio	NA	NA	NA	NA
Provisioning & Write-Offs	291.51	576.36	861.90	1,251.37
Bad debts to Account receivable ratio	NA	NA	NA	NA
Gross NPA (%) Basis Principal Outstanding Including Principal Overdue	6.06	8.12	4.44	2.75
Net NPA (%) Basis Principal Outstanding Including Principal Overdue	3.59	5.06	2.43	1.75
Tier I Capital Adequacy Ratio (%)	21.78	20.73	15.53	15.18
Tier II Capital Adequacy Ratio (%)	2.28	2.67	3.20	2.80

*Held for the purpose of trading

E. BALANCE SHEET (Standalone)

(INR in crore)

Particular's	H1FY23	FY2021-22	FY2020-21	FY2019-20
Net Fixed Assets (including CWIP and intangible assets under development)	151.08	153.53	183.03	254.31
Current Assets	15,281.64	10,994.50	13,784.85	11,973.49
Non-Current Assets	48,959.56	54,501.27	57,364.64	66,646.38
Total Assets	64,392.28	65,649.30	71,332.52	78,874.18
Non-Current Liabilities (Including Maturities of Long-Term Borrowings and Short-Term Borrowings)				
Financial Liability				
Borrowings,	34,536.04	33671.42	37,764.00	41,362.13
Trade Payables	-	-	-	-
Other Financial Liabilities	225.51	231.44	309.18	317.54
Provisions	18.85	14.75	15.63	17.03
Deferred Tax Liabilities (Net)	-	-	-	-
Current Tax Liabilities (Net)	-	-	65.59	-
Other Non-Current Liabilities	9.51	1.01	24.42	26.76
Current Liabilities (Including Maturities of Long-Term Borrowings)				
Financial Liability				
Borrowings	17,261.89	19,333.54	21,629.82	26,373.71
Trade Payables	21.13	27.14	27.80	83.54
Other Financial Liabilities	1,819.33	2,271.50	2401.74	1,372.01
Provisions	3.08	2.37	2.34	1.40
Other Current Liabilities	126.30	275.59	224.82	1,372.90
Equity (Equity and Other Equity)	10,370.64	9800.54	8,867.18	7,947.16
Total Equity and Liabilities	64,392.28	65,649.30	71,332.52	78,874.18

F. PROFIT & LOSS STATEMENT (Standalone)

(INR in crore)

Particular's	H1FY23	FY2021-22	FY2020-21	FY2019-20
Total Revenue From:				
A. Operations	3,076.52	6,141.09	7,565.20	8,478.32
B. Other Income	0.66	4.83	18.78	7.60
Total Expenses (Excluding Taxes)	2,425.54	5083.15	6,397.26	7,660.92
Profit / Loss Before Tax	651.64	1062.77	1,186.72	825.00
Profit / Loss After Tax	501.11	821.92	925.22	682.31
Other Comprehensive Income	61.19	96.62	-21.25	-55.69
Total Comprehensive Income	562.30	918.54	903.97	626.62
Earnings Per Equity Share-Continue Operation:				
(A) Basic;	29.72	48.78	55.01	40.60
(B) Diluted	29.68	48.67	54.98	40.55
Earning Per Equity Share - Discontinue Operation	NA	NA	NA	NA
Earning Per Equity Share for Combined Continue And Discontinue Operation				
(A) Basic;	29.72	48.78	55.01	40.60
(B) Diluted	29.68	48.67	54.98	40.55

G. CASH FLOW STATEMENT (Standalone)

(INR in crore)

Particular's	H1FY23	FY2021-22	FY2020-21	FY2019-20
Net Cash Used in / Generated from Operating Activities	-348.42	6,218.17	6,565.56	8,911.14

Net Cash Used In / Generated from Investing Activities	31.41	-1,476.23	-5.33	-62.41
Net Cash Used in Financing Activities	-1,496.32	-6,684.00	8,176.92	-4,362.24
Changes In Cash and Cash Equivalents	-1,813.33	-1,942.06	-1,606.03	4,486.49
Net increase/decrease of cash and cash equivalents during the period	-1,813.33	-1,942.06	-1,606.03	4,486.49

H. ADDITIONAL INFORMATION (Standalone)

(INR in crore)

Particular's	H1FY23	FY2021-22	FY2020-21	FY2019-20
Net Worth	10370.64	9800.54	8,867.18	7,947.16
Cash And Cash Equivalents	3151.04	4964.37	6,906.43	8,512.46
Current Investments*	1,141.62	1237.54	90.83	95.28
Assets Under Management (Gross)	66,018.95	67027.69	75,445.43	84,209.68
Off Balance Sheet Assets	-	-	-	-
Total Debts to Total Assets	80.44%	80.74%	83.26%	85.88%
Debt Service Coverage Ratio	NA	NA	NA	NA
Interest Income	2885.27	5792.65	7,191.62	7,689.46
Interest Expense	1894.61	4065.63	5100.40	5,875.30
Interest Service Coverage Ratio	NA	NA	NA	NA
Provisioning & Write-Offs	291.52	576.38	861.83	1,250.51
Bad debts to Account receivable ratio	NA	NA	NA	NA
Gross NPA (%) Basis Principal Outstanding Including Principal Overdue	6.05	8.12	4.44	2.75
Net NPA (%) Basis Principal Outstanding Including Principal Overdue	3.59	5.06	2.43	1.75
Tier I Capital Adequacy Ratio (%)	21.78	20.73	15.53	15.18
Tier II Capital Adequacy Ratio (%)	2.28	2.67	3.20	2.80

*Held for the purpose of trading.

3.5 Debt Equity Ratio

Before the Issue	4.88
After the Issue	4.90

(Amount INR in crore)

Particulars	Pre-Issue (Dec 31, 2022)	Post Issue
GROSS DEBT		
Gross Debt	51,898.95	52,198.95
SHAREHOLDERS' FUNDS		
Share Capital	168.79	168.79
Reserve & Surplus (excluding Revaluation Reserve)	10,473.86	10,473.86
Net Worth	10,642.65	10,642.65
GROSS DEBT/ EQUITY RATIO		
Gross Debt/ Equity Ratio	4.88	4.90

*After adding proposed issue of INR 300 Crore to the figures of December 31, 2022.

4. Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability.

- a) Contingent liabilities as on March 31, 2022 in respect of Income-tax of INR 20.74 crore (Previous year INR 12.12 crore) is disputed and are under appeals. These includes contingent liability of INR 1.84 crore (Previous year INR 4.87 crore) with respect to Income-tax which have been decided by the CIT(A) in Company's favour. However, Income-tax Department has filed appeal with ITAT. The Company expects the demands to be set aside by the appellate authority and hence no additional provision is considered necessary.

- b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is INR 7.60 crore (Previous year INR 4.31 crore).
- c) Claims against the Company not acknowledged as debt is INR 0.29 crore (Previous year INR Nil)
- d) Company had issued corporate financial guarantee amounting to INR 0.25 crore (Previous year INR 0.25 crore) to “UNIQUE IDENTIFICATION AUTHORITY OF INDIA (UIDAI)” against the Aadhar Authentication Services.

5. A brief history of the Issuer since its incorporation giving details of its following activities

5.1 Details of Share Capital as on December 31, 2022:

Share Capital	Amount (INR Crore)
Authorized Share Capital	500.00
Issued, Subscribed and Paid-up share Capital	168.79

Note: Post December 31, 2022, the Company allotted 30,904 Equity Shares pursuant to exercise of option/units under ESOP Scheme 2016 and RSU Scheme 2020 of the Company on February 17, 2023. Consequent to the above allotment, the paid-up equity share capital of the Company would stand at INR 168.82 crore consisting of 16,88,24,168 number of Equity Shares of INR 10/- each.

(As on December 31, 2022)

Particulars	Number of Securities	Type of Security	Aggregate nominal value (In crore)
1. SHARE CAPITAL			
a. Authorized Equity Share Capital	50,00,00,000 Equity Shares of INR 10/- each	Equity Shares	500
b. Issued, Subscribed & Paid-up Equity Share Capital	16,87,93,264 Equity Shares of INR 10 each.	Equity shares	168.79
2. SHARE PREMIUM ACCOUNT			4034.08
Notes:			
(i)	Size of the present offer: Present offer comprise of issue of listed, secured, rated, taxable, redeemable non-convertible NCDs (“NCDs”) of INR 1.00 lacs each for cash at par of INR 150,00,00,000 (Rupees One Hundred and Fifty Crore) with green shoe option to retain over-subscription upto INR 150,00,00,000 (Rupees One Hundred And Fifty Crore) aggregating the Issue Size up to INR 300,00,00,000 (Rupees Three Hundred Crore) to be issued by PNB Housing Finance Limited		
(ii)	Paid up capital and share premium account: Since the present offer comprises of issue of non-convertible debt securities, it shall not affect the paid-up equity share capital or share premium account of the Company after the offer.		

5.2 Changes in its capital structure as at last quarter end, for the last three years: Nil

5.3 Equity Share Capital History of the Company since Incorporation (As on date):

Sl. No.	Date of Allotment	No. of Equity Shares	FV of Shares (in INR)	Issue Price of shares (in INR)	Consideration	Nature of Allotment	Cumulative			Remarks
							No. of Equity Share	Equity Share Premium (INR Crore)	Equity Share Capital (INR Crore)	
1.	11-Nov-1988	20	10/-	10/-	Cash	Fresh Allotment	20	-	0.00	-
2.	28 Dec-1988	99,99,980	10/-	10/-	Cash	Fresh Allotment	1,00,00,000	-	10.00	-
3.	31-Mar-1999	2,00,00,000	10/-	10/-	Cash	Fresh Allotment	3,00,00,000	-	30.00	-
4.	08-Jun-2012	1,35,29,411	10/-	101.50	Conversion	Conversion of CCDs	4,35,29,411	123.79	43.53	Note 1

					of CCDs					
5.	30-Mar-2013	64,70,589	10/-	10/-	Bonus shares	Bonus issue	5,00,00,000	123.79	50.00	Note II
6.	Allotted on 29-Mar-2014 to PNB	3,92,30,700	10/-	130/-	Cash - Rights Issue	Rights issue	8,92,30,700	594.56	89.23	Note III
7.	Allotted on 08-Aug-2014 to DEL	3,76,92,300	10/-	130/-	Cash - Rights Issue	Rights issue	12,69,23,000	1046.87	126.92	Note IV
8.	IPO allotment- 3-Nov-2016	3,87,19,309 (99,541 to employees & balance to public)	10	775 (700 for employee)	Cash	IPO	16,56,42,309	3,932.42	165.64	Note V and VI
9.	ESOP Allotment-11 May 2017	9,44,173	10/-	338	Cash	ESOP	16,65,86,482	3,963.39	166.59	Note VII
10.	ESOP Allotment-03 May 2018	7,83,409	10/-	338	Cash	ESOP	16,73,69,891	3,989.09	167.37	
11.	ESOP Allotment-15 May 2018	38,000	10/-	338	Cash	ESOP	16,74,07,891	3,990.33	167.41	
12.	ESOP Allotment-6 June 2018	34,250	10/-	338	Cash	ESOP	16,74,42,141	3,991.45	167.44	
13.	ESOP Allotment-4 July 2018	10,750	10/-	338	Cash	ESOP	16,74,52,891	3,991.81	167.45	
14.	ESOP Allotment-7 August 2018	5,150	10/-	338	Cash	ESOP	16,74,58,041	3,991.98	167.46	
15.	ESOP Allotment- 4 September 2018	6,625	10/-	338	Cash	ESOP	16,74,64,666	3,992.19	167.46	
16.	ESOP Allotment- 4 December 2018	850	10/-	338	Cash	ESOP	16,74,65,516	3,992.22	167.46	
17.	ESOP Allotment – 20 March 2019	3,500	10/-	338	Cash	ESOP	16,74,69,016	3,992.34	167.47	
18.	ESOP Allotment – 3 May 2019	4,08,940	10/-	338	Cash	ESOP	16,78,77,956	4,005.75	167.88	
19.	ESOP Allotment – 8 May 2019	53,250	10/-	338	Cash	ESOP	167931206	4007.50	167.93	
20.	ESOP Allotment – 24 May 2019	89957	10/-	338	Cash	ESOP	168021163	4010.45	168.02	

21.	ESOP Allotment – 29 May 2019	29750	10/-	338	Cash	ESOP	168050913	4011.42	168.05
22.	ESOP Allotment – 18 June 2019	13,250	10/-	338	Cash	ESOP	168064163	4011.86	168.06
23.	ESOP Allotment – 20 July 2019	9,250	10/-	338	Cash	ESOP	168073413	4012.16	168.07
24.	ESOP Allotment – 25 August 2019	51,350	10/-	338	Cash	ESOP	168124763	4013.84	168.12
25.	ESOP Allotment – 14 October 2019	16,000	10/-	338	Cash	ESOP	168140763	4014.37	168.14
26.	ESOP Allotment – 31 October 2019	27,395	10/-	338	Cash	ESOP	168168158	4015.27	168.17
27.	ESOP Allotment – 30 December 2019	18,750	10/-	338	Cash	ESOP	168186908	4015.88	168.19
28.	ESOP Allotment- 09 December 2020	5,500	10/-	338	Cash	ESOP	168192408	4016.06	168.19
29.	ESOP Allotment-25- February- 2021	12500	10/-	338	Cash	ESOP	168204908	4016.47	168.20
30.	ESOP Allotment 15- March-2021	63215	10/-	338	Cash	ESOP	168268123	4018.55	168.27
31.	ESOP Allotment 10- June-2021	2,40,482	10/-	338	Cash	ESOP	168508605	4026.43	168.51
32.	ESOP Allotment 27- August 2021	52,150	10/-	338	Cash	ESOP	168560755	4028.15	168.56
33.	ESOP Allotment 22- September 2021	17,300	10/-	338	Cash	ESOP	168578055	4028.71	168.58
34.	ESOP Allotment 7- December 2021	8,000	10/-	338	Cash	ESOP	168586055	4028.97	168.59
35.	ESOP Allotment 19- March 2022	10,000	10/-	338	Cash	ESOP	16,85,96,055	4029.30	168.60
36.	ESOP Allotment 19- March 2022	2,500	10	261.15	Cash	ESOP	16,85,98,555	4029.37	168.60

37.	RSU Allotment-23-May-2022	5,760	10	10	Cash	RSU	16,86,04,315	4029.37	168.60
38.	RSU Allotment-28-June-2022	1,183	10	10	Cash	RSU	16,86,05,498	4029.37	168.61
39.	ESOP Allotment 28-June 2022	8,000	10	338	Cash	ESOP	16,86,13,498	4029.63	168.61
40.	ESOP Allotment 28-September-2022	500	10	338	Cash	ESOP	16,86,13,998	4029.64	168.61
41.	RSU Allotment 28-September-2022	1,640	10	10	Cash	RSU	16,86,15,638	4029.64	168.62
42.	ESOP Allotment 18-November-2022	1,65,000	10	261.15	Cash	ESOP	16,87,80,638	4033.79	168.78
43.	RSU Allotment 18-November-2022	397	10	10	Cash	RSU	16,87,81,035	4033.79	168.78
44.	ESOP Allotment-December 28, 2022	8,750	10	338	Cash	ESOP	16,87,89,785	4034.08	168.79
45.	RSU Allotment 28-December-2022	3,479	10	10	Cash	RSU	16,87,93,264	4034.08	168.79
46.	ESOP Allotment 17-February-2023	30,672	10	338	Cash	ESOP	16,88,23,936	4035.08	168.82
47.	RSU Allotment 17-February-2023	232	10	10	Cash	RSU	16,88,24,168	4035.08	168.82
I	The Company allotted 1,35,29,411 Equity Shares of face value of INR 10/- each at a premium of INR 91.50 per share on 08.06.2012 to DEL upon conversion of 1,35,29,411 Compulsorily Convertible Debentures ("CCDs").								
II	The Company had issued 64,70,589 Equity Shares of face value of INR 10/- each as fully paid up Bonus shares after capitalization of General Reserves of INR 6,47,05,890 on March 30, 2013 to existing shareholders in proportion of their shareholding (PNB - 33,00,000 equity shares and DEL 31,70,589 equity shares).								
III	The allotment was made in pursuance of letter of offer dated October 28, 2013. The issue price towards the aggregate of 39,230,700 Equity Shares allotted to PNB was received in three instalments, i.e., (a) first instalment at the time of application for ₹ 4 per Equity Share along with a proportionate premium of ₹ 48 per Equity Share aggregating to ₹ 2,039,996,400; (b) second instalment pursuant to a call which was made by the Board on August 8, 2014 for ₹ 3 per Equity Share along with a proportionate premium of ₹ 36 per Equity Share aggregating to ₹ 1,529,997,300; and (c) last instalment pursuant to a call which was made by the Board on May 5, 2015 for ₹ 3 per Equity Share along with a proportionate premium of ₹ 36 per Equity Share aggregating to ₹ 1,529,997,300								
IV	The allotment was made in pursuance of letter of offer dated October 28, 2013 (with last date of subscription extended up to July 20, 2014). The issue price towards 37,692,300 Equity Shares to DEL was received in three instalments, i.e., (a) first instalment at the time of application for ₹ 4 per equity share along with a proportionate premium of ₹ 48 aggregating to ₹ 1,959,999,600; (b) second instalment pursuant to a call which was made by the Board on August 8, 2014 for ₹ 3 per Equity Share along with a proportionate premium of ₹ 36 per Equity Share aggregating to ₹ 1,469,999,700; and (c) last instalment pursuant to a call which was made by the Board on May 5, 2015 for ₹ 3 per Equity Share along with proportionate premium of ₹ 36 per Equity Share aggregating to ₹ 1,469,999,700								

V	The Company came with an IPO of 3000 crore and allotted 3,87,19,309 shares on November 3, 2016. This includes 99,541 shares to employees which were issued at a discounted price of INR 700. The issue price for public was INR 775. Total share capital of the company increased to 165.64 crore as on November 3, 2016
VI	During FY 2015 and FY 2017, Share issue expenses, net of tax, amounting to INR 1.01 crore and INR 74.72 crore, respectively, are adjusted against the Securities Premium Account, as permissible under Section 52(2) of the Companies Act, 2013, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.
VII	As per the applicable accounting standards fair value of the ESOP/ RSU granted by the Company to the employees. The company has credited Rs. 43.81 crore in securities premium from ESOP reserve on exercise of the stock options/ RSU.

5.4 Details of any Acquisition of or Amalgamation with any entity in the last 1 year – NIL

5.5 Details of any Reorganization and Reconstruction in the last 1 year:

Type of Event	Date of Announcement	Date of Completion	Details
Nil			

5.6 Details of the shareholding of the Company as on December 31, 2022, as per the format specified under the listing regulations:

Summary of shareholding of the Company as on December 31, 2022 is as below:

Sr. No.	Particulars	Total No. of Equity Shares	No. of Shares in DEMAT form	Total Shareholding as % of total No. Of Equity Share
1.	Punjab National Bank	5,49,14,840	5,49,14,840	32.53%
2	Public	11,38,78,424	11,38,78,418	67.47 %
Total		16,87,93,264	16,87,93,258	100.00%

Detailed shareholding in terms of SEBI Listing Regulations is enclosed as Annexure- 7.

5.7 List of top 10 holders of Equity Shares of the Company as on December 31, 2022:

S. No.	Name of the shareholder	Total No. of Equity Shares held	No. of Equity Shares held in DEMAT form	Total Shareholding as % of Total No. of Equity Shares
1	Punjab National Bank	5,49,14,840	5,49,14,840	32.53
2	Quality Investment Holdings Pcc	5,41,92,300	5,41,92,300	32.11
3	Investment Opportunities V Pte. Limited	1,66,87,956	1,66,87,956	9.89
4	General Atlantic Singapore Fund FII Pte Ltd	1,65,93,240	1,65,93,240	9.83
5	Tata Mutual Fund - Tata Equity P/E Fund	15,50,000	15,50,000	0.92
6	United India Insurance Company Limited	8,97,502	8,97,502	0.53
7	Vanguard Emerging Markets Stock Index Fund	8,05,946	8,05,946	0.48
8	Vanguard Total International Stock Index Fund	7,94,055	7,94,055	0.47
9	Tata Banking & Financial Services Fund	6,53,985	6,53,985	0.39
10	Ishares Core Msci Emerging Markets Etf	5,85,909	5,85,909	0.35
Total		14,76,75,733	14,76,75,733	87.49

6. Following details regarding the directors of the Company:

6.1 Details of the current Director of the Company:

S. N o.	Name, Designation and DIN	Details of other Directorships	Whet her willfu l defa ulter (Yes/ No)	Profile
1.	<p>Mr. Atul Kumar Goel</p> <p>Non-Executive Nominee Director of Punjab National Bank</p> <p>DIN: 07266897</p> <p>Occupation: Service</p> <p>Age: 58 years</p> <p>Appointment date: 28.04.2022</p> <p>Address: B-22, Beta-1, Gautam Buddha Nagar, Greater Noida 201 310, Uttar Pradesh, India</p>	<ul style="list-style-type: none"> • Punjab National Bank • PNB Metlife India Insurance Company Limited • Punjab National Bank (International) Ltd., UK • Indian Institute of Banking and Finance • The Oriental Insurance Company Limited • National Credit Guarantee Trustee Company Limited 	No	<p>He is a Non-Executive Nominee Director on the Board of Company. He holds a bachelor's degree in commerce from Meerut University. He is a member of the Institute of Chartered Accountants of India since 1988. He has over 30 years of experience in the banking sector. Previously, he was associated with UCO Bank as managing director and chief executive officer and Union Bank as executive director. He is currently the managing director and chief executive officer of Punjab National Bank. He is also serving as a director on the boards of Oriental Insurance Company Limited, Punjab National Bank (International) Limited, United Kingdom, National Credit Guarantee Trustee Company Limited, PNB Metlife India Insurance Company Limited and Indian Institute of Banking and Finance. He was appointed on our Board with effect from April 28, 2022.</p>
2.	<p>Mr. Sunil Kaul</p> <p>Non-Executive Nominee Director of Quality Investment Holdings Pcc</p> <p>DIN: 05102910</p> <p>Occupation: Investment Advisory Service</p> <p>Age: 62 years</p> <p>Appointment date: 05.03.2015</p> <p>Address: 2A, Lincoln Road, #29-09 Park Infinia at Wee Nam, Singapore, 308 364</p>	<ul style="list-style-type: none"> • Carlyle Singapore Investment Advisors Pte Limited • Yes Bank Limited • Vijash Life Sciences Private Limited 	No	<p>He is a Non-Executive Nominee Director on our Board. He holds a bachelor's degree in technology in electrical engineering from the Indian Institute of Technology, Bombay and a post-graduate diploma in management from the Indian Institute of Management, Bangalore. He has over 35 years of experience in retail and corporate banking, international personal banking, global transaction services and investing in financial services companies. Previously, he was associated with Citigroup, as president of Citibank Japan and the chairman of Citi Cards Japan KK and CitiFinancial Japan KK. He is currently a managing director of Carlyle Singapore Investment Advisors Pte. Limited and is the sector lead for financial services for Carlyle Asia Buyout Advisory team. He also serves on the Board of Yes bank Limited and Vijash Life Sciences Private Limited. He was appointed on our Board with effect from March 5, 2015.</p>
3.	<p>Mr. Chandrasekaran Ramakrishnan</p> <p>Independent Director</p> <p>DIN:00580842</p> <p>Occupation: Consultant</p> <p>Age: 65 years</p> <p>Appointment date: 07.10.2015</p>	<ul style="list-style-type: none"> • Aujas Cybersecurity Limited • NSEIT Limited • LTI Mindtree Limited • KSL Digital Ventures Limited • L&T Technology Services Limited • Chennai City Football Club Pvt. Limited 	No	<p>He is an Independent Director on our Board. 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. Previously, he was associated with Cognizant Technology Solutions India Private Limited and with Tata Consultancy Services Limited. He is also serving as a director on the boards of LTI Mindtree Limited, L&T Technology Services Limited, Aujas Cybersecurity Limited, NSEIT Limited, KSL Digital Ventures Limited and Chennai City Football Club Private Limited. He has over 33 years of experience in field of</p>

	Address: 1C, 4th Street, Dr. Radhakrishnan Salai, Mylapore, Chennai 600 004, Tamil Nadu, India			information technology. He was appointed on our Board with effect from October 7, 2015.
4.	Mr. Pavan Pal Kaushal Independent Director DIN:07117387 Occupation: Consultant Age: 61 years Appointment date: 27.10.2022 Address: E-2 1402 World Crest, World Towers Lodha Place, Senapati Bapat Marg, Lower Parel, Delisle Road, Mumbai 400 013, Maharashtra, India	<ul style="list-style-type: none"> Innoven Capital India Private Limited Asset Reconstruction Company (India) Limited Lendingkart Finance Limited Lendingkart Technologies Private Limited Baroda Global Shared Services Limited 	No	He is an Independent Director on our Board. He holds a bachelor's degree in commerce from University of Calcutta and a master's degree in financial management from Jamnalal Bajaj Institute of Management Studies, University of Bombay. He is a member of the Institute of Chartered Accountants of India since 1985. He has over 32 years of experience in the financial services sector. Previously, he was associated with Fullerton India Credit Company Limited as chief operating officer and IDFC First Bank Limited as group executive president in risk department. He is also serving as a director on the boards of Innoven Capital India Private Limited, Lendingkart Finance Limited, Lendinkart Technologies Private Limited, Baroda Global Shared Services Limited and Asset Reconstruction Company (India) Limited. He was appointed on our Board with effect from October 27, 2022
5.	Mr. Nilesh Shivji Vikamsey Independent Director DIN: 00031213 Occupation: Chartered Accountant Age: 58 years Appointment date: 22.04.2016 Address: 184A, Kalpataru Habitat, Dr. S.S. Rao Road, Parel, Mumbai 400 012, Maharashtra, India	<ul style="list-style-type: none"> Gati-Kintetsu Express Private Ltd Thomas Cook (India) Limited Gati Limited IIFL Finance Limited 360 One Wam Limited (Previously known as IIFL Wealth Management Limited) SOTC Travel Limited Nippon Life India Trustee Limited Allcargo Logistics Limited Thejo Engineering Limited 	No	He is an Independent Director on our Board. He has a bachelor's degree in commerce from the University of Bombay. He is a member of the Institute of Chartered Accountants of India since 1985. He has completed a post qualification course in information systems audit from the Institute of Chartered Accountants of India and a course in business consultancy studies conducted by Jamnalal Bajaj Institute of Management Studies, University of Mumbai in collaboration with Bombay Chartered Accountants' Society. He has been associated with KKC & Associates LLP as partner since 1985. He is also serving as a director on the boards of Gati Limited, Thomas Cook (India) Limited, IIFL Finance Limited, 360 One Wam Limited, Gati-Kintetsu Express Private Limited, SOTC Travel Limited, Nippon Life India Trustee Limited and Allcargo Logistics Limited. He has over 37 years of experience in inter alia auditing and consultancy services. He was appointed on our Board with effect from April 22, 2016.
6.	Ms. Gita Nayyar Independent Director DIN: 07128438 Occupation: Advisor Age: 59 years Appointment date: 29.05.2021 Address: 3403 Imperial Towers South, B.B. Nakashe Marg, Tardeo, Mumbai 400034	<ul style="list-style-type: none"> Oriental Hotels Limited Transport Corporation of India Limited Glenmark Life Sciences Limited Taj Sats Air Catering Limited 	No	She is an Independent Director on our Board. She holds a master's degree in business administration from Amos Tuck School of Business Administration, Dartmouth College, United States of America. She is also serving as a director on the boards of Oriental Hotels Limited, Transport Corporation of India Limited, Glenmark Life Sciences Limited and Taj Sats Air Catering Limited. She is also a member of the board of governors of Indian Institute of Management Udaipur and of the governing body of HelpAge India. She was appointed on our Board with effect from May 29, 2021
7.	Mr. Tejendra Mohan Bhasin Independent Director	<ul style="list-style-type: none"> SBI Cards and Payments Services Limited 	No	He is an Independent Director on our Board. He holds a bachelor's degree in law from University of Delhi, a master's degree in science from

	<p>DIN:03091429</p> <p>Occupation: Retired Vigilance Commissioner CVC</p> <p>Age: 66 years</p> <p>Appointment date: 02.04.2020</p> <p>Address: 331, Bhera Enclave, Paschim Vihar, Sunder Vihar, New Delhi - 110087</p>	<ul style="list-style-type: none"> • PNB Gilts Limited • SBI Life Insurance Company Limited • Patanjali Foods Limited 		<p>Meerut University, a master's degree in business administration from University of Delhi and a doctorate degree in philosophy from University of Madras, Chennai. He is a certified associate of Indian Institute of Bankers. He was conferred honorary fellowship by the Governing Council of Indian Institute of Banking and Finance in 2010. He has over 37 years of experience in the banking sector. Previously, he was associated with Indian Bank as a chairman and managing director and was a vigilance commissioner in the Central Vigilance Commission for four years. He is currently the chairman of the Advisory Board for Banking and Financial Frauds which has been constituted by the Central Vigilance Commission. He is also serving as a director on the boards of Patanjali Foods Limited (previously known as Ruchi Soya Industries Limited), SBI Cards and Payment Services Limited, PNB Gilts Limited and SBI Life Insurance Company Limited. He was appointed on our Board with effect from April 2, 2020.</p>
8.	<p>Mr. Neeraj Madan Vyas</p> <p>Non-Executive Non-Independent Director</p> <p>DIN: 07053788</p> <p>Occupation: Retired Bank Executive</p> <p>Age: 64 years</p> <p>Appointment date: 01.09.2020</p> <p>Address: House No. IRIS Nest 9, BRG Shangri-La, Talawali Chanda, Indore MP 453771</p>	NIL	No	<p>He is a Non-Executive Non-Independent Director on our Board. He holds a bachelor's degree and master's degree in science from the Vikram University, Ujjain. He has 36 years of experience in the banking sector. Previously, he was associated with State Bank of India. He was appointed on our Board as Non-Executive Non-Independent Director with effect from September 1, 2020. Previously, he was an Independent Director from April 15, 2019 to April 28, 2020 in our Company and the Managing Director and Chief Executive Officer from April 28, 2020 to August 10, 2020.</p>
9.	<p>Mr. Sudarshan Sen</p> <p>Independent Director</p> <p>DIN: 03570051</p> <p>Occupation: Consultant</p> <p>Age: 64 years</p> <p>Appointment date: 01.10.2020</p> <p>Address: 18th Floor, 1802, Godrej Platinum, Tower B4, Opposite Godrej Memorial Hospital, Pirojsha Nagar, Vikhroli (East), Mumbai 400079</p>	<ul style="list-style-type: none"> • The Federal Bank Limited • Cashpor Micro Credit • Flexmoney Technologies Private Limited 	No	<p>He is an Independent Director on our Board. He holds a master's degrees in science and business administration from the University of Delhi and the University of Birmingham, respectively. Previously, he was associated with the Reserve Bank of India as an executive director. He is also serving as a director on the boards of The Federal Bank Limited, Cashpor Micro Credit and Flexmoney Technologies Private Limited. He was appointed on our Board with effect from October 1, 2020.</p>
10	<p>Mr. Kapil Modi</p> <p>Non-Executive Nominee Director of Quality Investment Holdings Pcc</p>	<ul style="list-style-type: none"> • Hexaware Technologies Limited Carlyle India Advisors Private Limited • Nxtra Data Limited 	No	<p>He is a Non-Executive Nominee Director on our Board. He holds a bachelor's degree in technology in computer science and engineering from Indian Institute of Technology, Kharagpur and a post-graduate diploma in management from the Indian Institute of Management,</p>

	DIN: 07055408 Occupation: Service Age: 38 years Appointment date: 01.10.2020 Address: 1004, Tiffany Building 2, Vasant Oasis, Makwana Road, Marol, J. B. Nagar, Andheri East, Mumbai – 400059	<ul style="list-style-type: none"> Varmora Granito Private Limited VLCC Health Care Limited 		Ahmedabad. He has over 14 years of experience in investment advisory. He is currently a managing director in Carlyle India Advisors Private Limited. He is also serving as a director on the boards of Nextra Data Limited, Varmora Granito Private Limited, VLCC Health Care Limited and Hexaware Technologies Limited. He was appointed on our Board with effect from October 1, 2020.
11	Mr. Dilip Kumar Jain Non-Executive Nominee Director of Punjab National Bank DIN: 06822012 Occupation: Banker Age: 57 years Appointment date: 04.11.2022 Address: 8A, Row House, Surya Vihar, Near Kapashera Border, Industrial Complex Dundahera, Gurgaon 122 016, Haryana, India	Nil	No	He is a Non-Executive Nominee Director on our Board. He holds a bachelor's degree in commerce from Rajasthan University. He is also a member of the Institute of Chartered Accountants of India since 1989. He has over 26 years of experience in the banking sector. He is currently the chief general manager at the finance division in Punjab National Bank. He was appointed on our Board with effect from November 4, 2022
12	Mr. Girish Kousgi Managing Director & CEO DIN: 08524205 Occupation: Service Age: 52 years Appointment date: 21.10.2022 Address: 301, B-Wing, Mahavir Amrut CHS LTD, 3rd Floor, Plot No-2, Sector-19, Palm Beach Road, Navi Mumbai, Sanpada, Thane 400 705, Maharashtra, India	<ul style="list-style-type: none"> PHFL Home Loans and Services Limited PEHEL Foundation 	No	He is the Managing Director and Chief Executive Officer of the Company. He holds an executive master's diploma in business administration from Indian Institute of Commerce and Trade. He has over 21 years of experience in the financial services sector. Previously, he was associated with Can Fin Homes Limited as managing director and chief executive officer, Tata Capital Financial Services Limited as head retail – credit & risk, IDFC Bank Limited as executive vice president and ICICI Bank Limited as joint general manager. He is also serving as a director on the board of our Subsidiaries, namely PHFL Home Loans and Services Limited and PEHEL Foundation. He was appointed on our Board with effect from October 21, 2022

6.2 Details of change in directors since last three years

S. No.	Name	Designation	DIN	Date of Appointment	Date of cessation	Remarks
1	Mr. Neeraj Madan Vyas	Independent Director	07053788	15.04.2019	-	Appointment
2	Mr. Sunil Mehta	Non-Executive Nominee Director and Chairman	07430460	-	30.09.2019	Resignation

S. No.	Name	Designation	DIN	Date of Appointment	Date of cessation	Remarks
3	Mr. CH. S. S. Mallikarjuna Rao	Non-Executive Nominee Director and Chairman	07667641	20.12.2019	-	Appointment
4	Mr. L V Prabhakar	Non-Executive Nominee Director	08110715	09.08.2018	31.01.2020	Resignation
5	Mr. Shital Kumar Jain	Independent Director	00047474	09.08.2019	-	Re-appointed for second term of one year
6	Mr. Tejendra Mohan Bhasin	Independent Director	03091429	02.04.2020	-	Appointment
7	Mr. Neeraj Madan Vyas	Managing Director & CEO	07053788	28.04.2020	-	Resigned as Independent Director and appointed as Managing Director & CEO
8	Mr. Sanjaya Gupta	Managing Director	02939128		28.04.2020	Resignation as MD
9	Mr. Sanjaya Gupta	Director	02939128		04.05.2020	Resignation as Director
10	Mr. Neeraj Vyas	Managing Director and CEO	07053788		10.08.2020	Resignation
11	Mr. Hardayal Prasad	Managing Director and CEO	08024303	10.08.2020	-	Appointment
12	Mr. Shital Kumar Jain	Independent Director	00047474		09.08.2020	Completed 2nd term of one year
13	Mr. Neeraj Madan Vyas	Non - Executive Non Independent Director	07053788	01.09.2020	-	Appointment
14	Mr. Sudarshan Sen	Independent Director	03570051	01.10.2020	-	Appointment
15	Mr. Kapil Modi	Non - Executive Nominee Director	07055408	01.10.2020	-	Appointment
16	Mr. Chandrasekaran Ramakrishnan	Independent Director	00580842	07.10.2020	-	Re-appointment for a second term of 5 years
17	Mrs. Shubhalakshmi Panse	Independent Director	02599310		05.01.2021	Resignation
18	Mr. Rajneesh Karnatak	Non-Executive Nominee Director	08912491	19.01.2021	-	Appointment
19	Dr. Gaurav Vallabh	Independent Director	02972748		21.04.2021	Completion of five-year term
20	Mr. Nilesh S Vikamsey	Independent Director	00031213	22.04.2021	-	Re-appointment for a second term of 5 years
21	Ms. Gita Nayyar	Independent Director	07128438	29.05.2021	-	Appointment
22	Mr. Binod Kumar	Non-Executive Nominee Director	07361689	12.01.2022	-	Appointment
23	Mr. Atul Kumar Goel	Non-Executive Nominee Director	07266897	28.04.2022	-	Appointment
24	Mr. Rajneesh Karnatak	Non-Executive Nominee Director	08912491		21.10.2021	Resignation
25	Mr. CH SS Mallikarjuna Rao	Non-Executive Nominee Director	07667641		31.01.2022	Resignation
26	Mr Ashwani Kumar Gupta	Independent Director	00108678		11.05.2022	Completed his five years

S. No.	Name	Designation	DIN	Date of Appointment	Date of cessation	Remarks
						term as an Independent Director
27	Mr. Hardayal Prasad	Managing Director and CEO	08024303		20.10.2022	Resignation
28	Mr. Girish Kousgi	Managing Director and CEO	08524205	21.10.2022	-	Appointment
29	Mr. Binod Kumar	Non-Executive Nominee Director	07361689		21.10.2022	Resignation
30	Pavan Kaushal	Independent Director	07117387	27.10.2022	-	Appointment
31	Dilip Kumar Jain	Non-Executive Nominee Director	06822012	04.11.2022	-	Appointment

6.3 Details of Key Management Personnel

Sr. No.	Name, Designation, Age & Qualifications	Address	Associated with the Company since	Profile
1	Mr. Girish Kousgi Managing Director & CEO Age: 52 Qualifications: Bachelors of Commerce and Executive Masters Diploma in Business Administration	PNB Housing Finance Ltd. 9th Floor, Antriksh Bhawan, 22, K G Marg, New Delhi - 110001	2022	He is the Managing Director and Chief Executive Officer of the Company. He holds an executive master's diploma in business administration from Indian Institute of Commerce and Trade. He has over 21 years of experience in the financial services sector. Previously, he was associated with Can Fin Homes Limited as managing director and chief executive officer, Tata Capital Financial Services Limited as head retail – credit & risk, IDFC Bank Limited as executive vice president and ICICI Bank Limited as joint general manager. He is also serving as a director on the board of our Subsidiaries, namely PHFL Home Loans and Services Limited and PEHEL Foundation. He was appointed on our Board with effect from October 21, 2022
2	Mr. Vinay Gupta Chief Financial Officer Age: 43 years Qualifications: Bachelors of Commerce, Chartered Accountant	PNB Housing Finance Ltd. 9th Floor, Antriksh Bhawan, 22, K G Marg, New Delhi - 110001	2022	He is the Chief Financial Officer of the Company. He joined the Company on October 26, 2022. He is responsible for overall finance, treasury and investor relations function in our Company. He has passed the examination for a bachelor's degree in commerce from University of Delhi. He is a member of the Institute of Chartered Accountants of India. Previously, he was associated with SBI Cards and Payment Services Limited, GE Capital Services Limited and Price Waterhouse.
3.	Mr. Sanjay Jain Company Secretary and Head Compliance Age: 59 years Qualifications: FCS, LL.B	PNB Housing Finance Ltd. 9th Floor, Antriksh Bhawan, 22, K G Marg, New Delhi -110001	1995	He is the Company Secretary and Compliance Head of the Company. He joined our Company on May 1, 1995. He is responsible for secretarial and compliance of our Company. He holds a bachelor's degree in law from University of Delhi. He is a member of the Institute of Company Secretaries of India since 1995. Previously, he was associated with Ansal Buildwell Limited.

7. Following details regarding the auditor of the Issuer:

7.1 Details of the Auditor of the Issuer

Name of Statutory Auditor	Firm Registration No.	Address& Contact Details	Auditor since
M/s. T R Chadha & Co LLP, Chartered Accountants	006711N/N500028	B-30 Connaught Place Kuthiala Building, New Delhi-110001	03.09.2021
M/s Singhi & Co. Chartered Accountants	302049E	Unit No. 1704, 17th Floor, Tower B, World Trade Tower, DND Flyway, C-01, Sector-16, Noida, UP – 201301	03.09.2021

7.2 Details of change in Auditors for last three years:

Name of Statutory Auditor	Firm Registration No.	Address& Contact Details	Date of Appointment of Auditor	Date of Cessation
M/s. BR Maheswari & Co. LLP <i>Chartered Accountants</i>	001035N/N500060	M -118, Connaught Circus New Delhi-110 001 Tel: (011) 43402222, 23416341 Fax: +91-11-23415796 E-mail: brmc@brmco.com	21.10.2013	04.08.2021
M/s. T R Chadha & Co LLP, Chartered Accountants	006711N/N500028	B-30 Connaught Place Kuthiala Building, New Delhi- 110001	03.09.2021	-
M/s Singhi & Co. Chartered Accountants	302049E	Unit No. 1704, 17th Floor, Tower B, World Trade Tower, DND Flyway, C-01, Sector-16, Noida, UP – 201301	03.09.2021	-

8. Details of the following liabilities of the issuer, as at the end of the last quarter or if available, a later date:

8.1 Details of Outstanding Secured Loan Facilities

a. Details of secured bank loan facilities outstanding as on December 31, 2022

S. No.	Lender's Name/ Name of the Bank	Nature of facility/ instrument	Amount Sanctioned	Principal Outstanding	Repayment Date / Schedule	Security
			(INR Cr.)	(Rs. in Cr.)		
1	Bank of Baroda	Long Term	500.00	62.32	Tenor upto 4 Years	Hypothecation of Book debts
2	Bank of Baroda	Long Term	500.00	62.32	Tenor upto 4 Years	Hypothecation of Book debts
3	Bank of Baroda	Long Term	500.00	93.71	Tenor upto 4 Years	Hypothecation of Book debts
4	Bank of Baroda	Long Term	500.00	239.58	Tenor upto 4 Years	Hypothecation of Book debts
5	Bank of Baroda	Long Term	900.00	674.98	Tenor upto 4 Years	Hypothecation of Book debts
6	Bank of India	Long Term	1000.00	248.10	Tenor upto 4 Years	Hypothecation of Book debts
7	Bank of India	Long Term	500.00	124.53	Tenor upto 4 Years	Hypothecation of Book debts
8	Bank of India	Long Term	500.00	124.58	Tenor upto 4 Years	Hypothecation of Book debts
9	Canara Bank	Long Term	3000.00	2699.98	Tenor upto 5 Years	Hypothecation of Book debts

S. No.	Lender's Name/ Name of the Bank	Nature of facility/ instrument	Amount Sanctioned	Principal Outstanding	Repayment Date / Schedule	Security
			(INR Cr.)	(Rs. in Cr.)		
10	Canara Bank	Long Term	3000.00	2899.93	Tenor upto 5 Years	Hypothecation of Book debts
11	Canara Bank	Long Term	1500.00	1000.00	Tenor upto 5 Years	Hypothecation of Book debts
12	HDFC Bank Ltd.	Long Term	300.00	165.00	Tenor upto 5 Years	Hypothecation of Book debts
13	HDFC Bank Ltd.	Long Term	500.00	300.00	Tenor upto 5 Years	Hypothecation of Book debts
14	HDFC Bank Ltd.	Long Term	500.00	291.67	Tenor upto 3 Years	Hypothecation of Book debts
15	HSBC Bank	Long Term	500.00	281.25	Tenor upto 4 Years	Hypothecation of Book debts
16	HSBC Bank	Long Term	1000.00	1000.00	Tenor upto 4 Years	Hypothecation of Book debts
17	Indian Bank	Long Term	500.00	156.23	Tenor upto 4 Years	Hypothecation of Book debts
18	Indian Bank	Long Term	500.00	374.99	Tenor upto 4 Years	Hypothecation of Book debts
19	Indian Bank	Long Term	500.00	464.27	Tenor upto 7 Years	Hypothecation of Book debts
20	Indian Bank	Long Term	500.00	500.00	Tenor upto 5 Years	Hypothecation of Book debts
21	Karnataka Bank	Long Term	250.00	74.93	Tenor upto 3 Years	Hypothecation of Book debts
22	Karur Vysya Bank	Long Term	100.00	50.00	Tenor upto 4 Years	Hypothecation of Book debts
23	Kookmin Bank	Long Term	50.00	50.00	Tenor upto 3 Years	Hypothecation of Book debts
24	Punjab & Sind Bank	Long Term	500.00	333.11	Tenor upto 3 Years	Hypothecation of Book debts
25	Punjab & Sind Bank	Long Term	225.00	224.90	Tenor upto 3 Years	Hypothecation of Book debts
26	Punjab & Sind Bank	Long Term	250.00	250.00	Tenor upto 4 Years	Hypothecation of Book debts
27	Punjab National Bank	Long Term	500.00	124.63	Tenor upto 4 Years	Hypothecation of Book debts
28	Punjab National Bank	Long Term	500.00	500.00	Tenor upto 3 Years	Hypothecation of Book debts
29	Punjab National Bank	Long Term	1000.00	699.97	Tenor upto 4 Years	Hypothecation of Book debts
30	Punjab National Bank (erstwhile OBC)	Long Term	250.00	0.00	Tenor upto 5 Years	Hypothecation of Book debts
31	Punjab National Bank (erstwhile UTBI)	Long Term	200.00	75.00	Tenor upto 4 Years	Hypothecation of Book debts
32	State Bank of India	Long Term	500.00	124.91	Tenor upto 4 Years	Hypothecation of Book debts
33	State Bank of India	Long Term	500.00	312.50	Tenor upto 3 Years	Hypothecation of Book debts
34	UCO Bank	Long Term	200.00	99.95	Tenor upto 4 Years	Hypothecation of Book debts
35	UCO Bank	Long Term	500.00	374.99	Tenor upto 5 Years	Hypothecation of Book debts
36	UCO Bank	Long Term	300.00	285.00	Tenor upto 5 Years	Hypothecation of Book debts
37	UCO Bank	Long Term	500.00	500.00	Tenor upto 5 Years	Hypothecation of Book debts

S. No.	Lender's Name/ Name of the Bank	Nature of facility/ instrument	Amount Sanctioned	Principal Outstanding	Repayment Date / Schedule	Security
			(INR Cr.)	(Rs. in Cr.)		
38	Union Bank of India	Long Term	300.00	74.94	Tenor upto 4 Years	Hypothecation of Book debts
39	Union Bank of India	Long Term	1000.00	500.00	Tenor upto 7 Years	Hypothecation of Book debts
40	Yes Bank Ltd.	Long Term	250.00	177.97	Tenor upto 5 Years	Hypothecation of Book debts
		Total	25,075.00	16,596.27		

b. Details of overdraft/cash credit outstanding as on December 31, 2022.

S. No.	Lender's Name/ Name of the Bank	Nature of facility/ instrument	Amount Sanctioned	Limit Utilised	Repayment Date / Schedule	Security
			(INR Cr.)	(Rs. in Cr.)		
1	HDFC Bank Ltd.	OD/CC/WCDL	500.00	70.00	Tenor upto 1 year	Hypothecation of Book debts
2	HDFC Bank Ltd.	OD/CC/WCDL		200.00	Tenor upto 1 year	Hypothecation of Book debts
3	HDFC Bank Ltd.	OD/CC/WCDL		100.00	Tenor upto 1 year	Hypothecation of Book debts
4	HDFC Bank Ltd.	OD/CC/WCDL		30.00	Tenor upto 7 months	Hypothecation of Book debts
5	Punjab National Bank	OD/CC/WCDL	2,000.00	800.00	Tenor upto 6 months	Hypothecation of Book debts
6	RBL Bank	OD/CC/WCDL	250.00	200.00	Tenor upto 11 months	Hypothecation of Book debts
7	Union Bank of India	OD/CC/WCDL	200.00	150.00	Tenor upto 5 months	Hypothecation of Book debts
8	State Bank of India	OD/CC/WCDL	500.00	300.00	Tenor upto 3 months	Hypothecation of Book debts
9	Indian Bank	OD/CC/WCDL	150.00	100.00	Tenor upto 1 month	Hypothecation of Book debts
		Total	3,600	1,950.00		Hypothecation of Book debts

c. Details of External Commercial Borrowings outstanding as on December 31, 2022.

S. No.	Lender's Name/ Name of the Bank	Nature of facility/ instrument	Amount Sanctioned in USD Million	Outstanding Amount in USD Million	Repayment Date	Security
1	ADB	Secured	150	60	Quarterly till 13th June 2023	110%
2	SBI London	Secured	200	200	05th Oct 2023	110%
3	PNB Dubai	Secured	100	100	27th Dec 2023	110%
4	PNB Dubai (e-PNB HK)	Secured	165	165	28th Dec 2023	110%
5	IFC	Secured	100	100	25th Jul 2024	110%
6	JICA (I)	Secured	25	25	15th April 2025	110%
7	JICA (II)	Secured	50	50	15th April 2025	110%
		Total	790	700		

d. Details of Other borrowings as on December 31, 2022:

S. No.	Lender's Name/ Name of the Bank	Nature of facility/ instrument	Amount Sanctioned (INR Cr)	Principal Outstanding (INR Cr)	Repayment Date/ Schedule	Security
1	National Housing Bank	Refinance	9,284	3,284	Multiple tranches, Tenor upto 15 years	Hypothecation of Book debts
2	Deposit	-	-	17,348.10*	-	NA

* excludes interest accrued but not due on deposits

8.2 Details of outstanding Unsecured loan facilities outstanding as on December 31, 2022

Bank Facilities

S. No.	Lender's Name/ Name of the Bank	Nature of facility/ instrument	Amount Sanctioned (INR Cr.)	Limit Utilised	Repayment Date / Schedule
				(Rs. in Cr.)	
1	HDFC Bank Ltd.	OD/CC/WCDL	300.00	100.00	Tenor upto 13 months
2	HDFC Bank Ltd.	OD/CC/WCDL		100.00	Tenor upto 1 year
3	HDFC Bank Ltd.	OD/CC/WCDL	500.00	500.00	Tenor upto 13 months
4	HDFC Bank Ltd.	OD/CC/WCDL	500.00	500.00	Tenor upto 1 year
5	HDFC Bank Ltd.	OD/CC/WCDL	500.00	500.00	Tenor upto 7 months
6	HDFC Bank Ltd.	OD/CC/WCDL	300.00	100.00	Tenor upto 7 months
Total			2,100	1800.00	

Deposits

(INR in crore)

Lender's Name	Type of Facility	Amount Outstanding	Repayment Date/ Schedule
Holders of Fixed Deposits	Fixed Deposits	17,348.10	Upto 10 Years
<p>Note: Public Deposits as defined in Paragraph 4.1.30 of the RBI Master Directions, are secured by floating charge on the Statutory Liquid Assets maintained in terms of sub-sections (1) & (2) of Section 29B of the National Housing Bank Act, 1987.</p> <p>The Company is carrying Statutory Liquid Assets amounting to ₹ 2,305.27 Crore (against requirement of ₹ 2,030.43 Crore) as on December 31, 2022</p>			

8.3 Details of Outstanding Non-Convertible Securities as on December 31, 2022:

S. No.	Series of NCS	ISIN Number	Tenure in Years	Coupon Rate	Secured/ Unsecured	Amount Issued (INR Cr.)	Date of Allotment	Redemption Date	Credit Ratings*	Security
1	Series - VII -E**	INE572 E09106	15	9.20%	Secured	30	16-Jan-2008	16-01-2023	AA+ by CARE & AA+ by CRISIL	+
2	Series - XV	INE572 E09205	10	8.58%	Secured	600	16-May-13	16-May-23	AA by CARE & AA by CRISIL	^
3	Series - XVII-B	INE572 E09239	10	9.48%	Secured	300	31-Jan-14	31-Jan-24	AA by CRISIL and AA by ICRA	^
4	Tier -II - Series -III	INE572 E09262	10	8.70%	Unsecured	200	24-Nov-14	24-Nov-24	AA by CRISIL and AA by ICRA	NA

S. No.	Series of NCS	ISIN Number	Tenure in Years	Coupon Rate	Secured/Unsecured	Amount Issued (INR Cr.)	Date of Allotment	Redemption Date	Credit Ratings*	Security
5	Tier -II - Series -IV	INE572E09320	10	8.42%	Unsecured	210	18-Jan-16	17-Jan-26	AA by CARE & AA by India Ratings	NA
6	Tier -II - Series -V	INE572E09346	10	8.39%	Unsecured	290	28-Apr-16	28-Apr-26	AA by CARE & AA by India Ratings	NA
7	Tier -II - Series -VI	INE572E09387	7	8.57%	Unsecured	499	26-Jul-16	26-Jul-23	AA by CARE & AA by India Ratings	NA
8	Tier -II - Series -VII	INE572E09627	10	9.40%	Unsecured	24.7	07-Jan-19	05-Jan-29	AA by CARE & AA by CRISIL	NA
9	Tier -II - Series -VIII	INE572E09627	10	9.40%	Unsecured	15	24-Jan-19	05-Jan-29	AA by CARE & AA by CRISIL	NA
10	Series -LI	INE572E07068	6	8.75%	Secured	500	07-Nov-19	07-Nov-25	AA Stable by CARE	+
			7			500		07-Nov-26		
			8			500		07-Nov-27		
			9			500		07-Nov-28		
			10			500		07-Nov-29		
11	Series -LV	INE572E07076	3	6.50%	Secured	130	25-Jun-21	25-Jun-24	AA by CARE and AA by India Ratings	^
12	Series -LVI	INE572E07084	3	6.50%	Secured	325	27-Sep-21	27-Sep-24	AA by CARE	^
Total						5,123.70				
*Outlook of India Ratings is negative and outlook of CRISIL, CARE and ICRA is Stable										
^ Secured by way of hypothecation of book debts to the extent of 1.10 times of outstanding amount of NCDs										
+ Secured by way of hypothecation of book debts to the extent of 1.25 times of outstanding amount of NCDs										
** Series VII -E (ISIN: INE572E09106) has been redeemed on January 16, 2023.										

8.4 List of top 10 holders of non-convertible securities in terms of value (in cumulative basis) as on December 31, 2022:

Sr. No.	Name of holders of Non-Convertible Securities	Amount in Rupees	% of Total NCS Outstanding
1	Life Insurance Corporation of India	25,00,00,00,000	48.79%
2	IDBI Bank Limited	2,50,00,00,00,000	4.88%
3	Oil India Employees Pension Fund	96,00,00,00,000	1.87%
4	Oil India Limited Employees Provident Fund	83,00,00,00,000	1.62%
5	The Larsen And Toubro Officers and Supervisory Staff Provident Fund	75,80,00,00,000	1.48%

6	UCO Bank	75,00,00,000	1.46%
7	Reliance General Insurance Company Limited	70,00,00,000	1.37%
8	National Hydroelectric Power Corporation Limited Employees Provident Fund	63,00,00,000	1.23%
9	State Bank of India Employees Pension Fund	55,30,00,000	1.08%
10	Indian Provident Fund of Bharat Petroleum Corporation Limited	54,60,00,000	1.07%

8.5 Details of outstanding Commercial Paper as on December 31, 2022

S. No.	ISIN of Commercial paper	Maturity date	INR Amount O/s (in crore)
Nil			

Note: The Company issued Commercial Paper (ISIN: INE572E14IL5) for an amount of INR 50 crore on February 01, 2023 (Maturity date: March 30, 2023)

8.6 Details of the Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares):

Party's Name (in case of facility)/ Instrument Name	Type of Facility/ Instrument	Amount Sanctioned/ Issued (in crore)	Principal Amount outstanding (in crore)	Repayment date/ schedule	Credit rating	Secured / unsecured	Security
The Issuer has not issued any hybrid debt like Foreign Currency Convertible NCDs ("FCCBs"), Optionally Convertible NCDs/ Debentures/ Preference Shares etc.							

9. Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash, whether in whole or part, at a premium or discount, or in pursuance of an option:

Other than and to the extent mentioned elsewhere in this Placement Memorandum, the Issuer has not issued any debt securities or agreed to issue any debt securities or availed any borrowings for a consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option since inception.

10. Disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:

S.No	Particulars of disclosure	Details
1.	Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by Issuer	
1.a	Lending Policy: Should contain overview of origination, risk management, monitoring and collections.	<p>A. Lending Policy of the Company</p> <p>PNB Housing's lending policy is a policy framework for the lending operations of the company. The credit policy, and the processes defined in it, have evolved over the years and the same has been approved by the company's board. The underlying objective of this policy is to provide a framework for efficient and standardized lending process and thereby ensuring customer satisfaction, risk mitigation, and regulatory compliance.</p> <p>The policy document summarizes the loan products and the guidelines followed across the loan life cycle including at the time of on-boarding and credit underwriting of salaried and non-salaried borrowers.</p> <p>I. Loan Origination A loan application is sourced through our branches, wherein an initial screening of documents and detailed data entry is done on the enterprise system.</p> <p>II. Loan Appraisal & Approval All loans are processed by the credit underwriting team, post initial document fulfilment by channel partners/in-house sales team. The appraisal process for determining the loan eligibility involves underwriting of the submitted documents and undertaking various checks to ensure authenticity of the documents, genuineness of the transaction and compliance with all regulations. The various</p>

		<p>policy guidelines as issued by NHB on KYC, PMLA, LTV norms, valuation through outsourced valuers etc. are adhered to during the appraisal process and the credit processing hubs ensure that all compliances are fulfilled.</p> <p>The underwriting process covers the following checks during the approval process:</p> <ul style="list-style-type: none"> • KYC & Utility bills verification from authentic data sources e.g. PAN verification from NSDL • Customer & property de-dupe • Credit Bureau reports from CIBIL for existing repayment history • Residence and employment verification • Fraud Containment Unit (FCU), Experian Hunter - anti fraud software • Desktop Search including Save Risk and online checks on various websites -Traces, EPFO, Watchout Investor, MCA, various courts etc. • Digital tools - banking analytics, work e-mail validation, alternate credit history detection • Legal and Technical due diligence of the collateral <p>III. Disbursement and related compliances</p> <p>Disbursement is subject to legal and technical clearance and execution of loan agreement / other necessary documents for perfection of mortgage. All original property documents are vetted by internal legal department and panel lawyers. The site visit is conducted by technical agencies, which submit their valuation report to the company. Entire process is undertaken on an application-based tool, which has minimal manual intervention and ensures accuracy and standardization of reports across the geographies and bring in efficiencies in processing.</p> <p>IV. Loan repayment</p> <p>The loan is to be repaid by way of Equated Monthly Instalments (EMI) comprising principal and interest. Interest is calculated by way of monthly rests. Repayment by way of EMI commences from the month following the month in which full disbursement is availed. Pending final disbursement, Pre- EMI or interest on the amount disbursed is payable.</p> <p>V. Regulatory compliance</p> <p>In compliance with the RBI regulations, the KYC documents of all customers are received and verified from original prior to the disbursement of the loan.</p> <p>B. Risk Management & Portfolio Monitoring</p> <p>PNB Housing has a robust risk management framework for assessing risks at the appraisal level and how the same have been mitigated suitably.</p> <p>Our Risk Management Framework, enabled by the effective use of new technologies, has enhanced the organisation's readiness in responding to COVID-19. The framework helps to identify, assess, respond to and monitor, on a real-time basis, risks that impact business objectives. Risk management is an integral component of the Company Management System. Effective risk management with enhanced use of technology has improved the quality of business decisions.</p> <p>We have a well-established three lines of defense approach.</p> <ul style="list-style-type: none"> • Business/Process Managers (First line of Defense) • Risk Management and Compliance Function (Second line of Defense) • Internal Audit (Third line of Defense) <p>The key risks that the organisation is exposed to in the course of its business are - Credit Risk, Market Risk and Operational Risk. Given the evolving lending landscape, Liquidity Risk and Cyber Security Risk are also vital. These risks not</p>
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		<p>only have a bearing on our financial strength and operations but also on our reputation. Keeping this in mind, we have put in place Board approved risk related policies, whose implementation is supervised by the Executive Risk Monitoring Committee. The Committee monitors the compliance of risk parameters/aggregate exposures with the appetite set by the Board. It ensures that frameworks are established for assessing and managing various risks faced by the Company. Systems are developed to relate risk to the Company's capital level. Methods have been instituted to monitor compliance with internal risk management policies and processes. The Committee guides the development of policies, procedures and systems for managing risks. It ensures that these are adequate and appropriate to changing business conditions, the structure and needs of Company and its risk appetite.</p> <p>We give due importance to prudent lending practices and have put in place suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of customer's business place and residence, inhouse technical and legal verification, conservative loan to value parameters, and insurance coverage. Our Risk Management Framework seeks to minimise adverse impact of risks on the key business objectives and enables us to leverage market opportunities effectively. The Risk Management Committee reviews on a quarterly basis various risks faced by the Company and monitors the measures undertaken to mitigate the same.</p> <p>C. Collections & Recovery</p> <p>PNB Housing has a robust mechanism to monitor loans, both at an individual level as well as a portfolio level. Technology has been used extensively in this area for tighter monitoring and early arrest of flows to delinquency. The collections and recovery process is conducted by our collections team as well as third party collections agencies under the supervision of our in-house collections managers. The in- house collections team also helps in counselling customers who are in financial stress.</p>																						
1.b	Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc.	The Company has not provided any loans/advances to associates, entities/person related to the board, senior management except as provided for in the link Half yearly disclosure of Related Party Transactions for the period ended September 30, 2022.																						
1.c	Classification of loans and advances	<p>As on Year ended March 31, 2022: Classification of loans / advances given according to:</p> <p>a) Types of loans</p> <table border="1"> <thead> <tr> <th>Type of Loan</th> <th>Rs In Crore</th> </tr> </thead> <tbody> <tr> <td>Secured</td> <td>66,983</td> </tr> <tr> <td>Unsecured</td> <td>0</td> </tr> <tr> <td>Total Aseet Under Management</td> <td>66,983</td> </tr> </tbody> </table> <p>b) Denomination of loans outstanding by loan to value (LTV)* as on March 31, 2022</p> <table border="1"> <thead> <tr> <th>LTV Range</th> <th>%of Loan Assets</th> </tr> </thead> <tbody> <tr> <td>Upto 40%</td> <td>12.19%</td> </tr> <tr> <td>40-50%</td> <td>8.44%</td> </tr> <tr> <td>50-60%</td> <td>11.13%</td> </tr> <tr> <td>60-70%</td> <td>18.02%</td> </tr> <tr> <td>70-80%</td> <td>33.30%</td> </tr> <tr> <td>80-90%</td> <td>16.82%</td> </tr> </tbody> </table>	Type of Loan	Rs In Crore	Secured	66,983	Unsecured	0	Total Aseet Under Management	66,983	LTV Range	%of Loan Assets	Upto 40%	12.19%	40-50%	8.44%	50-60%	11.13%	60-70%	18.02%	70-80%	33.30%	80-90%	16.82%
Type of Loan	Rs In Crore																							
Secured	66,983																							
Unsecured	0																							
Total Aseet Under Management	66,983																							
LTV Range	%of Loan Assets																							
Upto 40%	12.19%																							
40-50%	8.44%																							
50-60%	11.13%																							
60-70%	18.02%																							
70-80%	33.30%																							
80-90%	16.82%																							

>90%	0.10%
Total	100%

Above represents only retail loans
*LTV at the time of origination

c) Sectoral Exposure as on March 31, 2022:

S. No.	Segment-wise break-up of AUM Percentage	Percentage of AUM
1	Retail	
	Mortgages (home loans and loans against property)	90%
2	Wholesale	
	Real estate (including builder loans)	10%
	Total	100.00%

d) Denomination of Loans outstanding by ticket size*: - as on March 31, 2022

Ticket size*	Percentage of Loan Asset
Upto INR 2 Lacs	1.74%
INR 2 Lacs to INR 5 Lacs	0.80%
INR 5 Lacs to INR 10 Lacs	3.00%
INR 10 Lacs to INR 25 Lacs	25.48%
INR 25 Lacs to INR 50 Lacs	25.45%
INR 50 Lacs to INR 1 Cr	13.43%
INR 1 Cr - INR 5 Cr	13.64%
INR 5 Cr - INR 25 Cr	4.08%
INR 25 Cr - INR 100 Cr	2.55%
INR 100 Cr+	9.84%
Grand Total	100.00%

Above represents retail as well as wholesale loans

*Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts) – This particular information is provided on Account level Sanction amount.

** Ticket size at the time of origination

e) Geographical classification of borrowers- as on March 31, 2022

Top 5 states borrower wise

S. No.	Top 5 State	% of AUM
1	Karnataka	20.21%
2	Maharashtra	18.59%
3	Rajasthan	10.10%
4	Tamil Nadu	9.20%
5	Uttar Pradesh	8.78%
	Total	66.88%

Above represents retail as well as wholesale loans

1.d Aggregated exposure to top 20

	borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for HFCs, from time to time;	<table border="1"> <thead> <tr> <th>Particulars</th> <th>FY 2021-22</th> <th>FY 2020-21</th> </tr> </thead> <tbody> <tr> <td>Total Exposure to twenty largest borrowers / customers</td> <td>7,123.01</td> <td>10,159.19</td> </tr> <tr> <td>Percentage of Loans and Advances to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers</td> <td>11.52%</td> <td>16.07%</td> </tr> </tbody> </table>	Particulars	FY 2021-22	FY 2020-21	Total Exposure to twenty largest borrowers / customers	7,123.01	10,159.19	Percentage of Loans and Advances to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	11.52%	16.07%											
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1.e	Details of loans, overdue and classified as Non performing assets (NPA) in accordance with RBI stipulations	<p>Movement of Gross NPA* (As on March 31, 2022)</p> <table border="1"> <thead> <tr> <th>Movement of Gross NPA during FY22</th> <th>INR (in Crore)</th> </tr> </thead> <tbody> <tr> <td>Opening gross NPA</td> <td>2,998.41</td> </tr> <tr> <td>Additions during the year</td> <td>3,962.68</td> </tr> <tr> <td>Reductions during the year</td> <td>(2,254.92)</td> </tr> <tr> <td>Closing balance of gross NPA</td> <td>4,706.17</td> </tr> </tbody> </table> <p><i>*Please indicate the gross NPA recognition policy (DPD) On standalone basis</i></p> <p>Movement of Provision for NPA*</p> <table border="1"> <thead> <tr> <th>Movement of provisions for NPA</th> <th>INR (in Crore)</th> </tr> </thead> <tbody> <tr> <td>Opening balance</td> <td>1,249.26</td> </tr> <tr> <td>Provision made during the year</td> <td>948.71</td> </tr> <tr> <td>Write-off/ write-back of excess provisions</td> <td>(422.76)</td> </tr> <tr> <td>Closing balance</td> <td>1,775.21</td> </tr> </tbody> </table> <p><i>*Standalone figures</i></p>	Movement of Gross NPA during FY22	INR (in Crore)	Opening gross NPA	2,998.41	Additions during the year	3,962.68	Reductions during the year	(2,254.92)	Closing balance of gross NPA	4,706.17	Movement of provisions for NPA	INR (in Crore)	Opening balance	1,249.26	Provision made during the year	948.71	Write-off/ write-back of excess provisions	(422.76)	Closing balance	1,775.21
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2	Details of borrowings made by NBFC																					
2.a	Portfolio Summary of borrowings made by NBFC (with regard to industries/ sectors to which borrowings have been made)	<table border="1"> <thead> <tr> <th>Category FY 2021-22</th> <th>INR In Crore</th> </tr> </thead> <tbody> <tr> <td>Borrowing in India</td> <td>53,484.59</td> </tr> <tr> <td>Borrowing Outside India</td> <td>5,909.23</td> </tr> <tr> <td>Total</td> <td>59,393.82</td> </tr> </tbody> </table>	Category FY 2021-22	INR In Crore	Borrowing in India	53,484.59	Borrowing Outside India	5,909.23	Total	59,393.82												
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2.b	Quantum and percentage of Secured vs. Unsecured borrowings	<table border="1"> <thead> <tr> <th>Particulars</th> <th>INR In Crore As on March 31, 2022</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Secured Borrowing</td> <td>32,618</td> <td>62%</td> </tr> <tr> <td>Unsecured Borrowing</td> <td>20,387</td> <td>38%</td> </tr> <tr> <td>Total</td> <td>53,005</td> <td>100.00%</td> </tr> </tbody> </table>	Particulars	INR In Crore As on March 31, 2022	%	Secured Borrowing	32,618	62%	Unsecured Borrowing	20,387	38%	Total	53,005	100.00%								
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Total	53,005	100.00%																				
3.	Details of change in shareholding	No change in promoters holding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India																				
4.	Disclosure of Assets under management	Segment wise breakup and type of loan: Please refer to point 1.c																				

5	Details of borrowers	Geographical location wise: Please refer to point 1.c										
6	Details of Gross NPA	Segment wise NPA (AUM wise)- As on March 31, 2022: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: center;">Segment wise NPA</th> <th style="text-align: center;">Gross NPA %</th> </tr> </thead> <tbody> <tr> <td colspan="2">A. Retail</td> </tr> <tr> <td>Mortgages (home loans and loans against property)*</td> <td style="text-align: center;">3.89%</td> </tr> <tr> <td colspan="2">B. Wholesale</td> </tr> <tr> <td>Real estate (including builder loans)*</td> <td style="text-align: center;">37.13</td> </tr> </tbody> </table> <p style="margin-left: 20px;">*on loan asset basis</p>	Segment wise NPA	Gross NPA %	A. Retail		Mortgages (home loans and loans against property)*	3.89%	B. Wholesale		Real estate (including builder loans)*	37.13
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B. Wholesale												
Real estate (including builder loans)*	37.13											
7	Details of Assets and Liabilities	Residual maturity profile of assets and liabilities as on March 31, 2022: Mentioned below										
8	Additional details of loans made by, Housing finance company	-										
9	Disclosure of latest ALM statements to stock exchange	The latest ALM statements is simultaneously submitted to the stock exchanges (NSE) as and when they are submitted to NHB										

(in INR Crore)

Category	Up to 30/31 days	>1 month – 2 months	>2 months – 3 months	>3 months – 6 months	>6 months – 1 year	>1 years – 3 years	>3 years – 5 years	>5 years	Total
Deposits	271.94	390.97	399.36	1,216.92	2,167.12	6,839.39	4,285.23	2,078.04	17,648.97
Advances	924.30	907.72	891.45	2,579.66	4,758.27	14,633.45	11,516.28	19,169.61	55,380.74
Investments	118.92	351.33	63.28	59.72	370.20	1,344.30	470.00	694.27	3,472.02
Borrowings	2,190.00	1,137.58	1,250.19	3,634.68	4,326.26	9,734.93	4,688.78	2,395.79	29,358.21
FCA*	-	-	-	-	-	-	-	-	-
FCL*	-	-	51.17	619.72	284.28	4,510.52	532.09	-	5,997.78

*FCA- Foreign Currency Asset; FCL- Foreign Current Liabilities

11. Details of default(s) and/or delay(s) in payments of any kind of statutory dues, debentures/ NCDs/ debt securities and interest and principal thereon, deposits and interest thereon, loans from any bank or financial institution and interest thereon and other financial indebtedness including corporate guarantee issued by the issuer:

- a. The Issuer has not defaulted on payment of any kind of statutory dues to the Government of India, State Government(s), statutory/ regulatory bodies, authorities, departments etc., since inception.
- b. The main constituents of the Issuer's borrowings are generally in form of deposits, NCDs/debentures/debt securities, commercial paper, loans from banks and financial institutions, refinance from National Housing Bank etc. In respect of such borrowings, the Issuer certifies that:

- (i) it has serviced all the principal and interest liabilities on all its borrowings on time and there has been no instance of delay or default since inception; and
 - (ii) it has not affected any kind of roll over or restructuring against any of its borrowings in the past.
- c. The Issuer has not defaulted on any of its payment obligations arising out of any corporate guarantee issued by it to any counterparty including its subsidiaries, joint venture entities, group companies etc. in the past.

12. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities.

There has been no material event, development or change having implications on the financials/ credit quality of the Issuer (e.g. any material regulatory proceedings against the Issuer/ Promoters of the Issuer, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of Issue which may affect the Issue or the investor's decision to invest/ continue to invest in the debt securities of the Issuer.

13. Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last three years immediately preceding the year of the issue of the Placement Memorandum and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.

Since Punjab National Bank, a Government of India undertaking, is the Promoter of the Company, it is not possible to give details of litigations, legal actions or directions pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of the Company during the last three years.

14. Details of default and non-payment of Statutory dues

- (i) statutory dues: NIL
- (ii) debentures and interest thereon: NIL
- (iii) deposits and interest thereon: NIL
- (iv) Loan from any bank or financial institution and interest thereon: NIL

15. The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee.

The Company has appointed IDBI Trusteeship Services Limited as the Debenture Trustee for the Issue. A copy of letter from IDBI Trusteeship Services Limited conveying their consent to act as Trustees for the current issue of NCDs is enclosed as Annexure to this Placement Memorandum.

All the rights and remedies of the Debenture Holders under this issue shall vest in and shall be exercised by the Debenture Trustees without reference to the Debenture Holders. All investors under this issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee appointed by the Company to act as their trustees and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by the Company to the Debenture Trustees on behalf of the Debenture holders shall completely and irrevocably, from the time of making such payment discharge the Company pro tanto as regards its liability to the Debenture Holders.

16. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.-

Nil

17. Disclosure of Cash Flow with date of interest/dividend/redemption payment as per day count convention:

1	The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made, should be disclosed.	Refer Summary Term Sheet - Section V
2	Procedure and time schedule for allotment and issue of securities should be disclosed	

3	Cash flows emanating from the non-convertible securities shall be mentioned in the offer document, by way of an illustration	
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18. Disclosures pertaining to wilful defaulter:

Neither our Company, nor any of its promoters or directors have been declared as a wilful defaulter.

- (a) Name of the bank declaring the entity as a wilful defaulter: None
- (b) The year in which the entity is declared as a wilful defaulter: None
- (c) Outstanding amount when the entity is declared as a wilful defaulter: None
- (d) Name of the entity declared as a wilful defaulter: None
- (e) Steps taken, if any, for the removal from the list of wilful defaulters: None
- (f) Other disclosures, as deemed fit by the Company in order to enable investors to take informed decisions:
None
- (g) Any other disclosure as specified by SEBI: None

19. Details of credit rating

CRISIL Ratings Limited has assigned a rating of "**CRISIL AA/Stable**" (Pronounced as CRISIL Double A) (stable outlook) to the NCDs of the Company aggregating to INR 5,700 Crore vide its letter dated February 27, 2023 and ICRA Limited has assigned a rating of "**ICRA AA/Stable**" (Pronounced as ICRA Double A) (stable outlook) for an amount aggregating to INR 300 Crore vide its letter dated March 06, 2023 This rating indicates high degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. A copy of rating letter from CRISIL Ratings Limited and ICRA Limited Ratings is enclosed as Annexure to the Placement Memorandum.

Other than the credit rating mentioned hereinabove, the Issuer has not sought any other credit rating from any other credit rating agency (ies) for the NCDs offered for subscription under the terms of this Placement Memorandum. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc. Rating is valid as on date of issuance and listing of the proposed issuance of NCDs.

20. Other Details

20.1 Creation of Debenture Redemption Reserve (DRR) / Capital Redemption Reserve (CRR) - relevant legislations and applicability

No Debenture Redemption Reserve is being created for the issue of NCDs in pursuance of this document since creation of Debenture Redemption Reserve is not required for the proposed issue of Debentures. In accordance with Rule (18)(7)(b)(iv)(A) of Companies (Share Capital and Debentures) Rules 2014, the Company is not required to create DRR for privately placed debentures.

20.2 Issue/instrument specific regulations - relevant details (Companies Act, Reserve Bank of India guidelines, etc.).

Issued in conformity with Form PAS-4 prescribed under Section 42 and Rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 and SEBI Circular bearing reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 and SEBI Circular bearing reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 and SEBI Circular bearing reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 and SEBI Circular bearing reference no. SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated November 12, 2020 and SEBI (Issue And Listing Of Non-Convertible Securities) Regulations, 2021 dated August 9, 2021 and SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 as may be amended from time to time.

20.3 Default in Payment.

In case of default in payment of interest and/ or principal redemption on the due dates, the Company shall pay additional interest @ 2.00% p.a. over the coupon rate for defaulting period i.e., the period commencing from and including the date on which such amount becomes due & upto but excluding the date on which such amount is actually paid.

20.4 Delay in Listing-

The Issuer shall complete all the formalities and seek listing permission within T+3 working days, T being the issue closing date. In case of delay in listing of the NCDs within the prescribed period, the Company shall pay penal interest of 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing) pursuant to SEBI Operational Circular "SEBI/HO/DDHS/DHSS_Div1/P/CIR/2022/167" dated November 30, 2022.

20.5 Delay in allotment of securities

As may be prescribed by SEBI

20.6 Issue details:

The Company proposed to issue listed, secured, rated, taxable, redeemable non-convertible debentures of face value of INR 1,00,000 (rupees one lakh) each for series LVII (1 year 6 months 3 days tenor) for cash at par for an amount of INR 150,00,00,000 (Rupees one hundred and fifty crore) with green shoe option to retain oversubscription upto INR 150,00,00,000 (Rupees one hundred and fifty crore) aggregating up to INR 300,00,00,000 (Rupees three hundred crore) with coupon rate of 8.70% p.a. payable annually and redeemable at par on September 17, 2024 to eligible investors on a private placement basis.

20.7 Application Process

a) Who can bid / invest / apply?

- QIBs as defined under Regulation 2 (ss) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to SEBI ICDR Regulations, 2018).
- Any non-QIB, who/ which has been authorized by the issuer, to participate in a particular issue on the EBP Platform

b) How to bid?

All Eligible Investors will have to register themselves as a one-time exercise (if not already registered) under the NSE BOND – EBP Platform offered by NSE for participating in the electronic book mechanism. Eligible Investors will also have to complete the mandatory KYC verification process. Eligible Investors should refer to the Operational Guidelines.

The details of the Issue shall be entered on the NSE BOND – EBP Platform by the Issuer at least 2 (two) working days prior to the Issue / Bid Opening Date, in accordance with the Operational Guidelines.

The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the NSE BOND – EBP Platform at least 1 (one) working day before the start of the Issue / Bid Opening Date.

A bidder will be able to enter the amount and coupon rate (in %) while placing their bids in the NSE BOND-EBP Platform. Some of the key guidelines in terms of the current Operational Guidelines on issuance of securities on private placement basis through an electronic book mechanism, are as follows:

Modification of Bid:

Eligible Investors may note that modification of bid is allowed during the bidding period / window.

However, in the last 10 minutes of the bidding period / window, revision of bid is only allowed for improvement of coupon rate and upward revision of the bid amount placed by the Investor.

Cancellation of Bid:

Eligible Investors may note that cancellation of bid is allowed during the bidding period / window. However, in the last 10 minutes of the bidding period / window, no cancellation of bids is permitted.

Multiple Bids:

Eligible Investors may note that multiple bids are not permitted. If multiple bids are entered by the same Investor, only the first bid will be considered as valid.

Withdrawal of Issue:

The Issuer may, at its discretion, withdraw the issue process on the following conditions:

- Non-receipt of bids up to the Issue Size;
- Bidder has defaulted on payment towards the allotment, within the stipulated timeframe, due to which the Issuer is unable to fulfil the Issue Size.

Provided that the Issuer shall accept or withdraw the Issue on the NSE BOND – EBP Platform within 1 (one) hour of the closing of the bidding window, and not later than 6 pm on the Issue/Bidding Closing Date.

However, Eligible Investors should refer to the Operational Guidelines as prevailing on the date of the bid.

Provisional/ Final Allocation:

Allocation shall be made on a pro rata basis in the multiples of the bidding lot size, i.e., in multiples of Rs. 1,00,000 (Rupees One Lakh).

Post completion of bidding process, the Issuer will upload the provisional allocation on the NSE BOND – EBP Platform. Post receipt of investor details, the Issuer will upload the final allocation file on the NSE BOND – EBP Platform.

Payment Mechanism:

Subscription should be as per the final allocation made to the successful bidder(s) as notified by the Issuer by 10:30 am next date of Closing Date. Successful bidders should do the funds pay-in in the bank account of as appearing on EBP Platform of NSE

Successful bidders must do the funds pay-in to the Designated Bank Account in accordance with operational guidelines of NSE EBP PLATFORM. Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the NSE BOND - EBP Platform while placing the bids. In case of mismatch in the bank account details between NSE BOND – EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned back.

Note: In case of failure of any successful bidder to complete the funds pay-in by the Pay-in Time or the funds are not received in the Designated Bank Account of clearing corporation of NSE by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Issuer shall not be liable to the successful bidder

Funds pay-out would be made to the bank account as appearing on the EBP Platform of NSE.

It is to be distinctly noted that in pursuance of Rule 14(5) of Companies (Prospectus and Allotment of Securities) Rules, 2014, remittance of Application Money for subscription to the NCDs shall be made only from the bank account of the person/ entity subscribing to the NCDs. In case of monies payable on subscription to the NCDs to be held by joint holders, the remittance of Application Money shall be made from the bank account of the person whose name appears first in the Application Form.

Application by Successful Bidder(s):

All Application Forms, duly completed, must be delivered to the Issuer by the successful bidder(s), to the attention of Mr. Sanjay Jain, Company Secretary and Head Compliance at the Registered Office of the Company or mail at sanjay.jain@pnbhousing.com. Applications for the NCDs must be in the prescribed form and completed in BLOCK LETTERS in English and as per the instructions contained therein.

The Company assumes no responsibility for any applications/ cheques/ demand lost in mail. Detailed instructions for filling up the Application Form forms the part as Annexure to this Placement Memorandum.

The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income-Tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 139A(5A) of the Income Tax Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. if the investor does not submit Form 15G/15AA/other evidence, as the case may be for non-deduction of tax at source. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "Applied for" and in case the applicant is not assessed to income tax, the applicant shall mention 'Not Applicable' (stating reasons for non-applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected.

Applications may be made in single or joint names (not exceeding three). In the case of joint applications, all payments will be made out in favour of the first applicant. All communications will be addressed to the first named applicant whose name appears in the Application Form at the address mentioned therein.

All applicants are requested to tick the relevant column "Category of Investor" in the Application Form. Public/Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring "approved security" status for making investments.

20.8 Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any

Refer Section VI of the Placement Memorandum on Page No.86.

20.9 Project details:

The funds being raised by the Company through the Issue are not meant for financing any particular project. The Company shall utilize the proceeds of the Issue in accordance with the "Objects of the Issue" as set out in this Placement Memorandum.;

Section V: A. Summary Term Sheet

Security Name	8.70% PNB Housing Finance Limited 2024 Series LVII
Issuer	PNB Housing Finance Limited (“PNBHFL”/ the “Company”/the “Issuer”)
Type of Instrument	Listed, Secured, Rated, Taxable, Redeemable Non-Convertible Debentures
Nature of Instrument	Secured
Seniority	Senior
Eligible Investors	<p>The eligible participants/investors shall be as per the EBP Platform of the Stock Exchange as mentioned hereunder:</p> <p>a) QIBs as defined under Regulation 2 (ss) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to SEBI ICDR Regulations, 2018).</p> <p>b) Any non-QIB, who/ which has been authorized by the issuer, to participate in a particular issue on the EBP Platform</p>
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	<p>On the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Ltd. (“NSE”).</p> <p>The Company proposes to list the NCDs within 3 working days from the date of closure of the Issue in accordance with SEBI Circular no. SEBI/HO/DDHS/P/CIR/2021/613 (Operational Circular) dated August 10, 2021 for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper & SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/167 dated November 30, 2022. In case of delay in listing of the Debentures beyond 3 trading days from the Issue Closing Date.</p> <p>The Company will pay penal interest @1 % p.a. over the Coupon Rate for the period of delay to the investor (i.e. from the Date of Allotment to the date of listing).</p>
Rating of the Instrument	CRISIL “AA”/Stable by CRISIL Ratings Limited ICRA “AA”/Stable by ICRA Limited
Issue Size	INR 150 Crore with green shoe option of INR 150 Crore
Minimum subscription	Minimum subscription, for overall issue level, is not applicable for privately placed debentures. However, minimum subscription (per application) shall be 100 NCDs amounting to INR 1 Crore.
Option to retain oversubscription (Amount)	Green shoe option up to INR. 150 Crore aggregating up to INR 300 Crore
Objects of the Issue / Purpose for which there is requirement of funds	<p>The funds are being raised by the Company for enhancing its long-term resource base for carrying out its regular business activities including discharging existing debt obligations.</p> <p>The Main Object clause of the Memorandum of Association of the Company enables it to undertake the activities for which the funds are being raised through the present issue and also the activities which the Company has been carrying on till date. The proceeds of this Issue after meeting all expenses of the Issue will be used by the Company for meeting issue objects.</p>
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a ‘group company’ then disclosures shall be made in the following format	<p>Not Applicable</p> <p>Pursuant to RBI Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, Housing Finance Companies are not permitted to facilitate resource requests of or utilization by group entities/ parent company/ associates.</p>
Details of the utilization of the Proceeds	The proceeds shall be utilized for the objects of the Issue.
Coupon Rate	8.70%

Step Up/Step Down Coupon Rate	Not Applicable
Coupon Payment Frequency	Annual
Coupon Payment Dates	First interest payment on March 17, 2024, and on the maturity of NCDs (i.e. on September 17, 2024)
Coupon Type	Fixed Rate
Coupon Reset Process	Not Applicable
Day Count Basis (Actual/Actual)	Actual/ Actual Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis
Interest on Application Money	Not Applicable
Default Interest Rate	<p>In case of default in payment of Interest and/or redemption of the principal amount of the Debentures on the respective due dates, additional interest of 2% p.a. over and above the coupon rate shall be payable by the Company for the defaulting period.</p> <p>Where the Company fails to execute the trust deed within the period specified by SEBI, then without prejudice to any liability arising on account of violation of the provisions of the Securities and Exchange Board of India Act, 1992 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Company shall also pay interest of at least 2% (Two Percent) per annum or such other rate, as specified by SEBI to the Debenture Holders, over and above the Coupon Rate, till the execution of the Trust Deed.</p> <p>The Issuer shall complete all the formalities and seek listing permission within T+3 working days, T being the closing date. In case of delay in listing of the NCDs within the prescribed period, the Company shall pay penal interest of 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing) pursuant to bear penal consequences as mentioned in SEBI Operational Circular "SEBI/HO/DDHS/DHSS_Div1/P/CIR/2022/167" dated November 30, 2022.</p>
Tenor	1 Year 6 Months 3 Days
Redemption Date	September 17, 2024
Redemption Amount	At Par, INR 1,00,000 (Rupees One Lakh) per Debenture
Redemption Premium /Discount	Not Applicable
Issue Price	INR 1,00,000 (Rupees One Lakh) per Debenture
Discount at which security is issued and the effective yield as a result of such discount.	Issued at Par
Put Date	Not applicable
Put Price	Not applicable
Call Date	Not applicable
Call Price	Not applicable
Put Notification Time	Not applicable
Call Notification Time	Not applicable
Face Value	INR 1,00,000 (Indian Rupees One Lakh) per Debenture
Minimum Application and in multiples of thereafter	The minimum application size for the Issue shall be 100 (Hundred) Debenture and in multiples of 1 (one) Debenture thereafter.

Issue Timing	11:30 AM to 12:30 PM
Issue Opening Date	March 16, 2023
Issue Closing Date	March 16, 2023
Date of earliest closing of the issue, if any.	March 16, 2023
Pay-in Date	March 17, 2023
Deemed Date of Allotment	March 17, 2023
Type of Bidding	Open Bidding
Manner of Allotment	Uniform Yield
Mode of Subscription	Successful Bidders shall be required to transfer funds from bank account(s) registered with EBP to the bank account of the Clearing Corporation/ ICL to the extent of funds pay-in obligation on or before 10.30 hours on T+1 day as defined by Issuer at the time of issue setup, T being the closing date.
Issuance Mode of the Instrument	Demat Only
Trading Mode of the Instrument	Demat Only
Settlement mode of the Instrument	Payment of interest and repayment of principal shall be made by way credit through direct credit/ RTGS/ Fund Transfer/ NECS/ NEFT or any other electronic mode offered by the Banks
Depository	National Securities Depository Limited and Central Depository Services (India) Limited
Disclosure of Interest/ redemption dates	Refer cash flow as mentioned below.
Record Date	15 days prior to each Coupon Payment Date and Redemption Date. In the event the Record Date falls on a day, which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	The major covenants of the issue include: <ul style="list-style-type: none"> • Interest rate, computation of interest, payment of interest; • Interest on application money; • Business day, Record date; • Redemption, payment of redemption amount • Listing and Rating; and • Mode of transfer of NCDs No side letters are executed pursuant to said Issue. For further details, refer the Debenture Trust Deed executed in this regard.
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed	Exclusive charge on the specific book debts of the Company with minimum asset coverage of 1.10 time (as defined under DTD) shall be created prior to the listing of Debentures. Issuer further undertakes: <ol style="list-style-type: none"> 1. to maintain the value of Security Cover at all times till the obligations under the Issue are discharged to final settlement; 2. to create the charge over the Hypothecated Property by executing the 'Deed of Hypothecation' prior to the listing 3. to perfect the charge over the Hypothecated Property by filing the relevant form immediately and no later than 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation; As per SEBI (Issue and listing of Non-convertible Securities) Regulation, 2021 additional 2% interest will be paid in case of delay in execution of DTD as per applicable law.

and disclosed in the placement memorandum	Undertaking by the Company The Company hereby covenants and undertakes that the assets of the Issuer which are proposed to secure the NCDs are free from any encumbrances and there are no cases where the assets are already charged to secure a debt and hence a permission or a consent to create a second or pari-passu charge on the assets is not obtained from earlier creditor.
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: 1. Consent Letter of Trustee Letter appointing IDBI Trusteeship Services Ltd. as Trustees to the Debenture holders; 2. Debenture Trusteeship Agreement; 3. Debenture Trust Deed and/or Deed of Hypothecation and/or other security document(s); 4. Rating Letter & Rationale 5. Application made to NSE for seeking its in-principle approval for listing of NCDs; 6. Any other document as agreed between the issuer and the trustee
Conditions Precedent to Disbursement	The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following: 1. Rating letters from CRISIL Ratings Limited and ICRA Limited not being more than one month old from the issue opening date; 2. Written consent letter from the Trustees conveying their consent to act as Trustees for the Debenture Holders; 3. Making an application to NSE for seeking its in-principle approval for listing of Debentures and getting in principle approval.
Condition Subsequent to Disbursement	1. Execution of the Deed of Hypothecation before listing of NCDs. 2. Filing of the relevant documents inter alia, return of allotment etc. with the Registrar of Companies within the timelines specified under the rules under the Companies Act, 2013. 3. Completion of the listing of Debentures on NSE within 3 (three) working Days from the closure of the issue. 4. Filing of the relevant form with the Registrar of Companies for the registration of charge over the Hypothecated Property within 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation. 5. Execution of any other documents as customary for transaction of a similar nature and size. 6. Duly executed Debenture Trust Deed to be uploaded on the stock exchange on execution.
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	<ul style="list-style-type: none"> • Default in payment of interest and principal amount • Default in performance of covenant and conditions • Failure to maintain security cover; • For further details on "Events of Default" refer Debenture Trust Deed to be executed between the Company and Debenture Trustee, and <p>In addition to the other rights upon an Event of Default, Investor shall have the right to accelerate the Debentures and make the outstanding amounts due and payable immediately by the Issuer.</p>
Creation of recovery expense fund	The Issuer has maintained the recovery expense fund with NSE Limited as per the terms of the applicable laws including but not limited to the SEBI circular SEBI /HO /MIRSD /CRADT /CIR/P/2020/207 dated October 22, 2020, as amended from time to time. The recovery expense fund shall be utilized in such manner and for such purposes as may be prescribed by the Securities Exchange Board of India.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Detailed conditions for breach of covenant are stated in Debenture Trust Deed which will be executed within timeframe prescribed under the Companies Act & SEBI.
Provisions related to Cross Default Clause	Not Applicable
Role and Responsibilities of Debenture Trustee	The Trustees shall protect the interest of the Debenture holders. In the event of default by the Company in regard to timely payment of interest and repayment of principal, trustee in consultation with the Debenture holders shall take necessary action at the cost of the Company. To oversee and monitor the overall transaction for and on behalf of the Debenture Holders Further, the Debenture Trustee has undertaken the necessary due diligence in accordance

	with Applicable Law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the circulars issued by SEBI titled (i) "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)" dated November 3, 2020; and (ii) "Monitoring and Disclosures by Debenture Trustee(s)" dated November 12, 2020. Further roles and responsibilities of Debenture Trustee are stated in Debenture Trust Deed which will be executed within timeframe prescribed under the Companies Act.
Risk factors pertaining to the issue	For detailed risk factors, please refer the Section III in the Placement Memorandum
Governing Law and Jurisdiction	The NCDs are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of New Delhi.
Reissuance and Consolidation	The Issuer shall have right to re-issue or consolidate the bonds under present series in accordance with applicable law.

Note:

1. The list of documents which has been executed or will be executed in connection with the issue and subscription of debt securities shall be annexed.
2. If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and events which lead to such change shall be disclosed by the Company.
3. The penal interest rates mentioned above as payable by the Issuer are independent of each other.
4. While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of Placement Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.
5. The issuer shall provide granular disclosures in their offer document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue". Further, the amount earmarked for "General Corporate Purposes", shall not exceed 25% of the amount raised by the issuer in the proposed issue.
6. Debt securities shall be considered as secured only if the charged asset is registered with Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee.

ILLUSTRATION OF CASHFLOWS

Company	PNB Housing Finance Limited
Face Value (Per Security)	INR 1,00,000 (Rupees One Lakh)
Issue Date / Date of Allotment	Issue Opening Date: March 16, 2023 Deemed Date of Allotment: March 17, 2023
Redemption Date	September 17, 2024
Coupon Rate	8.70% (Annual)
Frequency of the Coupon Payment with specified dates	Annual (1 st IP – March 17, 2024)
Day Count Convention	Actual/Actual

Nature	Due Date	Payout Date	No. of Days in Coupon Period	Cash Flows
Pay-In	17-Mar-23 (Friday)	17-Mar-23 (Friday)		-1,00,000
Interest	17-Mar-24 (Sunday)	18-Mar-24 (Monday)	366	8,700
Interest	17-Sep-24 (Tuesday)	17-Sep-24 (Tuesday)	184	4,386
Principal	17-Sep-24 (Tuesday)	17-Sep-24 (Tuesday)		1,00,000

B. TERMS OF OFFER (DETAILS OF DEBT SECURITIES PROPOSED TO BE ISSUED, MODE OF ISSUANCE, ISSUE SIZE, UTILIZATION OF ISSUE PROCEEDS, STOCK EXCHANGES WHERE SECURITIES ARE PROPOSED TO BE LISTED, REDEMPTION AMOUNT, PERIOD OF MATURITY, YIELD ON REDEMPTION, DISCOUNT AT WHICH OFFER IS MADE AND EFFECTIVE YIELD FOR INVESTOR.

PRIVATE PLACEMENT OF LISTED, SECURED RATED TAXABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES (“NCDs”) OF INR 1,00,000 EACH FOR CASH AT PAR OF AN AMOUNT OF INR 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE WITH GREEN SHOE OPTION TO RETAIN OVER SUBSCRIPTION UPTO INR 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) AGGREGATING ISSUE SIZE UP TO INR 300,00,00,000 (RUPEES THREE HUNDRED CRORE) TO BE ISSUED BY PNB HOUSING FINANCE LIMITED

1. ISSUE SIZE

PNB Housing Finance Limited (“PNBHFL” or the “Issuer” or the “Company”) proposes to raise listed, secured, rated, taxable, redeemable non-convertible debentures (“NCDs”) of INR 1,00,000 each for cash at par of INR 150,00,00,000 with green shoe option to retain over subscription upto INR 150,00,00,000 aggregating issue size up to INR 300,00,00,000 to be issued by PNB Housing Finance Limited

2. REGISTRATION AND GOVERNMENT APPROVALS

The Company can undertake the activities proposed by it in view of the present approvals and no further approval from any government authorities is required by it to undertake the proposed activities save and except those approvals which may be required to be taken in the normal course of business from time to time.

3. AUTHORITY FOR THE ISSUE

The present issue of NCDs is being made pursuant to:

- resolution passed by the Board of Directors of the Company on January 24, 2023 and delegation provided thereunder; and
- special resolution passed by the shareholders of the Company in the Annual general meeting on July 26, 2022 and delegation provided thereunder.

The Company can issue the NCDs in pursuance of the above approvals and no further approval from any Government Authority is required for the present issue.

4. OBJECTS OF THE ISSUE

The funds are being raised by the Company for enhancing its long-term resource base for carrying out its regular business activities including discharging existing debt obligations.

The expenses of the present Issue would be met from the proceeds of the Issue. The Main Object clause of the Memorandum of Association of the Company enables it to undertake the activities for which the funds are being raised through the present issue and also the activities which the Company has been carrying on till date. The proceeds of this Issue after meeting all expenses of the Issue will be used by the Company for meeting issue objects. The proceeds of the issue shall be utilized towards repayment/prepayment of existing long term and short term debts of the Company or same shall also be used for onward lending by the Company.

5. UTILISATION OF ISSUE PROCEEDS

The funds being raised by the Issuer through present issue of NCDs are not meant for financing any particular project. The Issuer shall utilise the proceeds of the Issue for enhancing its long-term resource base for carrying out its regular business activities including discharging existing debt obligations. The Issuer is subject to a number of regulatory checks and balances as stipulated in its regulatory environment. The Issuer is Public Listed Company and is managed by professionals under the supervision of the Board of Directors. The management of the Issuer shall ensure that the funds raised via the present Issue shall be utilized only towards satisfactory fulfilment of the Objects of the Issue.

Issuer undertakes not to use proceeds for such activities not permitted by RBI or are in contravention of the regulations/ guidelines/ nor is issued by the RBI/ SEBI/ RoC/ Stock Exchange(s).

The Issuer undertakes that it shall not utilise the proceeds of the Issue for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.

Further, the Issuer undertakes that Issue proceeds from the present issue of NCDs allotted to banks shall not be used for any purpose which may be in contravention of the RBI guidelines on bank financing to NBFCs including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI regulations.

The main objects clause of the Memorandum of Association of the Issuer permits it to undertake its existing activities as well as the activities for which the funds are being raised through the present Issue.

6. MINIMUM SUBSCRIPTION AND MODE OF PAYMENT OF SUBSCRIPTION

In terms of the SEBI NCS Regulations, minimum subscription is not applicable for privately placed debentures. However, pursuant to RBI Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, minimum subscription (minimum application) per investor shall be INR 1 crore.

Mode of payment of subscription shall be cheque/ demand draft / other banking channels.

7. UNDERWRITING

The present Issue of NCDs is not underwritten. We hereby confirm that no Brokerage/Commission/Incentive has been/would be paid to any intermediary/Merchant Banker/Broker/ any other person by the Company in respect of subscription into NCDs issue by PNB Housing Finance Limited.

8. NATURE OF NCDs

Listed, Secured, Rated, Taxable, Redeemable Non-Convertible Debentures.

9. FACE VALUE, ISSUE PRICE, EFFECTIVE YIELD FOR INVESTOR

Each NCD has a face value of INR 1,00,000 and is issued at par i.e. for INR 1,00,000. The NCD shall be redeemable at par i.e. for INR 1,00,000 per NCD. Since there is no premium or discount on either issue price or on redemption value of the NCDs, the effective yield for the investors shall be the same as the Coupon Rate on the NCDs.

10. SECURITY

Exclusive charge on the specific book debts of the Company with minimum asset coverage of 1.10 times (as defined under DTD).

Issuer further undertakes:

1. to maintain the value of Security Cover at all times till the obligations under the Issue are discharged;
2. to create the charge over the Hypothecated Property by executing the 'Deed of Hypothecation' prior to the listing
3. to perfect the charge over the Hypothecated Property by filing the relevant form immediately and no later than 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation;

Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

The Debenture Trust Deed and/or Deed of Hypothecation and/or other security document(s) shall be open for inspection to any member or Debenture holder of the Company, in the same manner, to the same extent and on the payment of the same fees, as if it were the register of members of the Company; and a copy of the Debenture Trust Deed and/or Deed of Hypothecation and/or other security document(s) shall be forwarded to any member or Debenture holder of the Company, at his request, within seven days of the making thereof, on payment of fee.

Undertaking by the Company

The Company hereby covenants and undertakes that the assets of the Issuer which are proposed to secure the NCDs are free from any encumbrances and there are no cases where the assets are already charged to secure a debt and hence a permission or a consent to create a second or pari-passu charge on the assets is not obtained from earlier creditor.

11. TERMS OF PAYMENT

The full face value of the NCDs applied for is to be paid along with the Application Form. Investor(s) need to send in the Application Form and the cheque(s)/ demand (s)/ bank funds transfer/ RTGS for the full issue price of NCDs applied for.

Face Value per NCDs	Minimum Application for	Amount Payable on application per NCD
INR 1 Lakh	100 NCDs and in multiples of 1 NCD thereafter	INR 1 Lakh

It is to be distinctly noted that in pursuance of Rule 14(5) of Companies (Prospectus and Allotment of Securities) Rules, 2014, remittance of Application Money for subscription to the NCDs shall be made only from the bank account of the person/ entity subscribing to the NCDs. In case of monies payable on subscription to the NCDs to be held by joint holders, the remittance of Application Money shall be made from the bank account of the person whose name appears first in the Application Form.

The Applicants are required to submit a self-attested copy of their bank account statement reflecting debit for the application money. Such bank account statement must contain the name of Applicant, account number, name and branch of the bank.

12. ALLOTMENT OF NCDs

All benefits under the NCDs including payment of interest will accrue to the Debenture holders from and including the Deemed Date of Allotment. All benefits relating to the NCDs will be available to the investors from the Deemed Date of Allotment. The actual allotment of NCDs may take place on a date other than the Deemed Date of Allotment. The Issuer reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any notice. In case if the issue closing date/ pay in dates is/are changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-pond/ postponed) by the Issuer at its sole and absolute discretion.

The Company shall allot the NCDs within T+1 1 working day from the date of issue closing date. The Company shall pay interest for the delayed period as per the provision of Companies Act / SEBI Operation Circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and any amendments thereof.

No fresh offer or invitation of NCDs shall be made by the Company unless the allotment with respect to the present Issue has been made or the present Issue has been withdrawn or abandoned by the Company.

13. ISSUE OF DEBENTURES ONLY IN DEMAT FORM

Issuer will make necessary arrangements with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) for the issue of Debentures in Dematerialized form. Investors shall hold the Debentures and deal with the same as per the provisions of Depositories Act, 1996/rules as notified by NSDL / CDSL from time to time. Investors should mention their Depository Participants name, DP-ID and Beneficiary Account Number in the appropriate place in the Application Form. Issuer shall take necessary steps to credit the Depository Account of the allottee (s) with the number of debentures allotted. In case of incorrect details provided by the investors and inability of the Company to credit the depository account, the allotment of debentures would be held in abeyance till the investors furnish the correct depository account details to the Company.

14. ISSUE OF NCD CERTIFICATES

Subject to the completion of all statutory formalities within timeframe prescribed in the relevant regulations/act/rules etc., the initial credit akin to a Letter of Allotment/NCD Certificate in the Beneficiary Account of the investor would be replaced with the number of NCDs allotted. The NCDs since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depositories Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof.

15. PROCEDURE FOR APPLYING FOR DEMAT FACILITY

- a. Applicant(s) should have/ open a Beneficiary Account with any Depository Participant of NSDL or CDSL.
- b. The applicant(s) must specify their beneficiary account number and depository participants ID in the relevant columns of the Application Form.

- c. If incomplete/incorrect beneficiary account details are given in the Application Form which does not match with the details in the depository system, the allotment of NCDs shall be held in abeyance till such time satisfactory demat account details are provided by the applicant.
- d. The NCDs shall be directly credited to the Beneficiary Account as given in the Application Form and after due verification, allotment advice/refund order, if any, would be sent directly to the applicant by the Registrars to the Issue but the confirmation of the credit of the NCDs to the applicant's Depository Account will be provided to the applicant by the Depository Participant of the applicant.
- e. Interest or other benefits with respect to the NCDs would be paid to those debenture holders whose names appear on the list of beneficial owners given by the Depositories to the Issuer as on the Record Date. In case, the beneficial owner is not identified by the Depository on the Record Date due to any reason what so ever, the Issuer shall keep in abeyance the payment of interest or other benefits, till such time the beneficial owner is identified by the Depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the interest or other benefits to the beneficiaries identified, within a period of 15 days from the date of receiving such intimation.
- f. Applicants may please note that the NCDs shall be allotted and traded on the Stock Exchange(s) only in dematerialized form.

16. FICTITIOUS APPLICATIONS

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who –

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name.

Shall be liable for action under section 447."

17. MARKET LOT

The market lot will be one NCD ("Market Lot"). Since the NCDs are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of NCDs.

18. TRADING OF NCDs

The marketable lot for the purpose of trading of NCDs shall be 1 (one) NCD of face value of INR 1,00,000 each. Trading of NCDs would be permitted in demat mode only in standard denomination of INR 1,00,000 and such trades shall be cleared and settled through clearing corporation of stock exchange(s) subject to conditions specified by SEBI. In case of trading in NCDs which has been made over the counter, the trades shall be reported on any one of the reporting platform of recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

19. MODE OF TRANSFER OF NCDs

The NCDs shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these NCDs held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his Depository Participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

Transfer of NCDs to and from NRIs/ OCBs, in case they seek to hold the NCDs and are eligible to do so, will be governed by the then prevailing guidelines of RBI.

20. BASIS OF ALLOCATION / ALLOTMENT

The Issuer reserves to allot securities at its own discretion. The Issuer reserves its right to reject any/ all applications at its sole discretion, without assigning any reason whatsoever,

21. COMMON FORM OF TRANSFER

The Issuer undertakes that it shall use a common form/ procedure for transfer of NCDs issued under terms of this Placement Memorandum.

22. INTEREST ON THE NCDs

The NCDs shall carry interest at the Coupon Rate (i.e. @8.70 per cent per annum payable annually and on Redemption Date (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Company) from, and including, the Deemed Date of Allotment (i.e. March 17, 2023) payable annually on March 17, 2024 every year and on the Redemption Date, to the holders of NCDs (the "Holders" and each, a "Holder") as of the relevant Record Date. The interest payable on any Coupon Payment Date will be paid to the debenture holder(s) whose names appear in the List of Beneficial Owners given by the Depository to the Company as on the Record Date.

The first interest period shall be paid for the period starting from date of allotment to the end of one year i.e. March 17, 2023 to March 16, 2024 (including both the dates). The first interest payment would be made on March 17, 2024. The second and the last payment shall be paid on September 17, 2024. Thus, the last interest payment would be made on Redemption Date (i.e. on September 17, 2024), along with the redemption of outstanding principal amount. Interest on NCDs will cease on the Redemption Date in all events.

If any Coupon Payment Date falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day excluding the interest for such additional period. Further, interest for such additional period, shall be calculated and paid on the next Coupon Payment Date which would have been the case if the earlier payment date was not a holiday.

In case the Deemed Date of Allotment is revised (pre-poned/ postponed) then the above Interest Payment Dates may also be revised pre-poned/postponed) accordingly by the Company at its sole & absolute discretion.

23. COMPUTATION OF INTEREST

Interest for each of the interest periods shall be computed as per Actual/Actual day count convention on the face value amount of NCDs outstanding at the Coupon Rate rounded off to the nearest Rupees per the Fixed Income Money Market and Derivatives Association ("FIMMDA") handbook on market practices. Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis, on the face value amount of NCDs outstanding.

24. RECORD DATE

The 'Record Date' for the NCDs shall be 15 days prior to each Coupon Payment Date and Redemption Date. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the Redemption Date. Interest payment and principal repayment shall be made to the person whose name appears as beneficiary with the Depositories as on Record Date. In the event of the Issuer not receiving any notice of transfer at least 15 days before the Coupon Payment Date, the transferees for the NCDs shall not have any claim against the Issuer in respect of interest so paid to the registered Debenture holders.

In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.

25. DEDUCTION OF TAX AT SOURCE

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source out of interest payable on NCDs.

Interest payable subsequent to the Deemed Date of Allotment of NCDs will be treated as "Interest on Securities" as per Income Tax Rules. Debenture holders desirous of claiming exemption from deduction of income tax at source on the interest payable on NCDs should submit tax exemption certificate/ document, under Section 193 of the Income Tax Act, 1961, if any, at least 15 days before the payment of interest becoming due with the Registrars, appointed Linkintime India Pvt Ltd. (Address: C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083 Tel No. +91 22 49186000, Fax No. +91 22 49186060, E-mail: debtpca@linkintime.co.in), or to such other person(s) at such other address(es) as the Company may specify from time to time through suitable communication.

Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective investors are advised to consult their own tax consultant(s).

26. PUT & CALL OPTION

Neither the debenture holder(s) shall have any right to exercise put option nor the issuer shall have the right to exercise call option to redeem the debentures, in whole or in part, prior to redemption date.

27. REDEMPTION

The face value of the NCDs shall be redeemed at par, on the Redemption Date i.e. September 17, 2024. The NCDs will not carry any obligation, for interest or otherwise, after the Redemption Date. The NCDs shall be taken as discharged on payment of the redemption amount by the Issuer on the Redemption Date to the registered Debenture holders whose name appear in the Register of Debenture holders on the Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture holders.

If the Redemption Date (also being the last Coupon Payment Date) of the NCDs falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day along with interest accrued on the NCDs until but excluding the date of such payment.

28. EVENTS OF DEFAULT

Events under which the security becomes enforceable which shall include the following events:

- a) two consecutive defaults in the payment of any interest which ought to have been paid in accordance with the terms of the issue;
- b) When the company without the consent of debenture holders ceases to carry on its business or gives notice of its intention to do so;
- c) When an order has been made by the Tribunal or a special resolution has been passed by the members of the company for winding up of the company;
- d) When any breach of the terms of the prospectus inviting the subscriptions of debentures or of the covenants of this deed is committed;
- (v) When the company creates or attempts to create any charge on the mortgaged premises or any part thereof without the prior approval of the trustees/debenture holders;
- (vi) When in the opinion of the trustees the security of debenture holders is in jeopardy.

For further details on "Events of Default" refer Debenture Trust Deed to be executed between the Company and Debenture Trustee, and

29. EVENTS OF DEFAULT & REMEDIES

Upon the occurrence of any of the Events of Default, the Trustees shall on instructions from majority Debenture holders, declare the amounts outstanding to be due and payable forthwith and the security created under the security documents shall become enforceable and the Trustees shall have the right to sign the inter-creditor agreement or enforce any security created pursuant to the security documents towards repayment of the amounts outstanding in the manner as provided in this Placement Memorandum and as prescribed by SEBI(Manner of voting in respect of enforcement of security / signing of ICA) and/or exercise such other rights as the Trustees may deem fit under the applicable laws.

30. SETTLEMENT/ PAYMENT ON REDEMPTION

Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/ redemption warrant(s)/ demand (s)/ credit through direct credit/ RTGS/ Fund Transfer/ NECS/ NEFT or any other electronic mode offered by the Banks in the name of the Debenture holders whose name appear on the List of Beneficial Owners given by Depository to the Issuer as on the Record Date.

The NCDs shall be taken as discharged on payment of the redemption amount by the Issuer on the Redemption Date to the list of Beneficial Owners as provided by NSDL/ CDSL/ Depository Participant as on Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture holders. On such payment being made, the Issuer shall inform NSDL/ CDSL/ Depository Participant and accordingly the account of the Debenture holders with NSDL/ CDSL/ Depository Participant shall be adjusted.

The Issuer's liability to the Debenture holders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due date of redemption in all events. Further the Issuer will not be liable to pay any interest or compensation from the respective Redemption Date. On the Issuer's dispatching/ crediting the

amount to the Beneficiary(ies) as specified above in respect of the NCDs, the liability of the Issuer shall stand extinguished.

31. EFFECT OF HOLIDAYS

If any Coupon Payment Date, except the last coupon payment date, falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day. However the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security.

If the Redemption Date (also being the last Coupon Payment Date) of the NCDs falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day along with interest accrued on the NCDs until but excluding the date of such payment.

It is clarified that Interest/redemption with respect to debentures payments shall be made only on the days when the money market is functioning in Mumbai.

If the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.

32. LIST OF BENEFICIAL OWNERS

The Issuer shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

33. SUCCESSION

In the event of the demise of the sole/first holder of the NCD(s) or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased debentureholder, or the holder of succession certificate or other legal representative as having title to the NCD(s). The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the NCD(s) standing in the name of the deceased debentureholder on production of sufficient documentary proof or indemnity.

Where a non-resident Indian becomes entitled to the NCD by way of succession, the following steps have to be complied:

- a. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCD was acquired by the NRI as part of the legacy left by the deceased holder.
- b. Proof that the NRI is an Indian National or is of Indian origin.

Such holding by the NRI will be on a non-repatriation basis.

34. INVESTORS WHO ARE ELIGIBLE TO APPLY

The eligible participants/investors shall be as per the EBP Platform of the Stock Exchange as mentioned hereunder:

- a) QIBs as defined under Regulation 2 (ss) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to SEBI ICDR Regulations, 2018).
- b) Any non-QIB, who/ which has been authorized by the issuer, to participate in a particular issue on the EBP Platform.

The Placement Memorandum and the contents thereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Company and only such recipients are eligible to apply for the Debentures.

35. DOCUMENTS TO BE PROVIDED BY INVESTORS

Investors need to submit the certified true copies of the following documents, along-with the Application Form, as applicable:

- Copy of Applicant's bank account statement reflecting debit for the application money, name of Applicant, account number, name and branch of the bank;

- Memorandum and Articles of Association/ Constitution/ Bye-laws/ Trust Deed including Incorporation/Registration certificate;
- Board Resolution authorizing the investment and containing operating instructions;
- Power of Attorney/ relevant resolution/ authority to make application;
- Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;
- Government Notification (in case of Primary Co-operative Bank and RRBs);
- Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;
- Copy of a cancelled cheque for ECS payments;
- Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.
- Details related to demat account including Client Master List (CML)

36. FORCE MAJEURE

The Issuer reserves the right to withdraw the issue prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and regulatory environment.

37. APPLICATIONS UNDER POWER OF ATTORNEY

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

38. APPLICATION BY MUTUAL FUNDS

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

39. ACKNOWLEDGEMENTS

No separate receipts will be issued for the application money. However, the Bankers to the Issue receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the applicant the acknowledgement slip at the bottom of each Application Form.

40. RIGHT TO ACCEPT OR REJECT APPLICATIONS

The Issuer reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The application forms that are not complete in all respects are liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- a. Number of NCDs applied for is less than the minimum application size;
- b. Number of NCDs applied for exceeding the issue size;
- c. Application money received not being from the bank account of the person/ entity subscribing to the NCDs or from the bank account of the person/ entity whose name appears first in the Application Form, in case of joint holders;
- d. Bank account details of the Applicants not given;
- e. Details for issue of NCDs in dematerialized form not given;
- f. PAN/GIR and IT Circle/Ward/District not given;
- g. In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;

In the event, if any NCDs applied for is/ are not allotted in full, the excess application monies of such NCDs will be refunded, as may be permitted.

41. PAN/GIR NUMBER

All applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1971 and the Income Tax Circle/ Ward/ District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

42. SIGNATURES

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/ Notary Public under his/her official seal.

43. NOMINATION

As per Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, any debenture holder of the Company may, at any time, nominate, any person as his nominee in whom the NCDs shall vest in the event of his death. On the receipt of the nomination form, a corresponding entry shall forthwith be made in the relevant register of Debenture holders, maintained by the Company. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate any person as nominee. The request for nomination shall be recorded by the Company within a period of two months from the date of receipt of the duly filled and signed nomination form. In the event of death of the debenture holder or where the NCDs are held by more than one person jointly, in the event of death of all the joint holders, the person nominated as the nominee may upon the production of such evidence as may be required by the Board, elect, either (a) to register himself as holder of the NCDs or(b) to transfer the NCDs, as the deceased debenture holder could have done.

If the person being a nominee, so becoming entitled, elects to be registered as debenture holder himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased debenture holder(s). All the limitations, restrictions and provisions of the Companies Act, 2013 relating to the right to transfer and the registration of transfers of NCDs shall be applicable to any such notice or transfer as aforesaid as if the death of the debenture holder had not occurred and the notice or transfer were a transfer signed by that debenture holder, as the case may be.

A person, being a nominee, becoming entitled to any NCDs by reason of the death of the holder shall be entitled to the same interest and other advantages to which he would have been entitled to if he were the registered debenture holder except that he shall not, before being registered as a debenture holder in respect of such NCDs, be entitled in respect of these NCDs to exercise any right conferred by the membership in relation to meetings of the Company, provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the NCDs, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all interest or other moneys payable in respect of the NCDs, until the requirements of the notice have been complied with.

A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the debenture holder who has made the nomination, by giving a notice of such cancellation or variation, to the Company in prescribed form. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received by the Company.

Where the nominee is a minor, the debenture holder making the nomination, may appoint a person in a prescribed form, who shall become entitled to the NCDs of the Company, in the event of death of the nominee during his minority.

44. RIGHTS OF DEBENTURE HOLDERS

Debenture holder is not a shareholder. The Debenture holders will not be entitled to any other rights and privilege of shareholders other than those available to them under statutory requirements. The NCDs shall not confer upon the holders the right to receive notice, or to attend and vote at the General Meeting of the Issuer. The principal amount and interest on the NCDs will be paid to the registered Debenture holders only, and in case of Joint holders, to the one whose name stands first.

Besides the above, the NCDs shall be subject to the provisions of the Companies Act, Articles of Association of the Issuer, the terms of this Placement Memorandum and the other terms and conditions as may be incorporated in the Trust Deed and other documents that may be executed in respect of these NCDs.

45. MODIFICATION OF RIGHTS

The rights, privileges, terms and conditions attached to the NCDs may be varied, modified or abrogated with the consent, in writing, of those holders of the NCDs who hold at least three fourth of the outstanding amount of the NCDs or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture holders, provided that nothing in such consent or resolution shall be operative against the Issuer where such consent or resolution modifies or varies the terms and conditions of the NCDs, if the same are not acceptable to the Issuer.

46. BUY-BACK OF NCDs

Unless stated otherwise, the Company may if authorised by its Memorandum and Articles of Association, buy-back the NCDs subject to the terms and conditions prescribed under rule 17 of the Companies (Share Capital and Debentures) Rules, 2014.

47. FUTURE BORROWINGS

The Issuer shall be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue Bonds/ Debentures/ Notes/ other securities in any manner with ranking as pari-passu basis or otherwise and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Issuer may think appropriate without the consent of, or intimation to the Debenture Holders or the Debenture Trustee in this connection subject to the following conditions :

- i Maintenance of security cover as stipulated in the disclosure document and transaction documents;
- ii. No default is subsisting and continuing under the transaction documents;

48. NOTICES

All notices required to be given by the Issuer or by the Trustees to the Debenture holders shall be deemed to have been given if sent by ordinary post/ courier to the original sole/ first allottees of the NCDs and/ or if published in one All India English daily newspaper and one regional language newspaper.

All notices required to be given by the Debenture holders, including notices referred to under "Payment of Interest" and "Payment on Redemption" shall be sent by registered post or by hand delivery to the Issuer or to such persons at such address as may be notified by the Issuer from time to time.

49. JOINT-HOLDERS

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to provisions contained in the Companies Act.

50. DISPUTES & GOVERNING LAW

The NCDs are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the non-exclusive jurisdiction of district courts of New Delhi.

51. INVESTOR RELATIONS AND GRIEVANCE REDRESSAL

Arrangements have been made to redress investor grievances expeditiously as far as possible. The Issuer endeavours to resolve the investor's grievances within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of NCDs applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at registered office of the Issuer. All investors are hereby informed that the Issuer has appointed a Compliance Officer who may be contacted in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ NCD certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Placement Memorandum.

TRUSTEES FOR THE DEBENTURE HOLDERS

In accordance with the provisions of (i) SEBI (Issue And Listing Of Non-Convertible Securities) Regulations, 2021 dated August 9, 2021, (ii) SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 as may be amended from time to time, (iii) sub-section (5) of section 71 of the Companies Act, 2013, (ix) rule 18 (2) of the Companies (Share Capital and Debentures) Rules, 2014, (v) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Issuer has appointed IDBI Trusteeship Services Limited to act as Trustees ("Trustees") for and on behalf of the holder(s) of the NCDs. The address and contact details of the Trustees are as under:

IDBI Trusteeship Services Limited

Registered Office
Universal Insurance Building,
Ground Floor, Sir P.M. Road,
Fort, Mumbai - 400001
Tel No. (022)40807000, Fax No. 91-22-66311776
Contact person: Ms. Sheetal Mehta
E-mail: itsl@idbitrustee.com
Website: www.idbitrustee.com

A copy of letter from IDBI Trusteeship Services Limited conveying their consent to act as Trustees for the current issue of NCDs is enclosed as Annexure in this Placement Memorandum.

In pursuance of the provisions of rule 18 (3) of the Companies (Share Capital and Debentures) Rules, 2014, it shall be the duty of the Trustee to:

- (a) satisfy himself that the Placement Memorandum does not contain any matter which is inconsistent with the terms of the issue of NCDs or with the Debenture Trust Deed and/or other document(s);
- (b) satisfy himself that the covenants in the Debenture Trust Deed and/or other document(s) are not prejudicial to the interest of the Debenture holders;
- (c) call for periodical status or performance reports from the Company;
- (d) communicate promptly to the Debenture holders defaults, if any, with regard to payment of interest or redemption of NCDs and action taken by the Trustee therefor;
- (e) appoint a nominee director on the Board of the Company in the event of:
 - i. two consecutive defaults in payment of interest to the Debenture holders; or
 - ii. default in redemption of NCDs.
 - iii. default in creation of security for NCDs
- (f) ensure that the Company does not commit any breach of the terms of issue of NCDs or covenants of the Debenture Trust Deed and/or other document(s) and take such reasonable steps as may be necessary to remedy any such breach;
- (g) inform the Debenture holders immediately of any breach of the terms of issue of NCDs or covenants of the Debenture Trust Deed and/or other document(s);
- (h) ensure the implementation of the conditions regarding creation of security for the debentures, if any, and debenture redemption reserve
- (i) do such acts as are necessary in the event the security becomes enforceable;
- (j) ensure that the assets of the Company issuing NCDs and of the guarantors, if any, are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the Debenture holders;
- (k) call for reports on the utilization of funds raised by the issue of NCDs;
- (l) take steps to convene a meeting of the Debenture holders as and when such meeting is required to be held;
- (m) ensure that the NCDs have been redeemed in accordance with the terms of the issue of NCDs;
- (n) perform such acts as are necessary for the protection of the interest of the Debenture holders and do all other acts as are necessary in order to resolve the grievances of the Debenture holders.

In pursuance of the provisions of rule 18 (4) of the Companies (Share Capital and Debentures) Rules, 2014, the meeting of all the Debenture holders shall be convened by the Trustee on:

- (a) requisition in writing signed by Debenture holders holding at least one-tenth in value of the NCDs for the time being outstanding;
- (b) happening of any event, which constitutes a breach, default or breach of covenants (as specified in the Placement Memorandum and / or Debenture Trust Deed) or which in the opinion of the Trustees affects the interest of the Debenture holders.

In pursuance of the provisions of rule 18 (3) of the Companies (Share Capital and Debentures) Rules, 2014, it shall be the duty of the Trustee to:

- (a) protecting the interest of holders of debt securities including a right to appoint a nominee director on the Board of the issuer in consultation with holders of such debt securities and in accordance with applicable law.
- (b) The debenture trustees shall supervise the implementation of the conditions regarding creation of security for the debt securities, creation of recovery expense fund and debenture redemption reserve, as applicable.
- (c) The debenture trustee shall monitor the security cover in relation to secured debt securities in the manner as specified by the Board.

The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of the Companies Act, 2013, SEBI NCS Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, Debenture Trusteeship Agreement, Debenture Trust Deed and/or and/or other document(s), Placement Memorandum and all other related transaction documents, with due care, diligence and loyalty.

The Company shall execute the Debenture Trust Deed in Form No.SH.12 or as near thereto as possible, in favour of the Trustee prior to the Deemed Date of Allotment of the NCDs and submit with NSE within such time as may be prescribed by SEBI. .

The Company shall, till the redemption of the NCDs, submit its latest audited/ limited review quarterly consolidated (if available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/NCD/1/2009/11/05 dated May 11, 2009 as amended from time to time. Further, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustee and the Trustee shall be obliged to share the details submitted under this clause

with all 'Qualified Institutional Buyers' (QIBs) and other existing Debenture holders within two working days of their specific request.

The Debenture Trust Deed and/or Deed of Hypothecation and/or other security document(s) shall contain such clauses prescribed under (i) Form No. SH.12, (ii) rule 18 of the Companies (Share Capital and Debentures) Rules 2014 and (iii) sub-section (13) of section 71 of the Companies Act, 2013. Any provision contained in the Debenture Trust Deed and/or Deed of Hypothecation and/or other security document(s) for securing the issue of NCDs, or in any contract with the Debenture holders secured by a Debenture Trust Deed and/or Deed of Hypothecation and/or other security document(s), shall be void in so far as it would have the effect of exempting the Debenture Trustee thereof from, or indemnifying him against, any liability for breach of trust, where he fails to show the degree of care and due diligence required of him as the Trustee, having regard to the provisions of the Debenture Trust Deed and/or Deed of Hypothecation and/or other security document(s) conferring on him any power, authority or discretion, provided that the liability of the Trustee shall be subject to such exemptions as may be agreed upon by a majority of Debenture holders holding not less than three-fourths in value of the total NCDs at a meeting held for the purpose. The Debenture Trust Deed and/or Deed of Hypothecation and/or other security document(s) shall be in conformity with the provisions of the Securities and Exchange Board of India Act, 1992 (15 of 1992); SEBI (Issue And Listing Of Non-Convertible Securities) Regulations, 2021 dated August 9, 2021 and SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 as may be amended from time to time.

The debenture holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Trustees may in their absolute discretion deem necessary or require to be done in the interest of the Debenture holders. Any payment made by the Company to the Trustees on behalf of the Debenture holders shall discharge the Issuer pro tanto to the Debenture holders. The Trustees shall protect the interest of the Debenture holders in the event of default by the Company in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Company. No debenture holder shall be entitled to proceed directly against the Company unless the Trustees, having become so bound to proceed, fail to do so.

The Company shall pay interest and redeem the NCDs in accordance with the terms and conditions of the Issue. Where at any time the Trustee comes to a conclusion that the assets of the Company are insufficient or are likely to become insufficient to discharge the principal amount as and when it becomes due, the Trustee may file a petition before the Tribunal and the Tribunal may, after hearing the Company and any other person interested in the matter, by order, impose such restrictions on the incurring of any further liabilities by the Company as the Tribunal may consider necessary in the interests of the Debenture holders.

If the Company fails to redeem the NCDs on the date of their maturity or fails to pay interest on the NCDs when it is due, the Tribunal may, on the application of any or all of the Debenture holders, or Trustee and, after hearing the parties concerned, direct, by order, the Company to redeem the NCDs forthwith on payment of principal and interest due thereon.

Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s):

Refer to Annexure -6 of the Placement Memorandum, which provides the Consent from the Debenture Trustee along with relevant details.

Process of due diligence carried out by the Debenture Trustee

- a. The Debenture Trustee(s) by itself or through its advisers or experts shall independently carry out the due diligence which includes the following:
 - I. Chartered accountant appointed by the Debenture Trustee shall verify at the time of creation of the Security that the Secured Assets provided by Issuer for creation of Security, within the timelines further specified in the Debenture Trust Deed, shall be free from any Encumbrances or necessary permissions through verification from sub-registrar and Registrar of Companies or Central Registry set up under The Security Interest (Enforcement) Rules, 2002 or the information utilities etc., or other sources as applicable.
 - II. The Debenture Trustee, by itself or through its appointed agencies such as chartered accountant firm, registered valuer, legal counsel etc., has prepared one or more reports viz. valuation report, Registrar of Companies search report, title search report/ appraisal report, asset cover certificate, any other report/ certificate as applicable etc. and has independently assessed that the assets for creation of Security over the Secured Assets are adequate for the proposed issue of the Debentures as per information provided by the Issuer.
 - III. Periodical due diligence will be carried out as per SEBI circulars from time to time as per nature of security provided.

- IV. Necessary due diligence certificate will be issued and will be available On Stock Exchanges from time to time for information of Debenture Holders.
- V. Due diligence will be carried out for maintenance of Security Cover depending on information provided by the Issuer and chartered accountant appointed by Debenture Trustee.

Based on its review set out more particularly in Annexure A of the SEBI circular titled "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)" bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020, as amended from time to time, the Debenture Trustee will issue the due diligence certificates to the relevant stock exchange.

Manner of voting in respect of enforcement of security/signing the ICA

- (i) In case of occurrence of Event of Default, the Trustee shall follow the procedure as laid down under the SEBI circular bearing reference number SEBI/HO/ MIRSD/CRADT/CIR/P/2020/203 dated 13th October 2020, as may be amended from time to time ("**SEBI ICA Circular**").
- (ii) The Trustee shall send a notice to the NCD Holders within 3 (three) days of the occurrence of an Event of Default containing the following:
 - (A) negative consent for proceeding with the enforcement of Security;
 - (B) positive consent for signing the inter-creditor agreement ("**ICA**") as provided under the framework specified by the RBI;
 - (C) the time period within which the consent needs to be provided, viz. consent to be given within 15 (fifteen) days from the date of notice; and
 - (D) the date of meeting to be convened.
- (iii) The notice may be sent by registered post/acknowledgement due or speed post / acknowledgement due or courier or hand delivery with proof of delivery as also through email, as a text or as an attachment to email with a notification including a read receipt. The Trustee shall maintain proof of dispatch of such notice or email.
- (iv) The Trustee shall convene the meeting of all NCD Holders within 30 (thirty) days of the occurrence of the Event of Default. However, in case the default is cured between the date of the notice and the date of meeting, then the convening of such a meeting may be dispensed with.
 - (A) The Trustee shall take necessary action upon receipt of consent from majority NCD holders for any of the following:
 - (B) enforcing the Security; or
 - (C) entering into an ICA as provided under the framework specified by the RBI; or
 - (D) as decided in the meeting of NCD Holders.
- (v) The Trustee may also form a representative committee of the NCD Holders to participate in the ICA or to enforce the Security or as may be decided in the meeting.
If the majority NCD holders consent to enter into ICA, the Trustee shall abide by the conditions for signing ICA, as prescribed in this Annexure here in below.

Conditions of joining the ICA:

The Debenture Trustee may sign the ICA and consider the resolution plan on behalf of the Debenture Holders, upon compliance with the following conditions:

- 1) The signing of the ICA and agreeing to the resolution plan is in the interest of Debenture Holders and in compliance with the Act and the rules made thereunder, the Securities Contracts (Regulations) Act, 1956 and the Securities and Exchange Board of India Act, 1992 and the rules, regulations and circulars issued thereunder from time to time.
- 2) If the resolution plan imposes condition(s) on the Debenture Trustee that are not in accordance with the provisions of the Act and the rules made thereunder, the Securities Contracts (Regulations) Act, 1956 and the Securities and Exchange Board of India Act, 1992 and the rules, regulations and circulars issued thereunder from time to time, then the Debenture Trustee shall be free to exit the ICA altogether with the same rights as if it had never signed the ICA. Under these circumstances, the resolution plan shall not be binding on the Debenture Trustee.
- 3) The resolution plan shall be finalized within 180 (one hundred and eighty) days from the end of the review period. If the resolution plan is not finalized within 180 (one hundred and eighty) days from the end of the review period, then the Debenture Trustee shall be free to exit the ICA altogether with the same rights as if it had never signed the ICA and the resolution plan shall not be binding on the Debenture Trustee. However, if the finalization of the resolution plan extends beyond 180 (one hundred and eighty) days, the Debenture Trustee may consent to an extension beyond 180 (one hundred and eighty) days subject to the approval of the Debenture Holders regarding the total timeline. The total timeline shall not exceed 365 (three hundred and sixty five) days from the date of commencement of the review period.
- 4) If any of the terms of the approved resolution plan are contravened by any of the signatories to the ICA, the Debenture Trustee shall be free to exit the ICA and seek appropriate legal recourse or any other action as deemed fit in the interest of the Debenture Holders.

- 5) The Debenture Trustee shall ensure that the conditions mentioned above from clause (1) to (4) of this Annexure I are suitably incorporated in the ICA, before signing of the ICA.

STOCK EXCHANGES WHERE NCDS ARE PROPOSED TO BE LISTED

The NCDs are proposed to be listed on the Wholesale Debt Market (WDM) segment of the National Stock Exchange of India Limited ("NSE"). The Issuer has made an application to NSE for seeking its in-principle approval for listing of NCDs offered under the terms of this Placement Memorandum.

The Company proposes to list the Debentures within 3 working days from the date of issue closing date, in accordance with the SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 and as amended from time to time.

In case of delay in listing of the Debentures beyond the time period as mentioned above, the Company will pay penal interest @1 % p.a. over the Coupon Rate for the period of delay to the investor (i.e. from the Date of Allotment to the date of listing).

In connection with listing of NCDs with NSE, the Issuer hereby undertakes that:

- (a) it shall comply with the conditions of listing as specified in SEBI Listing Regulations;
- (b) the credit ratings obtained for the NCDs shall be periodically reviewed by the credit rating agencies and any revision in the rating(s) shall be promptly disclosed by the Issuer to NSE;
- (c) any change in credit rating(s) shall be promptly disseminated to the debenture holder(s) in such manner as NSE may determine from time to time;
- (d) The Issuer, the Trustees and NSE shall disseminate all information and reports on the NCDs including compliance reports filed by the Issuers and the Trustees regarding the NCDs to the Debenture holders and the general public by placing them on their websites;
- (e) Trustees shall disclose the information to the Debenture holders and the general public by issuing a press release and placing on the websites of the Trustees, the Issuer and NSE, in any of the following events:
 - (i) default by Issuer to pay interest on the NCDs or redemption amount;
 - (ii) failure to create charge on the assets;
 - (iii) revision of the credit rating(s) assigned to the NCDs.
- (f) The Issuer shall, till the redemption of NCDs, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Stock Exchange within the timelines as mentioned in LODR Regulations.

Due diligence certificate issued by the Debenture Trustee:

The due diligence certificate issued by the Debenture Trustee to Stock Exchange as per Schedule IV of the SEBI (Issue and Listing of Non Convertible Securities) Regulations, 2021 and SEBI circular dated November 03, 2020. Due diligence certificate issued by the Debenture Trustee is annexed hereto as Annexure-9 to this Placement Memorandum.

**Section VI: DISCLOSURES UNDER FORM PAS-4 PRESCRIBED UNDER COMPANIES ACT, 2013
FORM NO PAS-4
[Pursuant to Section 42 and Rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014]**

**PART A
PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER**

1. GENERAL INFORMATION

S.No.	Disclosure Requirements	Page No.
i.	Name, address, website and other contact details of the Company indicating both registered office and corporate office	Page no. 30
ii.	Date of incorporation of the Company	Page no. 30
iii.	Business carried on by the Company and its subsidiaries with the details of branches or units, if any.	Page no. 30-34
iii (a).	The description of the Company's Principal Business Activities are as under	
iii (b).	Details about the subsidiaries of the Company with the details of \branches or units	
iv.	Brief particulars of the management of the Company	Page no. 45-50
iv (a).	Details of Board of Directors of the Company & their profile	
iv (b).	Details of Key Management Personnel of the Company & their profile	
v.	Name, address, Director Identification Number (DIN) and occupations of the Directors	
vi.	Management's perception of risk factors	Page no.9 -28
vii.	Details of defaults, if any, including therein the amount involved, duration of default and present status, in repayment of: (a) Statutory Dues (b) Debentures and interest thereon (c) Deposits and interest thereon (d) Loan from any bank or financial institution and interest thereon.	Nil
viii.	Name, designation, address and phone number, email ID of the nodal/compliance officer of the Company, if any, for the private placement offer process	Page no. 30
ix.	Registrar of the Issue	Page no. 30
x.	Valuation Agency	NA
xi.	Auditors	Page no. 30
xii.	Any default in Annual Filing of the Company under the Companies Act, 2013 or the rules made thereunder.	No default

2. PARTICULARS OF THE OFFER

i.	Financial position of the Company for last 3 financial years	Page no. 35-56
ii.	Date of passing of Board Resolution	January 24, 2023
iii.	Date of passing of resolution in the general meeting, authorizing the offer of securities	Special Resolution for the issue of NCDs on private placement basis was passed by the Members at the 34 th AGM held on July 26, 2022
iv.	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	Listed, Secured, Rated, Taxable, Redeemable Non-Convertible Debentures
v.	Price at which security is being offered including the premium, if any, along with justification of the price	INR 1,00,000 per NCD
vi.	Name and address of the valuer who performed the valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not Applicable
vii.	Relevant date with reference to which the price has been arrived at	Not Applicable
viii.	The class or classes of persons to whom the allotment is proposed to be made;	
ix.	Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer)	Not Applicable
x.	The proposed time within which the allotment shall be completed;	
xi.	The names of the proposed allottees and the percentage of post private placement capital that may be held by them	Not Applicable

xii.	The change in control, if any, in the company that would occur consequent to the private placement;	Not Applicable
xiii	the number of persons to whom the allotment on preferential basis/private placement/ rights issue has already been made during the year, in terms of number of securities as well as price	Not Applicable
xiv	the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable
xv	Amount which the company intends to raise by way of proposed offer of securities	INR 150 crore with green shoe option to retain over-subscription upto INR 150 crore aggregating Issue Size up to INR 300 crore
xvi	Terms of raising of securities: (i)Duration, if applicable; (ii)Rate of dividend; (iii)Rate of interest; (iv)Mode of payment; and (v)Repayment date and schedule	Refer Section V-Summary Term Sheet
xvii	Proposed time schedule for which the private placement offer cum application letter is valid	Issue Opening and Closing date: March 16, 2023 Deemed Date of Allotment: March 17, 2023
xviii	Purposes and objects of the offer.	Refer Section V-Summary Term Sheet
Xix	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	The Promoter or the Directors of the Company have not made any contribution and shall not be subscribing to the present Issue of NCDs
xx	Principle terms of assets charged as security, if applicable	Refer Section V-Summary Term Sheet
xxi	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations	None
xxii	The pre-issue and post-issue shareholding pattern of the company	Since the present offer comprises of issue of non-convertible debt securities, it shall not affect the paid-up equity share capital or share premium account of the Company after the offer.

3. MODE OF PAYMENT FOR SUBSCRIPTION – Other Banking Channels

Refer Section V-Summary Term Sheet

4. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION, ETC

- a. **Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.**

The Promoter, Directors or Key Managerial Personnel of the Company do not have any financial or other material interest in the Issue of NCDs and thus there shall be no effect which is different from the interests of other persons

- b. **Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed;**

Page no. 62

c. Remuneration of directors (during the current year and last three financial years)

Details of remuneration paid to Whole-Time Directors

(INR in lacs)

Financial Year	Name of the Whole-Time Director	Amount
December 31, 2022	Mr. Girish Kousgi (Managing Director & CEO)***	64.12
	Mr. Hardayal Prasad (Managing Director & CEO)*	265.80
2021-22	Mr. Hardayal Prasad (Managing Director & CEO)	291.56
2020-21	Mr. Hardayal Prasad (Managing Director & CEO)**	118
	Mr. Neeraj Vyas (Managing Director & CEO)*	65
	Mr. Sanjaya Gupta (Managing Director & CEO)*	51
2019-20	Mr. Sanjaya Gupta (Managing Director & CEO)	292.07

*Ceased/ Resigned during the year

** Appointed 88th effect from August 10, 2020

*** Appointed with effect from October 21, 2022

Details of sitting fees to the Part-Time Non-Official Directors for attending Board/ Committee meetings

(INR in lacs)

Financial Year	Fees Paid to Part-Time Non-Official Directors	Amount
December 31, 2022	Sitting fees for attending Board/ Committee Meetings (Includes commission paid to Independent Directors)	230
2021-22	Sitting fees for attending Board/ Committee Meetings (Includes commission paid to Independent Directors)	161.20
2020-21	Sitting fees for attending Board/ Committee Meetings (Includes commission paid to Independent Directors)	130.50
2019-20	Sitting fees for attending Board/ Committee Meetings (Includes commission paid to Independent Directors)	189.20

d. Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided;

Related Party transaction forms the part of Financial Statement. Kindly refer page no. 35.

e. Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark

Nil

f. Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the company and all of its subsidiaries;

There has been no inquiry, inspection or investigation initiated or conducted against the Company or its subsidiaries under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of Placement Memorandum. Further there was no prosecution filed, fines imposed, compounding of offences against the Company or its subsidiaries in the last three years immediately preceding the year of circulation of Placement Memorandum.

g. Details of acts of material frauds committed against the Company in the last three years, if any, and if so, the action taken by the Company

There has been no act of material fraud committed against the Company in the last three years immediately preceding the year of circulation of Placement Memorandum.

5. FINANCIAL POSITION OF THE COMPANY:

a. The capital structure of the Company:

Particulars	Authorised Capital (In Rs.)	Issue Capital (In Rs.)	Subscribed Capital (In Rs.)	Paid Up Capital (In Rs.)
Number of Equity shares	Refer page no. 40			
Nominal amount per equity share				
Total amount of equity shares				
Number of preference Shares				
Nominal amount per preference shares				
Total amount of preference shares				

(b)	Size of the present offer; and	INR 150 crore with green shoe option to retain over-subscription upto INR 150 crore aggregating Issue Size up to INR 300 crore
I	B. Paid up capital) After the offer; and (II) After conversion of convertible instruments (if applicable)	Not Applicable
(d)	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	Page no. 40
(e)	The number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter	Page no. 40

(f) Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application letter

Profits before and after making provision for tax	Details	FY 2021-22	FY 2020-21	FY 2019-20
	PBT	1062.77	1,186.72	825.00

g) Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years {Cash profit after tax plus interest paid/interest paid}

Particulars	2021-22	2020-21	2019-20
Dividend declared (%age)	-	-	-
Interest coverage Ratio (times)	-	-	-

(h)	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of private placement offer cum application letter	Page no. 35
(i)	Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter	Page no. 35
(j)	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	Nil

PART-B
(To be filed by the Applicant-Refer Application Form)

a)	Name	
b)	Fat'er's name	
c)	Complete Address including Flat/House Number, street, Locality, pin Code	
d)	Phone number, if any	
e)	email ID, if any	
f)	PAN Number	
g)	Bank Account Details	
h)	Tick whichever is applicable	
-	The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non- debt Instruments) Rules, 2019 prior to subscription of shares.	
-	The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith	
Signature Initial of the Officer of the company designated to keep the record		

Section VII: MATERIAL CONTRACTS & AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER

By very nature of its business, the Issuer is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Issuer. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Issuer) which are or may be deemed to be material have been entered into by the Issuer. Copies of these contracts together with the copies of documents referred to in Para B may be inspected at the registered office of the Issuer between 10.00 a.m. and 2.00 p.m. on any working day until the issue closing date.

A. MATERIAL CONTRACTS

1. Copy of letter appointing Registrars and copy of MOU entered into between the Issuer and the Registrars.
2. Copy of letter appointing Trustees to the Debenture holder

B. DOCUMENTS

1. Memorandum and Articles of Association of the Issuer as amended from time to time.
2. Resolution passed by Board of Directors on January 24, 20213 authorising present Issue of NCD
3. Special resolution passed by the shareholders of the Company in the general meeting held on July 26, 2022 authorising present Issue of NCD
4. Letter of consent from the Trustees for acting as trustees for and on behalf of the holder(s) of the debenture
5. Letter of consent from the Registrars for acting as Registrars to the Issue
6. Application made to NSE for grant of in-principle approval for listing of NCDs
7. Letter from CRISIL Ratings Limited and ICRA Limited Ratings conveying the credit rating for the NCD
8. Tripartite Agreement between the Issuer, NSDL and Registrars for issue of NCDs in dematerialized
9. Tripartite Agreement between the Issuer, CDSL and Registrars for issue of NCDs in dematerialized for

Section VIII: DECLARATION

The declaration by the Directors that:

- a. The Company has complied with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder;
- b. The compliance with the Act/Regulations does not imply that payment of dividend or interest or repayment of non-convertible debentures is guaranteed by the Central Government.
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Placement Memorandum
- d. whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

The undersigned has been authorized by the Board of Directors of the Company vide resolution dated January 24, 2023 to sign this Placement Memorandum and declare that all the requirements of aforesaid Act/Regulations and the rules made there under in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this Placement Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the Promoter subscribing to the Memorandum of Association and Articles of Association of the Company.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Placement Memorandum.

For and on behalf of the Board of Directors of PNB Housing Finance Limited

**VINAY
GUPTA**



Vinay Gupta
Chief Financial Officer

Place: New Delhi
Date: March 16, 2023

Section IX: ANNEXURES

\S.No.	Particulars
1.	Copy of Board Resolution authorizing the issuance of NCD
2	Copy of Shareholders Resolution u/s 42 of Companies Act, 2013
3	Copy of Shareholders Resolution u/s 180(1)(a) and 180 (1)(c) of Companies Act, 2013
4	Credit Rating Letter along with rationale
5	Consent Letter from RTA
6	Consent Letter from Debenture Trustee
7	Shareholding Pattern as on December 31, 2022
8	Application Form
9	Due Diligence Certificate from Debenture Trustee
10	Statutory Auditor Certificate
11	In-Principal Approval from NSE
12	Columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for FY20, FY21, FY22 and H1FY23
13	Financial Results for quarter ended December 31, 2022

CERTIFIED TRUE COPY OF BOARD RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF PNB HOUSING FINANCE LIMITED IN ITS BOARD MEETING No. 16/2022-23 HELD ON TUESDAY, JANUARY 24, 2023 AT 12.30 P.M. (IST) THROUGH AUDIO VIDEO MEANS MANAGED FROM PNB HOUSING FINANCE LIMITED, 9TH FLOOR, ANTRIKSH BHAWAN, 22 KG MARG, NEW DELHI-110001

Fresh issue of secured and unsecured Non-Convertible debentures in multiple tranches.

“RESOLVED THAT

1. That the Managing Director & CEO/ Chief Financial Officer/ National Head - Treasury or a person authorized by the Managing Director & CEO, be and is hereby authorized to issue/re-issue NCDs by way of private placement up to a maximum principal amount of INR 2,000 crore, in tranches over the next six months, with or without green shoe option, on private placement, to augment resources on *inter alia* the following terms and conditions;

<u>Issue Amount</u>	Maximum principal amount of INR 2,000 crore in full or in multiple tranches, up to six months from the date of passing of this resolution.
Nature of Instrument	Redeemable, secured / unsecured, cumulative / non-cumulative, fixed rate / floating rate / zero coupon / market-linked bonds / debentures
Credit Rating	CRISIL, ICRA, India Ratings & Research and CARE. The credit ratings could be obtained from either any one or two rating agencies depending on the investor requirement
Security (Only for secured bonds)	Exclusive charge on specific Book debts
Tenor	Up to 10 years
Face Value/ Issue Price	As per market practice from time to time
Redemption	On maturity or structured during the door-to-door tenure.
Mode of holding	Compulsorily in demat mode with either National Securities Depository Limited (NSDL) and / or Central Depository Services (India) Limited (CDSL)
Purpose	The proceeds of the issue shall be utilized towards repayment/prepayment of existing long term and short-term debts of the Company and / or shall also be used for onward lending by the Company. In the interim period till funds raised through NCDs are utilized for above purpose, the Company may invest the funds on temporary basis in either Fixed Deposit with an approved scheduled commercial bank or / and in Overnight / Liquid / Money Market funds of approved AMC
Listing	<u>Wholesale Debt Market Segment of either NSE or BSE</u>
Put and call option	<u>With or without put and call option.</u>

2. That the Managing Director & CEO/ Chief Financial Officer/ National Head – Treasury, be and are hereby severally authorized to finalize all the terms & conditions / quantum/ structure/ / coupon /

- appropriate timings, etc. for the related NCD issue and approve all documents necessary or desirable in connection with issue/re-issue/buyback of NCDs (including, without limitation, the offer letter required to be sent to the investors under the Companies Act, 2013 in connection with such issue and information memorandum to be submitted for listing of the NCDs), appoint the Arrangers to the issue, appoint the debenture Trustee, appoint a credit rating agency, approve fees for rating agencies, arrangers/advisors, and to do all such acts and deeds as may be necessary or incidental in connection with the NCD issuance/re-issuance/buyback.
3. The Managing Director & CEO/ Chief Financial Officer / National Head – Treasury, be and is hereby severally authorized to fix the benchmark and spread for issuance of market linked NCDs or floating rate NCDs and fixing the benchmark reset dates.
 4. The Managing Director & CEO/ Chief Financial Officer/ Company Secretary/ National Head – Treasury, be and is hereby severally authorized to allot NCDs to eligible applicants as per the provisions of Companies Act, 2013 and all other statutory guidelines in force.
 5. That the Managing Director & CEO/ Chief Financial Officer/ Company Secretary/ National Head – Treasury, be and is hereby severally authorized to issue/re-issue NCDs in de-mat form and apply to NSDL/CDSL for holding of the NCDs in the de-mat form and also apply to National Stock Exchange or other recognized stock exchange in India for listing of the NCDs in the whole sale debt segment.
 6. That Managing Director & CEO/ Chief Financial Officer/ Company Secretary/ National Head - Treasury or a person authorized by the Managing Director & CEO be and are hereby severally authorized to: (a) execute and deliver such deeds, documents and other writings as may be necessary or desirable to give effect to the above resolutions (including, but not limited to offer document, the debenture trust deed, any appointment or engagement letters for the Debenture Trustee, Arranger, Registrar and Transfer Agent (RTA), Depository(ies) Advisors and/or any credit rating agency, any fee letters and the relevant security documents) (collectively, the “**Transaction Documents**”) and to do all such acts, deeds and all things as may be necessary or desirable under or in respect of the Transaction Documents; and (b) finalize and agree to any changes or amendments thereto and to execute and deliver such supplemental deeds, instruments and other writings and to do all such acts, deeds and all things as may be necessary or desirable under or in respect of such documents.
 7. That the Managing Director & CEO/ Chief Financial Officer/ Company Secretary, be and are hereby severally authorized to sign and submit, for and on behalf of the Board of Directors, necessary declaration/ undertaking as required under the provisions of Companies Act 2013/ rules & guidelines laid down by SEBI/ NHB/ RBI, in relation to raising of funds through private placement of securities as mentioned above.
 8. That the Managing Director & CEO/ Chief Financial Officer/ Company Secretary, be and are hereby severally authorized to sign and submit, for and on behalf of the Board of Directors, the declarations as required under para 2.3.26 of Schedule II of NCS Regulations, 2021.
 9. That the Managing Director & CEO/ Chief Financial Officer/ Company Secretary/ National Head – Treasury, be and is hereby severally authorized to buyback all the outstanding NCDs which were issued by way of private placement, its principal amount outstanding as on that date (along with interest) as per the applicable provisions.
 10. That the Common Seal of the Company be affixed on such documents/ bond scripts/ certificates as may be required in the presence of Managing Director & CEO who shall sign the same and Company Secretary who shall also sign/ countersign the same in token thereof.



Ghar Ki Baat

CERTIFIED TRUE COPY OF SPECIAL RESOLUTION PASSED IN THE 34TH ANNUAL GENERAL MEETING OF PNB HOUSING FINANCE LIMITED HAVING ITS REGISTERED OFFICE OF THE COMPANY AT ANTRIKSH BHAWAN, 22, KASTURBA GANDHI MARG, NEW DELHI – 110001 HELD ON TUESDAY, JULY 26, 2022 AT 03.00 P.M. (IST) THROUGH AUDIO VIDEO MEANS.

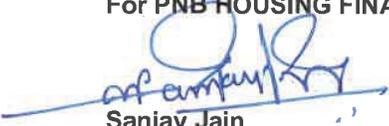
Item - 5: To borrow funds and issue of Non-Convertible Debentures (NCDs) on private placement basis. (Special Resolution)

“RESOLVED THAT pursuant to the provisions of Sections 23, 42, 71 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, Reserve Bank of India Master Direction – Non Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, applicable provisions of Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other law(s), including any amendment, modification, variation or re-enactment thereof and other applicable guidelines, directions or laws, applicable provisions of the Articles of Association of the Company, and other applicable SEBI Regulations and provisions of any applicable other law(s) for the time being in force, (including any statutory modification(s) or re-enactment(s) thereof, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company to make offer(s) or issue or invitation(s) to subscribe to the secured/unsecured, redeemable, non-convertible, cumulative/ non-cumulative rated, listed, debentures (“NCDs”) through private placement offer letter(s) in one or more series/ tranches to such class of persons as the Board of Directors may from time to time determine.

RESOLVED FURTHER THAT the Board of Directors of the Company shall be authorized to issue NCDs of face value for an aggregate amount not exceeding Rs. 12,000 crore (Rupees Twelve Thousand crore only) under one or more self-disclosure documents and/or under one or more letter (s) of offer as may be issued by the Company and in one or more series, during a period of one year commencing from the date of this annual general meeting, on a private placement basis and on such terms and conditions as the Board may deem fit and appropriate for each series as the case may be, provided however that the borrowings including by way of issue of NCDs shall not exceed the overall borrowing limits of the Company approved by the Shareholders by way of a special resolution under section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do, from time to time, all such acts, deeds, things etc. as may be deemed necessary in respect of issue of NCDs including but not limited to determining number of issues/ tranches, face value, offer document, issue price, issue size, premium/discount, timing, amount, any security document, coupon/interest rate(s), yield, listing, allotment and other terms and conditions of issue of NCDs as they may, in their absolute discretion, deem necessary.”

For PNB HOUSING FINANCE LIMITED


Sanjay Jain

Company Secretary & Head Compliance

Membership No.: F2642

PAN: AFEPJ2190P

Address: A 72, Priyadarshini Vihar, New Delhi-110092





ITEM NO. 5

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013:

The Company is engaged into the business of providing housing and non-housing loans. One of the constituents of the Company's borrowings is in form of non-convertible debentures.

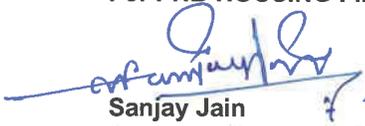
Borrowings through non-convertible debentures not only work out cost effective but also facilitate the raising of resource in a highly flexible and requirement driven manner. The Company intends to raise long term funds through NCDs in the current year to meet lending requirements. It is therefore proposed that the shareholders authorize the Board to borrow money through NCDs up to INR 12,000 crore (Rupees Twelve Thousand crore) through private placement offer letter(s) from time to time in one or more tranches within the overall borrowing limit as approved by the shareholders of the Company.

Section 42 of The Companies Act, 2013 and rule 14 (2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 require the Company to seek a special resolution from its shareholders for raising the NCDs on private placement basis. The resolution is valid for a period of one year from the date of approval by the shareholders.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested financially or otherwise, in the proposed resolution.

The Board of Directors recommends this resolution for the approval of shareholders as a Special Resolution.

For PNB HOUSING FINANCE LIMITED


Sanjay Jain
Company Secretary & Head Compliance
Membership No.: F2642
PAN: AFEPJ2190P
Address: A 72, Priyadarshini Vihar, New Delhi-110092



**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE SHAREHOLDERS ON
29.07.2019**

I. **“RESOLVED THAT** the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Sections 180(1)(c) & (a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment (s) thereof for the time being in force), to:

- a) borrow/ secure financial assistance for any sum or sums of moneys for and on behalf of the Company, from time to time, whether unsecured or secured, fund based or non-fund based, from any one or more persons, banks, financial institutions, firms, bodies corporate or other lenders, notwithstanding that the sum or sums of money to be borrowed, together with the money already borrowed by the Company (excluding temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed Rupees 1,05,000 crore at any point of time on account of the principal;
- b) mortgage(s) and/or charge(s) and/or hypothecation(s), in addition to the existing mortgage(s) and/or charge(s) and /or hypothecation(s) created by the Company, any/all immoveable and/or moveable properties of the Company including receivables in the form of book debts, where so ever situated, present and future and the whole of the undertaking of the Company to or in favour of any one or more persons, banks, financial institutions, firms, bodies corporate or other lenders or trustees for the lenders/ debenture-holders, to secure the principal amount of financial assistance granted/ to be granted by the lenders, together with all interest thereon, commitment charges, costs, expenses involved and all other moneys payable by the Company in terms of the respective facility agreements entered into by the Company in respect of the aforesaid assistances;
- c) finalise and execute all documents for creation and registration of aforesaid mortgage(s) and/ or charge(s) and/or hypothecation(s) with the lenders/ trustees for the lenders/ debenture holders of the Company and doing all such acts, deeds, things etc. as may be necessary for giving effect to this resolution.”

II.” **RESOLVED THAT** pursuant to the (i) provisions of Sections 42, 71 of the Companies Act, 2013, (ii) applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014, (iii) applicable provisions of Companies (Share Capital and Debentures) Rules, 2014, (iv) applicable provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and (v) other applicable provisions of the Companies Act, 2013 and other law(s), as amended from time to time, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to make offer(s) or issue or invitation(s) to subscribe to the secured/unsecured, redeemable, non-convertible, cumulative/ non-cumulative rated, listed, bonds/debentures/debt securities (“Bonds”) through private placement offer letter(s) and/ or by way of public issue in one or more series/ tranches to the such persons as the board of directors may from time to time determine.”

“RESOLVED FURTHER THAT the Board of Directors of the Company shall be authorized to issue Bonds including but not limited to non-convertible debentures of face value aggregating up to Rs. 45,000 crores (Rupees forty Five Thousand Crore only) of tenure not exceeding 10 years upto a date that is not later than one year from the date hereof through private placement offer letter(s) and/ or by way of public issue and notwithstanding that the aggregate amount of all such Bonds taken together with domestic/off-shore, secured/unsecured, loans/ borrowings, guarantees shall





Ghar Ki Baat

not exceed the borrowing powers approved by the members by way of a special resolution under section 180(1)(c) of the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do, from time to time, all such acts, deeds, things etc. as may be deemed necessary in respect of issue of Bonds including but not limited to number of issues/ tranches, face value, offer document, issue price, issue size, timing, amount, any security document, coupon/interest rate(s), yield, listing, allotment and other terms and conditions of issue of Bonds as they may, in their absolute discretion, deem necessary.”

For PNB Housing Finance Limited

A handwritten signature in blue ink, appearing to read "Sanjay Jain", is written over a horizontal line.

Sanjay Jain
Company Secretary and Head Compliance
Membership No. FCS 2642
PAN No. AFEPJ2190P
Address: A-72, Priyadarshini Vihar, New Delhi – 110092

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Section 180 (1) (c) of the Companies Act, 2013 provides that the Board of Directors of a company shall exercise the powers to borrow money, where the money to be borrowed together with the money already borrowed by the company (excluding temporary loans obtained from the company's bankers in the ordinary course of business) shall exceed aggregate of its paidup share capital and free reserves, only with the consent of the members of the company by a special resolution.

Section 180 (2) of the Companies Act, 2013 provides that every special resolution passed by the company in general meeting in relation to the exercise of the powers referred to above, shall specify the total amount up to which monies may be borrowed by the Board of Directors.

Due to the nature of Company's business, the financial assistances availed by the Company from various banks/ financial institutions/ debenture-holders/ depositors exceed the aggregate of paid-up share capital and free reserves of the Company and the same should be secured by way of mortgage and/or charge of the assets of the Company, both present and future, it is necessary for the members to pass a special resolution under Section 180 of the Companies Act, 2013. It is therefore proposed that the members authorize the Board to borrow money up to ` 1,05,000 crores (Rupees One lac five thousand crore).

The Company is engaged into the business of providing housing and non-housing loans. One of the main constituents of the Company's borrowings is in form of bonds/ non-convertible debentures.

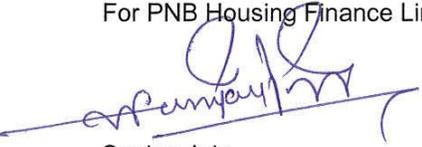
As on March 31, 2019, bonds/ non-convertible debentures constitute ` 23,236 crores of the total borrowings of the Company. Borrowing through bonds/ non-convertible debentures not only work out cost effective but also facilitate the raising of resource in a highly flexible and requirement driven manner. The Company intends to raise long term funds through bonds in the current year as well as to meet lending requirements. It is therefore proposed that the members authorize the Board to borrow money through NCDs up to ` 45,000 crores (Rupees Forty Five Thousand crore) through private placement offer letter(s) and/ or by way of public issue from time to time.

Section 42 of The Companies Act, 2013 and rule 14 (2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 require the Company to seek a special resolution from its members for raising the Bonds on private placement basis. The resolution is valid for a period of one year from the date of approval by the shareholders.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested financially or otherwise, in the proposed resolution.

The Board of Directors recommend this resolution for the approval of members as a Special Resolution.

For PNB Housing Finance Limited


Sanjay Jain
Company Secretary and Head Compliance
Membership No. FCS 2642
PAN No. AFEPJ2190P
Address: A-72, Priyadarshini Vihar, New Delhi – 110092

CONFIDENTIAL

RL/PNBHFLT/303913/NCD/1022/45106/62856041/1
February 27, 2023



Ms. Deepika Gupta Padhi

Head – Investor Relations and Treasury

PNB Housing Finance Limited

9th Floor, Antriksh Bhawan,

22, K.G Marg

New Delhi - 110001

Dear Ms. Deepika Gupta Padhi,

Re: CRISIL Rating on the Non Convertible Debentures Aggregating Rs.5700 Crore of PNB Housing Finance Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letters dated October 21, 2022 bearing Ref. no.: RL/PNBHFLT/303913/NCD/1022/45106/62856041

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Non Convertible Debentures	5700	CRISIL AA/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest ratings/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Rahul Malik

Associate Director - CRISIL Ratings

Nivedita Shibu

Associate Director - CRISIL Ratings



Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301

CRISIL Ratings Limited
A subsidiary of CRISIL Limited, an S&P Global Company
Corporate Identity Number: U67100MH2019PLC326247

Ratings

CRISIL Ratings Limited (A subsidiary of CRISIL Limited)



Rating Rationale

October 21, 2022 | Mumbai

PNB Housing Finance Limited

Rating outlook revised to 'Stable'; Ratings reaffirmed

Rating Action

Total Bank Loan Facilities Rated	Rs.4000 Crore
Long Term Rating	CRISIL AA/Stable (Outlook revised from 'Negative'; Rating Reaffirmed)
Rs.400 Crore Lower Tier II Bonds	CRISIL AA/Stable (Outlook revised from 'Negative'; Rating Reaffirmed)
Rs.20000 Crore Fixed Deposits	CRISIL AA/Stable (Outlook revised from 'Negative'; Rating Reaffirmed)
Rs.500 Crore Short Term Non Convertible Debenture	CRISIL A1+ (Reaffirmed)
Rs.26000 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)
Lower Tier II Bonds Aggregating Rs.500 Crore	CRISIL AA/Stable (Outlook revised from 'Negative'; Rating Reaffirmed)
Non Convertible Debentures Aggregating Rs.5700 Crore	CRISIL AA/Stable (Outlook revised from 'Negative'; Rating Reaffirmed)

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has revised its rating outlook on the existing debt instruments and bank facilities of PNB Housing Finance Limited (PNB Housing) to '**Stable**' from 'Negative' and reaffirmed the rating at CRISIL AA/CRISIL A1+.

CRISIL Ratings has also **withdrawn** its rating on the Non-convertible debenture of Rs 930 crore (See Annexure 'Details of Rating Withdrawn' for details) on confirmation from the debenture trustee as it is fully redeemed. The rating is withdrawn in line with CRISIL Ratings' policy.

The revision in outlook reflects CRISIL Ratings expectations of lower incremental slippages to non-performing assets and the improvement in the gearing metrics which is expected to remain adequate going forward. Further, the share of wholesale portfolio to the overall assets under management (AUM) has also reduced substantially over the past couple of years. Nevertheless, asset quality, albeit improving, continues to remain modest and substantial recoveries from the stressed wholesale exposure remain a key monitorable. The ratings continue to factor in the brand-sharing benefits that PNB Housing derives from its parentage by Punjab National Bank (PNB, rated: 'CRISIL AA+/CRISIL AA/Stable'), its largest shareholder, which has helped the company in raising funds at competitive rates in the market. The shared brand name has also helped the company to maintain a healthy resource profile by its long-standing relationships with banks, insurance companies, provident funds, corporates, pension funds, multilateral agencies and mutual funds.

Over the past couple of years, the AUM for PNB Housing was degrowing reaching Rs 64850 crores as on June 30, 2022 as against Rs 74,469 crores as on March 31, 2021. Bulk of the degrowth was driven by reduction in the wholesale loan portfolio which has reduced to ~9% of the AUM as on June 30, 2022 vs ~16% as on March 31, 2021. CRISIL Ratings notes that the retail AUM has begun to see growth in the fourth quarter ended March 31, 2022. Pursuant to the degrowth over the past couple of years, the adjusted gearing (including securitization) metrics of the company have improved to 6.0 times as on June 30, 2022 from 8.0 times as on March 31, 2021. This compares to a peak adjusted gearing of 11.0 times as on March 31, 2019. Further, CRISIL Ratings notes that the board of PNB Housing in March 2022 had approved a rights issue of Rs 2,500 crores in which the promoter PNB is also expected to participate. The timely closure of the rights issue process is a key monitorable to support the growth plans of PNB Housing going forward.

Amidst the degrowth and higher incremental slippages, especially from the wholesale portfolio, the asset quality metrics of PNB Housing had deteriorated with gross non-performing assets (GNPA) rising to 8.2% as on December 31, 2021. However, since then, the asset quality metrics have improved with GNPA declining to 6.4% as on June 30, 2022. CRISIL Ratings expects that most of the stressed accounts in the wholesale portfolio have slipped to GNPA in the past couple of years. However, PNB Housing has also managed recovery from some of these accounts either via write offs or exits. This is also evident from the reduction in absolute wholesale GNPA from Rs 2738 crores in March 2022 to Rs 1732 crore in June 2022. On the retail side too, there has been a

marginal improvement in asset quality with retail GNPA's at 3.73% (11 bps impact of IRACP^[1] norms) as on June 30, 2022 vs 3.8% as on June 30, 2021. Going forward, CRISIL Ratings expects the slippages from the wholesale portfolio to remain controlled with most of the stressed exposures already recognised as NPA. Even in the retail portfolio, the early bucket delinquencies have been showing improving trend post the second-wave of Covid-19 for both home loan and loans against property (LAP) segments.

Amidst the improvement in the asset quality metrics the earnings profile has been supported with return on managed assets^[2] reaching 1.3% for the first quarter of fiscal 2023. Nevertheless, amidst the intensifying competition in the housing loans segment, the spreads for PNB Housing have been compressing owing to lower yields. The NIMs^[3] for PNB Housing compressed to 2.0% for the first quarter ended June 30, 2022 as against 2.3% for the quarter ended March 2021. Nevertheless, recoveries and improvement in the asset quality metrics³ supported the reduction in the credit costs which improved to 0.3% for the first quarter of fiscal 2023 as against 1.0% for the quarter ended on March 31, 2021. Consequently, overall RoMA has improved. Nevertheless, ability of PNB Housing to improve its earnings profile as competition in the space remains intense remains a key monitorable.

^[1] Income Recognition, Asset Quality and Provisioning norms issued by Reserve Bank of India in November 2021

^[2] Managed assets = total Balance Sheet assets + Off-book assigned / securitised assets

^[3] All ratios and numbers as per CRISIL Calculation

Analytical Approach

CRISIL Ratings has fully consolidated the business and financial risk profile of PNB Housing and its subsidiary given the managerial, operational and financial linkages. The ratings also factor in the brand-sharing benefits from the parentage of PNB.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

- **Adequate capitalization**

PNB Housing has adequate capitalization metrics with networth, and Tier-I, and overall capital adequacy ratio (CAR) of Rs 10,052 crore, 21.4, and 23.9%, respectively, as on June 30, 2022 (as per the NHB guidelines CAR should be 15% by March 2022). The company has managed to improve its capital adequacy levels through the reduction in the wholesale book, which carries higher risk weights. Going forward also, the company plans to maintain a lower share of wholesale book in the overall AUM, which is expected to support the capitalization metrics. In terms of gearing metrics too, the company's position remained comfortable as the adjusted gearing (including securitization) reduced to 6 times as on June 30, 2022 from the peak of 11.0 times in March 2019.

In March 2022, PNB Housing board approved raising of Rs 2500 crore through rights issue. Of this, in June 2022, the board of Punjab National Bank approved an investment of Rs 500 crore in PNB Housing which subsequently got approved by the RBI. Even though Punjab National Bank (PNB) will only infuse Rs 500 crore, resulting in the dilution of stake from PNB, the bank will continue to hold higher than 26% in PNB Housing, thereby, retaining the promoter status in the company.

Nevertheless, the timely closure of the rights issue will be a key monitorable to support the growth plans of PNB Housing going forward.

- **Established market position in the housing finance space**

Over the past couple of years, the assets under management (AUM) for PNB Housing has been de-growing and reached Rs 64,850 crore as on June 30, 2022, as against Rs 74,469 crore as on March 31, 2021. The de-growth has been primarily led by the cautious call on the part of the management to reduce its legacy book of wholesale segment, which got impacted due to slowdown in the real estate sector in 2019 followed by Covid-19 in 2020. The share of the wholesale book in the overall AUM reduced to ~9% in June 2022, as against 16% as on March 31, 2021.

The de-growth in the portfolio was also led by the marginal reduction in the retail book due to the impact of the two strong pandemic waves on the self-employed segment. Nevertheless, the retail portfolio has been gradually showing a positive traction, with the disbursements in the retail segment going up from Rs 674 in Q1FY21 to Rs 1652 crore in Q1FY22 to Rs 3395 crore in Q1FY23.

Despite degrowth in the last few years, PNB Housing continues to be amongst the top HFCs in the country. Nevertheless, with caution around the wholesale portfolio, the company intends to grow this portfolio slowly going forward, wherein in, it will only take on the selective exposures on projects which are near completion. On the retail side, with the improvement in the economy, the company is now seeing a growth in this portfolio, which is also evident from the increasing disbursements over the last one year. The retail portfolio grew marginally by 1.12% from March 2022 - Rs.49,730 crore to Rs 50,295 crore in June 2022.

- **Brand-sharing benefits with PNB as a promoter**

PNB Housing continues to benefit from branding support from its parent, PNB (32.6% ownership currently). While the latter's stake has reduced from 51% following the IPO and the stake sale in November 2017, CRISIL Ratings believes PNB will remain amongst the largest shareholders of PNB Housing in the near term. PNB Housing has clarified that the promoter PNB would be participating in the forthcoming equity raise of Rs 2500. However, of the total issue amount, PNB would only be putting in Rs 500 crore. Nevertheless, CRISIL Ratings believes that PNB's stake will not drop below 26% from the current 32.6% post this round of equity raise. CRISIL Ratings believes that PNB's continued association as promoter along with sharing of brand name benefits PNB Housing in a confidence-sensitive environment for NBFCs and HFCs.

The shared brand name has helped the company to maintain a well-diversified resource profile, wherein it has been able to raise funds at competitive rates. The shared brand name has also supported the company in deposit mobilization, as the company has consistently raised fixed deposits and it now constituted around 34% of overall on-book borrowings (excluding securitization).

Adding to the diversity in its resource profile (excluding securitization), company has adequate proportion of bank loans constituting 37% of the total on-book borrowings and capital market funding comprising of bonds and debentures, together constituting 11% of total on-book borrowings as on June 30, 2022. Other funding sources include refinance from NHB (7%) and external commercial borrowings (11%).

Additionally, supported by the long-standing relationships of both PNB Housing and PNB with banks, insurance companies, provident funds, corporates and pension funds, multilateral agencies (IFC and ADB) and mutual funds, CRISIL Ratings notes that PNB Housing has managed to raise funds of over Rs 19000 crores fiscal 2022 at competitive borrowing costs. The average cost of borrowings in Q1 of fiscal 2023 was 7.2%. More importantly, the incremental cost of borrowing was at 5.6% for fiscal 2022 and at 6.3% for Q1FY23.

Nevertheless, PNB Housing is being managed by an independent management team, comprising professionals with strong domain knowledge and extensive experience in the mortgage business.

Weaknesses:

- **Susceptibility to asset quality risks arising from the wholesale book**

Amidst the degrowth and higher incremental slippages, especially from the wholesale portfolio, the asset quality metrics of PNB Housing had deteriorated with GNPA inching to 4.44% as on March 31, 2021; which post the RBI Clarifications in November 2021 had further inched up to 8.2% as on December 31, 2021.

However, since then, the asset quality metrics have improved with GNPA of 6.4% as on June 30, 2022. CRISIL Ratings expects that most of the stressed accounts in the wholesale portfolio have slipped to GNPA in the past couple of years. However, PNB Housing has also managed recovery from some of these accounts either via write offs or exits. This is also evident from the reduction in absolute wholesale GNPA's from Rs 2738 crores in March 2022 to Rs 1732 crore in June 2022.

On the retail side too, there has been a marginal improvement in asset quality as the company had gradually reduced its exposure to the self-employed non-professional segment within the LAP segment as the same was adversely impacted during Covid-19. The same is also evident from the self-employed share reducing to 72% in June 2022, as against 81% in March 2020. Additionally, the company has also been able to recover through SARFAESI post the lifting of Supreme Court order in October 2021. Consequently, the retail GNPA's marginally improved to 3.73% (11 bps impact of IRAC norms) as on June 30, 2022 vs 3.8% as on June 30, 2021.

Going forward, CRISIL Ratings expects the slippages from the wholesale portfolio to remain controlled with most of the stressed exposures already recognized as NPA. Even in the retail portfolio, the early bucket delinquencies have been showing improving in every quarter post the second-wave of Covid-19 for both home loan and loans against property (LAP) segments.

While in a business-as-usual scenario, CRISIL Ratings expects asset quality to improve going forward and any material slippages on the asset quality front remain a key rating sensitivity factor.

- **Modest earnings profile**

With the improvement in the asset quality metrics, the earnings profile has been supported with return on managed assets^[1] (RoMA) of 1.3% for the first quarter of fiscal 2023 as against the RoMA of 1.0% as on March 31, 2021. The earnings metrics have been supported by the reduction in the credit costs which improved to 0.3% for the first quarter of fiscal 2023, as against 1.0% as on March 31, 2021.

Nevertheless, amidst the intensifying competition in the housing loans segment, the spreads for PNB Housing have been compressing owing to lower yields. The NIMs^[2] for PNB Housing compressed to 2.0% for the first quarter ended June 30, 2022 as against 2.3% for March 2021. Nevertheless, the company has now started increasing its LAP book and at the same time, it is also increasing focus on affordable housing finance which are expected to bode well for NIMs. Additionally, the company is also expected to get the benefit of shared brand name on the cost of borrowings, which will further support the timeline.

Nevertheless, ability of PNB Housing to improve its earnings profile as competition in the space remains intense remains a key monitorable.

^[1] Managed Assets = total Balance Sheet assets + Off-book assigned / securitised assets

^[2] All ratios and numbers as per CRISIL Calculation

Liquidity: Strong

PNB Housing's asset-liability maturity profile is strong. The company had positive cumulative mismatches upto 1 year buckets as on June 30, 2022. However, if lines of credit is excluded from the inflows, the company had negative cumulative mismatches in 2 to 3 months, 3 to 6 months and 6 months to 1 year bucket. As on June 30, 2022, the company had debt repayments of Rs 11710 crore till December 2022 against this it had cash and cash equivalents of Rs 3832 crore and sanctioned and unutilised bank lines and securitization lines of Rs 7,250 crore (including unutilized term loans).

Outlook: Stable

CRISIL Ratings believes that the company will continue to maintain comfortable leverage, comfortable asset quality metrics in the retail segment and sizeable presence in the housing finance industry. However, company's ability to improve the overall profitability levels will remain a key monitorable.

Rating Sensitivity factors

Upward factors:

- Capitalisation metrics improving with CRISIL-adjusted gearing remaining below 7 times accompanied with overall capital adequacy remaining above 18%
- Improvement in asset quality metrics for wholesale book and improvement in earnings profile

Downward factors:

- Deterioration in asset quality over an extended period, thereby also impacting profitability
- Weakening of capitalisation metrics with steady state CRISIL-adjusted gearing remaining beyond 8 times

About the Company

PNB Housing was set up in 1988, as a deposit-taking housing finance company (HFC) registered with National Housing Bank (NHB), promoted by Punjab National Bank (PNB; rated 'CRISIL AA+/CRISIL AA/Stable'). In December 2009, PNB sold 49% stake in PNB Housing and entered into a strategic partnership with Destimoney Enterprises Pvt Ltd (owned by NSR Partners). During fiscal 2017, Destimoney Enterprises Ltd transferred equity shares in PNB Housing to its holding Company i.e. Quality Investments Holdings (part of the Carlyle Group) pursuant to in specific distribution of its assets as per winding up scheme.

Key Financial Indicators

Particulars	Unit	Jun-22	Mar-22	Mar-21	Mar-20
Total assets	Rs crore	64,006 [^]	65,730	71392	78930
Total income	Rs crore	1,412	6,189	7624	8490
Profit after tax	Rs crore	235	836	930	646
Gross NPA	%	6.4	8.1	4.4	2.75
On-book Gearing	Times	5.2	5.4	6.7	8.5
CRISIL-adjusted gearing#	Times	6.0	6.3	8.1	10.5
Return on total assets*	%	1.4	1.2	1.24	0.79
Return on managed assets%	%	1.3	1.1	1.04	0.68

On-book borrowings + off-book assignment / securitisation by network

* PAT by Total Assets

% PAT by Managed Assets (Total Balance Sheet assets + Off-book assigned / securitised assets)

[^]As per CRISIL Ratings estimate

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities – including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings' complexity levels please visit www.crisil.com/complexity-levels. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Cr)	Complexity Level	Rating Outstanding with Outlook
NA	Short Term Debentures	NA	NA	7-365 days	500	Simple	CRISIL A1+
INE572E09106	Debenture	16-Jan-08	9.20%	16-Jan-23	30	Simple	CRISIL AA/Stable
INE572E09189	Debenture	21-Dec-12	9.00%	21-Dec-22	200	Simple	CRISIL AA/Stable
INE572E09197	Tier II Bonds	21-Dec-12	9.10%	21-Dec-22	200	Simple	CRISIL AA/Stable
INE572E09205	Debenture	16-May-13	8.58%	16-May-23	600	Simple	CRISIL AA/Stable
INE572E09239	Debenture	31-Jan-14	9.48%	31-Jan-24	300	Simple	CRISIL AA/Stable
INE572E09262	Tier II Bonds	24-Nov-14	8.70%	24-Nov-24	200	Simple	CRISIL AA/Stable
NA	Debenture [^]	NA	NA	NA	1650.3	Simple	CRISIL AA/Stable
INE572E09627	Debenture	07-Jan-19	9.40%	05-Jan-29	24.7	Simple	CRISIL AA/Stable
INE572E09627	Debenture	24-Jan-19	9.40%	05-Jan-29	15	Simple	CRISIL AA/Stable
NA	Tier II Bonds [^]	NA	NA	NA	100	Simple	CRISIL AA/Stable
NA	Tier II Bonds [^]	NA	NA	NA	400	Simple	CRISIL AA/Stable
NA	Fixed Deposit Programme	NA	NA	NA	20000	Simple	CRISIL AA/Stable
NA	Commercial Paper Programme	NA	NA	7-365 days	26000	Simple	CRISIL A1+
NA	Long Term Loan-1	NA	NA	01-Jul-19	1198	NA	CRISIL AA/Stable
NA	Proposed Long-Term Bank Loan Facility	NA	NA	NA	2802	NA	CRISIL AA/Stable

[^]yet to be issued

Annexure – Details of Ratings withdrawn

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Cr)	Complexity Level
INE572E09098	Debenture	16-Jan-08	9.20%	16-Jan-22	30	Simple
INE572E09148	Debenture	26-Jul-11	9.50%	26-Jul-21	200	Simple
INE572E09155	Debenture	12-Sep-11	9.55%	12-Sep-21	200	Simple
INE572E09163	Debenture	29-Jun-12	9.25%	29-Jun-22	300	Simple
INE572E09171	Debenture	14-Sep-12	9.15%	14-Sep-22	200	Simple

Annexure – List of entities consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
PHFL Home Loans and Services Ltd.	Full	Subsidiary

Annexure - Rating History for last 3 Years

Instrument	Type	Current		2022 (History)		2021		2020		2019		Start of 2019
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	4000.0	CRISIL AA/Stable	20-06-22	CRISIL AA/Negative	26-10-21	CRISIL AA/Negative	30-04-20	CRISIL AA/Negative	23-09-19	CRISIL AA+/Negative	CRISIL AA+/Stable
			--	--	20-08-21	CRISIL AA/Negative	21-02-20	CRISIL AA/Stable	26-07-19	CRISIL AA+/Negative	--	
			--	--	09-06-21	CRISIL AA/Negative	--	--	05-04-19	CRISIL AA+/Stable	--	
			--	--	30-04-21	CRISIL AA/Negative	--	--	04-03-19	CRISIL AA+/Stable	--	
Bond	LT		--	--	--	--	--	--	--	--	CRISIL AA+/Stable	
Commercial Paper	ST	26000.0	CRISIL A1+	20-06-22	CRISIL A1+	26-10-21	CRISIL A1+	30-04-20	CRISIL A1+	23-09-19	CRISIL A1+	CRISIL A1+
			--	--	20-08-21	CRISIL A1+	21-02-20	CRISIL A1+	26-07-19	CRISIL A1+	--	
			--	--	09-06-21	CRISIL A1+	--	--	05-04-19	CRISIL A1+	--	
			--	--	30-04-21	CRISIL A1+	--	--	04-03-19	CRISIL A1+	--	
Fixed Deposits	LT	20000.0	CRISIL AA/Stable	20-06-22	CRISIL AA/Negative	26-10-21	F AA+/Negative	30-04-20	F AA+/Negative	23-09-19	F AAA/Negative	F AAA/Stable
			--	--	20-08-21	F AA+/Negative	21-02-20	F AA+/Stable	26-07-19	F AAA/Negative	--	
			--	--	09-06-21	F AA+/Negative	--	--	05-04-19	F AAA/Stable	--	
			--	--	30-04-21	F AA+/Negative	--	--	04-03-19	F AAA/Stable	--	
Lower Tier II Bonds	LT	900.0	CRISIL AA/Stable	20-06-22	CRISIL AA/Negative	26-10-21	CRISIL AA/Negative	30-04-20	CRISIL AA/Negative	23-09-19	CRISIL AA+/Negative	CRISIL AA+/Stable
			--	--	20-08-21	CRISIL AA/Negative	21-02-20	CRISIL AA/Stable	26-07-19	CRISIL AA+/Negative	--	
			--	--	09-06-21	CRISIL AA/Negative	--	--	05-04-19	CRISIL AA+/Stable	--	
			--	--	30-04-21	CRISIL AA/Negative	--	--	04-03-19	CRISIL AA+/Stable	--	
Non Convertible Debentures	LT	5700.0	CRISIL AA/Stable	20-06-22	CRISIL AA/Negative	26-10-21	CRISIL AA/Negative	30-04-20	CRISIL AA/Negative	23-09-19	CRISIL AA+/Negative	CRISIL AA+/Stable
			--	--	20-08-21	CRISIL AA/Negative	21-02-20	CRISIL AA/Stable	26-07-19	CRISIL AA+/Negative	--	
			--	--	09-06-21	CRISIL AA/Negative	--	--	05-04-19	CRISIL AA+/Stable	--	
			--	--	30-04-21	CRISIL AA/Negative	--	--	04-03-19	CRISIL AA+/Stable	--	
Short Term Non Convertible Debenture	ST	500.0	CRISIL A1+	20-06-22	CRISIL A1+	26-10-21	CRISIL A1+	30-04-20	CRISIL A1+	23-09-19	CRISIL AA+/Negative	--
			--	--	20-08-21	CRISIL A1+	21-02-20	CRISIL A1+	--	--	--	
			--	--	09-06-21	CRISIL A1+	--	--	--	--	--	
			--	--	30-04-21	CRISIL A1+	--	--	--	--	--	

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Long Term Loan	1198	Punjab National Bank	CRISIL AA/Stable
Proposed Long Term Bank Loan Facility	2802	Not Applicable	CRISIL AA/Stable

This Annexure has been updated on 21-Oct-22 in line with the lender-wise facility details as on 20-Jul-22 received from the rated entity.

Criteria Details

Links to related criteria
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Finance Companies
CRISILs criteria for rating fixed deposit programmes
CRISILs Criteria for rating short term debt
Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support
CRISILs Criteria for Consolidation

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ICRA Limited

ICRA/ PNB Housing Finance Limited /06032023/1

March 06, 2023

Mr. Vinay Gupta

Chief Financial Officer
PNB Housing Finance Limited
9th Floor, Antariksh Bhavan,
22, Kasturba Gandhi Marg,
Near Connaught Place, New Delhi

Dear Sir,

Re: ICRA rating for Rs. 600-crore non-convertible debenture of PNB Housing Finance Limited (*instrument details in Annexure*)

Please refer to your request dated March 01, 2023 for revalidating the rating letter issued for the captioned programme.

We confirm that the **[ICRA]AA** (pronounced as ICRA double A) rating with a **Stable** outlook assigned to your captioned programme and last communicated to you vide our letter dated April 6, 2022 stands. Instruments with [ICRA]AA rating indicate high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

The other terms and conditions for the rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref ICRA/PNB Housing Finance Limited/06042022/1 dated April 6, 2022.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold non-convertible debenture to be issued by you.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

Anil Gupta

Senior Vice President
Co Group Head - Financial Sector Ratings
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RATING • RESEARCH • INFORMATION



Annexure

LIST OF ALL INSTRUMENT RATED (WITH AMOUNT OUTSTANDING)

Rated Instrument	Rated Amount (In Rs. crore)	Amount Outstanding (In Rs. crore)	Rating Action
NCD			
INE572E09239	300.0	300.0	[ICRA]AA (Stable); Revalidated
To be issued	300.0	-	[ICRA]AA (Stable); Revalidated
Total	600.0	300.0	

April 12, 2022

PNB Housing Finance Limited: Rating reaffirmed and partly withdrawn; outlook revised to Stable

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debentures	600	600	[ICRA]AA; reaffirmed and outlook revised to Stable from Negative
Non-convertible Debentures	875	-	[ICRA]AA; reaffirmed and outlook revised to Stable from Negative and simultaneously withdrawn
Tier II Bonds	200	200	[ICRA]AA; reaffirmed and outlook revised to Stable from Negative
Total	1,675	800	

*Instrument details are provided in Annexure-1

Rationale

The rating on the Rs. 875-crore non-convertible debenture (NCD) programme of PNB Housing Finance Limited (PNBHFL) has been withdrawn in accordance with ICRA's policy on the withdrawal and suspension of credit ratings and as requested by the company. The rated instrument had no amount outstanding against the same.

The revision in the outlook factors in the improvement in PNBHFL's leverage and the reduction in the share of the wholesale segment in its total portfolio. Moreover, PNBHFL has witnessed some recoveries from its stressed corporate exposures. The company reported a gearing of 5.6 times as on December 31, 2021 (managed gearing¹ of 6.6 times) against 6.7 times (managed gearing of 8.1 times) as on March 31, 2021. PNBHFL resolved 11 accounts amounting to ~Rs. 333 crore in 9M FY2022.

The rating reaffirmation continues to factor in PNBHFL's established track record in the mortgage finance industry, its experienced management team, and diverse funding profile with demonstrated refinancing ability. ICRA notes that PNBHFL has reduced its corporate exposure, which declined by ~50% since December 2019 and stood at ~12% of the assets under management (AUM) as on December 31, 2021 against ~16% as on March 31, 2021. This was supported by sell-down and accelerated prepayments of around Rs. 2,294 crore in the corporate book in 9M FY2022. Further, ICRA expects that the company will continue to benefit from the shared brand name with its promoter, i.e. Punjab National Bank {PNB; rated [ICRA]AA+ (Stable)}, which helps PNBHFL leverage its franchise and raise funds, thereby supporting its financial flexibility.

Nevertheless, the rating remains constrained by the weak asset quality indicators with reported gross non-performing assets (GNPAs) of 7.6% as on December 31, 2021 against 5.9% as on September 30, 2021 (4.4% as on March 31, 2021). ICRA notes that the reported GNPAs are elevated partly due to Reserve Bank of India's (RBI) clarification dated November 12, 2021², which has led to an increase in the GNPAs by 1.4% and due to reduction in loan book on account of stated objective of the company to reduce corporate exposure. A deterioration in the asset quality was witnessed in the retail as well as the corporate book. Additionally, PNBHFL had a restructured book of ~Rs. 2,483 crore (4.4% of its loan book) outstanding as on December 31, 2021, which was restructured under the Covid-19 restructuring packages announced by the RBI. The performance of the restructured book under moratorium remains a monitorable.

¹ Managed gearing = (On-book debt + Off-book portfolio) / (Net worth)

² RBI clarification – Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications dated November 12, 2021

ICRA, however, notes that with the increase in the pace of legal proceedings, recoveries, especially in the retail book, are expected to increase. Further, the risks are partly mitigated by the good collateral cover maintained by the company and the healthy provision coverage ratio (PCR) as on December 31, 2021. Its overall provisions stood at 4.4% of total assets as on December 31, 2021 compared to 4.1% as on March 31, 2021. Though the provision cover provides comfort as well as cushion to absorb further losses, the increased credit cost has impacted the profitability, which remains moderate.

PNBHFL had been in the process of raising equity to reduce its leverage and to meet the envisaged growth. However, there has been a significant delay in the same, given the challenging environment and the bottlenecks faced for the previously planned preferential issue. In March 2022, PNBHFL's board approved fund raising of up to Rs. 2,500 crore by way of a rights issue, which would be material for the company to further reduce its leverage and support its growth plans.

The Stable outlook reflects ICRA's expectations that the company will be able to arrest further sizeable slippages and recover from its delinquent book. Moreover, it is expected to maintain and improve its credit profile, aided by its experienced board and management.

Key rating drivers and their description

Credit strengths

Established player in mortgage lending market – PNBHFL has an established presence and a long track record of operations in the housing finance industry. It has a presence in 18 states/Union Territories (UTs) in India and it witnessed a healthy growth in its scale of operations till September 2019. Post that, it increased its focus on the retail segment and started reducing its wholesale exposure. This led to degrowth of ~14% (annualised) in the AUM to Rs. 66,539 crore as on December 31, 2021 (Rs. 74,469 crore as on March 31, 2021). PNBHFL registered a degrowth of ~12% (annualised) in its on-book portfolio in 9M FY2022.

As on December 31, 2021, ~61% of the on-book portfolio was towards individual housing loans (HL), ~21% towards retail loan against property (LAP), ~5% towards retail non-residential premises loans (NRPLs), ~11% towards construction finance (CF), ~2% towards corporate term loans (CTLs) and ~1% towards corporate LRD. The company also reported an off-book portfolio of Rs. 9,741 crore as on December 31, 2021 against Rs. 12,215 crore as on March 31, 2021. With focus on the retail book including the affordable segment "Unnati", the Company in FY22 opened 13 Unnati only locations primarily in Tier 2 and 3. The Company plans to open more locations to cater to the Affordable segment.

Experienced management and good systems – PNBHFL has a seasoned management team with sound knowledge of the mortgage industry and its board has prior experience in banking, insurance, retail lending, technology and economic policy. With support from the risk management and internal systems, PNBHFL's management team has taken various initiatives related to cost rationalisation, technological upgradation and resolution of stressed corporate exposures.

Shared brand name and benefits with PNB as the promoter – With PNB being its promoter and holding a stake of 32.6% as on December 31, 2021, PNBHFL has a competitive advantage. The common brand name supports its financial flexibility and deposit mobilisation. PNBHFL's board comprised two directors from PNB as on December 31, 2021. As per the revised trademark agreement entered between PNBHFL and PNB in May 2021, PNBHFL is required to pay a royalty for the use of PNB's brand name if PNB's stake falls below 30%. Further, in case PNB's shareholding falls below 20%, it would have the right to terminate the revised agreement. In case of such termination, PNBHFL shall be allowed a transition period of up to 24 months to change its brand name.

Diversified funding mix and demonstrated refinancing ability – PNBHFL has managed to maintain a healthy funding mix comprising debt market instruments (non-convertible debentures (NCDs) and commercial paper (CP) formed 14.2% and 0.2%, respectively, of the funding mix as on December 31, 2021), deposits (~28%), bank borrowings (~24%), National Housing Bank (NHB; ~9%), external commercial borrowings (ECBs; ~9%) and direct assignments (~15%). The cost of borrowings³ declined to

³ Cost of borrowing computed as per PNBHFL's calculations

7.4% in 9M FY2022 from 7.9% in FY2021 owing to the low-rate incremental funding and the replacement of high-cost borrowings by low-cost borrowings in 9M FY2022.

Credit challenges

Deterioration in asset quality metrics due to pandemic; restructured book under moratorium remains monitorable – PNBHFL's overall asset quality deteriorated in FY2021 owing to the Covid-19 pandemic-induced disruptions. The impact was further compounded because of the second wave in H1 FY2022 and decline in loan book. PNBHFL reported gross and net NPAs of 5.9% and 3.3%, respectively, as on September 30, 2021 compared to 4.4% and 2.4%, respectively, as on March 31, 2021. However, incremental slippages were limited in Q3 FY2022 because of the tightened norms by RBI on NPA recognition and the upgradation led to an increase in the gross and net NPAs to 7.6% and 4.9%, respectively, as on December 31, 2021. Excluding the revised asset classification norms by RBI, the Gross NPA is 6.2% of Loan Asset as on December 31, 2021. Further, 4.8% of book was in Stage 2 as on December 31, 2021 and the total outstanding restructured book was ~Rs. 2,483 crore (3.7% of AUM and 4.4% of on-book portfolio).

Its overall provision increased to 4.4% of the total assets as on December 31, 2021 from 4.1% as on March 31, 2021. The share of the loan book under moratorium is relatively high and recoveries from the restructured book remain monitorable. ICRA notes that the collateral cover maintained on corporate exposures and the loan-to-value (LTV) for the retail segment (~72% in HL and ~49% in LAP) mitigate the risk to some extent. The management's ability to arrest further slippages and make healthy recoveries shall remain critical from a credit perspective.

Elevated credit costs keep profitability moderate – Given the increased stress in the asset quality, PNBHFL raised its provisioning requirement during the pandemic and also undertook some write-offs. The increased credit cost has impacted its profitability adversely, despite maintaining the lending spreads. While ICRA expects PNBHFL's pre-provision operating profit to be adequate to cover incremental credit costs, the management's ability to keep its incremental credit cost under control will be important. It reported a profit after tax (PAT) of Rs. 667 crore, translating into a return on average managed assets of 1.3% and a return on average net worth of 9.6% in 9M FY2022 (Rs. 930 crore, 1.0% and 11.0%, respectively, in FY2021)⁴. Going forward, the company's ability to manage the interest spreads and credit costs will be critical for maintaining the profitability indicators.

Liquidity position: Strong

While the company remains exposed to asset-liability related risks given the longer tenor of the assets, its liquidity is supported by a good share of long-term and short-term borrowings and its plans to keep adequate liquid investments and unutilised lines to meet the gaps. It had cash and cash equivalents of Rs. 5,190 crore as on December 31, 2021 (as per provisional asset liability management (ALM), excluding investments) and collections due (as per behavioural analysis of ALM) of Rs. 5,239 crore (excluding NPAs, including restructured book) against debt repayments (including short-term overdraft (OD) facility) of Rs. 10,868 crore till June 30, 2022. Further, PNBHFL had unavailed lines of more than Rs. 5,500 crore as on December 31, 2021. The cumulative mismatch up to 1 year bucket as per provisional structured liquidity statement (SLS) for December 2021 is positive 1% thereby denoting strong ALM position. The Company has maintained healthy Liquidity Coverage Ratio (LCR) more than the regulatory requirement of 50%.

Rating sensitivities

Positive factors – PNBHFL's rating could be upgraded or the outlook could be revised to Positive if the company is able to grow its scale of operations while improving its overall asset quality and profitability profile and maintain a prudent capitalisation profile.

⁴ 9M FY2022 ratios as per PNBHFL's calculations; ratios for FY2021 as per ICRA's calculations

Negative factors – Pressure on the rating would arise in case of a further deterioration in PNBHFL’s asset quality and/or its inability to make a meaningful recovery out of its stressed assets. Pressure on its profitability, a material decline in the scale of operations, increase in its gearing and challenges in fund raising, restricting PNBHFL’s ability to lend or leading to a deterioration in its liquidity profile, could also exert pressure on the rating.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Rating Methodology for Non-Banking Finance Companies Policy on Withdrawal of Credit Ratings
Parent/Group Support	Not Applicable
Consolidation/Standalone	The rating is based on the consolidated financial profile of the company

About the company

Incorporated in 1988, PNBHFL is a deposit-accepting housing finance company. PNB and The Carlyle Group had a stake of 32.6% and 32.1%, respectively, as on December 31, 2021. The company offers home loans, LAP, builder loans and LRD. The on-book portfolio mix included individual HLs (61% of the loan book), retail LAP (21%), retail NRPL (5%) and wholesale loans including CF, CTL and LRD (13%), aggregating Rs. 56,798 crore of the on-book portfolio, as on December 31, 2021. PNBHFL is geographically diversified with a portfolio spread across 18 states/UTs. The Company also operationalized 13 Unnati only locations in Q3 FY2022 and plans to open more locations to cater to the affordable segment.

PNBHFL reported a PAT of Rs. 667 crore in 9M FY2022 on AUM of Rs. 66,539 crore as on December 31, 2021 vis-à-vis a PAT of Rs. 930 crore in FY2021 on AUM of Rs. 74,469 crore as on March 31, 2021. The company reported a CRAR of 21.59% (Tier I capital of 18.90%) and a gearing of 5.57 times as on December 31, 2021. It reported GNPA's and net NPA's of 7.64% and 4.87%, respectively, as on December 31, 2021.

Key financial indicators (audited)

PNBHFL	FY2019	FY2020	FY2021	9M FY2022*
Total income (Rs. crore)	7,683	8,490	7,624	4,775
Profit after tax (Rs. crore)	1,192	646	930	667
Net worth (Rs. crore)	7,544	7,998	8,923	9,616
Loan book (Rs. crore)	74,023	67,571	62,254	56,798
Total assets (Rs. crore)	84,328	80,695	73,936	NA
Return on average managed assets (%)	1.5%	0.7%	1.0%	1.3%
Return on average net worth (%)	16.9%	8.3%	11.0%	9.6%
Reported gearing (times)	9.8	8.6	6.7	5.6
Managed gearing ⁵ (times)	11.1	10.5	8.1	6.6
Gross Stage 3 (%)	0.48%	2.75%	4.44%	7.64%
Net Stage 3 (%)	0.38%	1.75%	2.43%	4.87%
Solvency (Net stage 3/Net worth)	3.72%	14.80%	16.96%	28.73%
CRAR (%)	14.0%	18.0%	18.7%~	21.6%

Source: Company, ICRA Research; * As per limited review 9M FY2022 financials – Ratios for 9M FY2022 as per PNBHFL's calculations
All ratios and values are as per ICRA's calculations

~ Adjusted for deposits made with companies in same Group (parent), CRAR was 20.61% as on March 31, 2021

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

⁵ Managed gearing = (on-book debt + off-book portfolio) / (Net worth)

Rating history for past three years

	Instrument	Current Rating (FY2023)			Chronology of Rating History for the Past 3 Years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of Feb 28, 2022 (Rs. crore)	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
					Apr 12, 2022	May 28, 2021	Apr 3, 2020	May 3, 2019
1	NCD programme	Long term	600	300	[ICRA]AA (Stable)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA+ (Negative)
2	Tier II bonds	Long term	200	200	[ICRA]AA (Stable)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA+ (Negative)

Complexity level of the rated instruments

Instrument	Complexity Indicator
NCD programme	Very simple
Tier II bonds	Very simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
INE572E09239	NCD	Jan-31-2014	9.48%	Jan-31-2024	300	[ICRA]AA (Stable)
Not issued	NCD	NA	NA	NA	300	[ICRA]AA (Stable)
INE572E09262	Tier II Bonds	Nov-24-2014	8.70%	Nov-24-2024	200	[ICRA]AA (Stable)

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Company Name	PNBHFL Ownership	Consolidation Approach
PHFL Home Loans and Services Ltd.	100.00%	Full Consolidation

ANALYST CONTACTS

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Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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ICRA Limited

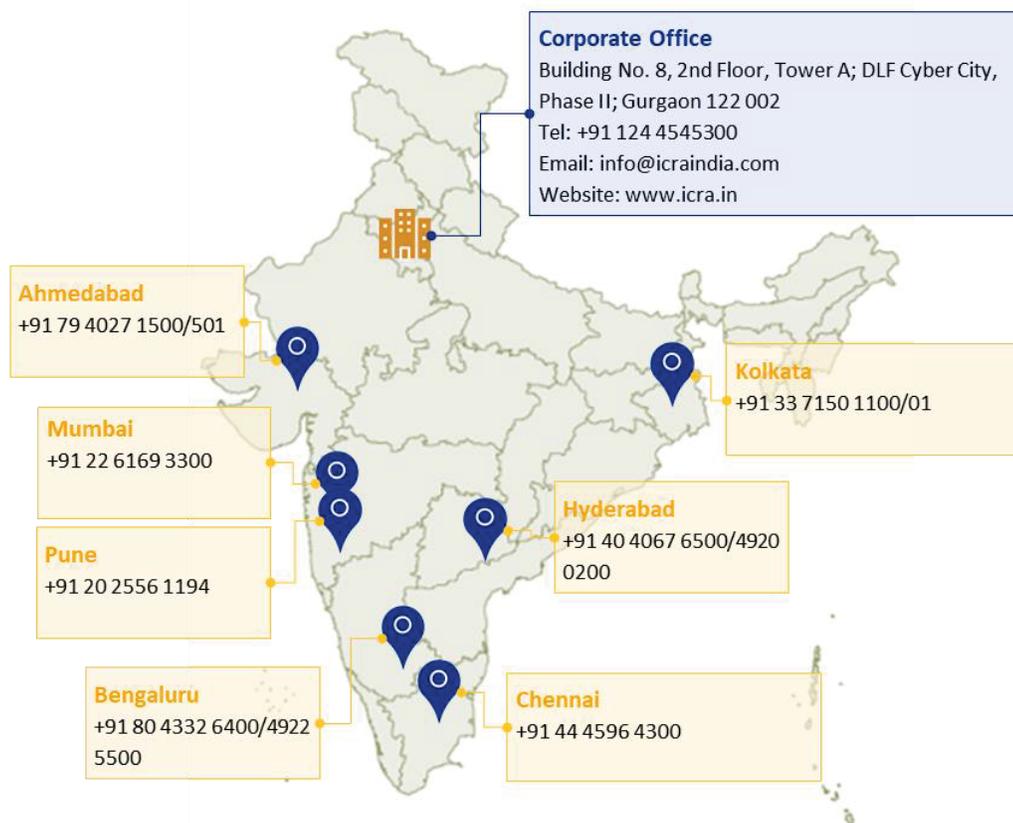


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Branches



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Date: 08.03.2023

To
PNB Housing Finance Limited
9th Floor, Antriksh Bhawan, 22,
Kasturba Gandhi Marg,
New Delhi - 110 001

Dear Sir/Madam,

Sub.: Consent to act as Registrar to the Proposed issue of "Listed, Secured, Rated, Taxable, Redeemable NON-CONVERTIBLE DEBENTURES" Of Face Value of Rs. 1,00,000 Each for Cash at Par FOR AN AMOUNT OF Rs. 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) WITH GREEN SHOE OPTION UPTO Rs. 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) AGGREGATING UP TO Rs. 300,00,00,000 (RUPEES THREE HUNDRED CRORE) to be issued on private placement basis.

We refer to the subject issue and hereby accept our appointment as 'Registrar' for Electronic Connectivity Provider to issue of "Listed, Secured, Rated, Taxable, Redeemable NON-CONVERTIBLE DEBENTURES Of Face Value of Rs. 1,00,000 Lakh Each for Cash at Par Aggregating to Rs. 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) AGGREGATING UP TO Rs. 300,00,00,000 (RUPEES THREE HUNDRED CRORE) and give our consent to incorporate our name as "Registrar to the Issue" in the offer documents.

Our Permanent SEBI Registration No.: INR000004058.

Thanking You.

Yours faithfully,

For Link Intime India Pvt Ltd.

Ganesh Jadhav
Asst. Vice President - Depository Operations

IDBI Trusteeship Services Ltd.

CIN : U65991MH2001GOI131154
No. 55407/ITSL/OPR/CL/22-23/DEB/1306

March 10, 2023



PNB Housing Finance Limited

9th Floor, Antriksh Bhawan, 22 KG Marg,
New Delhi 110001

Kind Attn: Ms. Pooja Poddar

Dear Sir,

Sub: Consent to act as Debenture Trustee for proposed Private Placement issuance of Secured Listed Redeemable Non-Convertible Debentures of INR 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) WITH GREEN SHOE OPTION UPTO INR 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) AGGREGATING UP TO INR 300,00,00,000 (RUPEES THREE HUNDRED CRORE) FOR SERIES LVII to be issued by PNB Housing Finance Limited ("the Company/Issuer")

This is with reference to your mail dated February 28, 2023 regarding appointment of IDBI Trusteeship Services Limited (ITSL) as Debenture Trustee for proposed Private Placement issuance of Secured Listed Redeemable Non-Convertible Debentures of INR 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) WITH GREEN SHOE OPTION UPTO INR 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) AGGREGATING UP TO INR 300,00,00,000 (RUPEES THREE HUNDRED CRORE) FOR SERIES LVII to be issued by PNB Housing Finance Limited ("the Company/Issuer"). In this regards it would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee.

It would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee.

Accordingly, we hereby confirm our acceptance to act as Debenture Trustee for the above, subject to the company agreeing the conditions as set out in Annexure - A.

We are also agreeable for inclusion of our name as trustees in the Company's offer document / disclosure document / listing application / any other document to be filed with SEBI / ROC / the Stock Exchange(s) or any other authority as required.

PNB Housing Finance Limited shall enter into Debenture Trustee Agreement for the above Debenture issue program.

Thanking you,

Yours faithfully,

For IDBI Trusteeship Services Limited

M. G. KHANANI

Authorised Signatory



- 1) The Company agrees and undertakes to create the securities over such of its assets as particularly described in Information Memorandum and on such terms and conditions as agreed by the Debenture holders and disclose in the Information Memorandum or Disclosure Document and execute, the Debenture Trust Deed and other necessary security documents for each series of Debentures as approved by the Debenture Trustee, within a period as per applicable law.
- 2) The Company hereby agree & undertakes to pay to the Debenture Trustee so long as they hold the office of the Debenture Trustee, remuneration as mutually agreed for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other Documents affecting the Security till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.
- 3) The Company hereby agree & undertakes to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Circular No. SEBI/IMD/DOF-1/Debenture/2009/11/05 dated 11/05/2009 on Simplified Listing Agreement for Debt Securities read with the SEBI Circular No. SEBI/IMD/DOF-1/DEBENTURE/Cir-5/2009 dated the 26th November, 2009, SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated 3rd November, 2020, SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated 12th November, 2020, the Companies Act, 2013 as amended from time to time and other applicable provisions as amended from time to time and agree to furnish to Debenture Trustee such information in terms of the same on regular basis.



Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(For Quarter ended December 31, 2022)

1.	Name of Listed Entity: PNB Housing Finance Limited
2.	Scrip Code/Name of Scrip/Class of Security: 540173
3.	Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c)
	a. If under 31(1)(b) then indicate the report for Quarter ending: December 31, 2022
	b. If under 31(1)(c) then indicate date of allotment/extinguishment
4.	Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in locked-in?		No
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No

Table I - Summary Statement holding of specified securities

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total shares (calculate as per SCRR, 1957)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
								Class eg: X	Class eg: y	Total			No. (a)	No. (a)		
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (iv)+(v)+(vi)	(viii) As a % of total shares	(ix)			(x)	(xi) = (viii)+(x)	(xii)	(xiii)	(xiv)	
(A)	Promoter & Promoter Group	1	54914840	0	0	54914840	32.53	54914840	0	54914840	32.53	0	0	0	54914840	
(B)	Public	118146	113878424	0	0	113878424	67.47	113878424	0	113878424	67.47	0	0	0	113878418	
(C)	Non Promoter - Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	
(C1)	Shares Underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0	
	Total	118147	168793264	0	0	168793264	100	168793264	0	168793264	100	0	0	0	168793258	

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category & Name of the shareholders	Entity Type	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		Shareholding, as a % assuming conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			(X)	(XI)	(XII)	(XIII)	
								Class e.g: X	Class e.g: Y Total						
		(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+	(VIII) As a	(IX)	(X)	(XI)=	(XII)	(XIII)	(XIV)		
1															
(a) Indian Individuals / Hindu Undivided Family		0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Central Government / State Government(s)		0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c) Financial Institutions / Banks		0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d) Any Other (Specify)		1	54914840	0	0	54914840	32.53	54914840	0	54914840	0	0	0	0	54914840
Bodles Corporate		1	54914840	0	0	54914840	32.53	54914840	0	54914840	0	0	0	0	54914840
Punjab National Bank	Promoter Group	1	54914840	0	0	54914840	32.53	54914840	0	54914840	0	0	0	0	54914840
Sub Total (A)(1)		1	54914840	0	0	54914840	32.53	54914840	0	54914840	0	0	0	0	54914840
2															
Individuals (Non-Resident Individuals / Foreign Individuals)		0	0	0	0	0	0	0	0	0	0	0	0	0	0
(a) Government		0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Institutions		0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c) Foreign Portfolio Investor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d) Any Other (Specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Sub Total (A)(2)		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)		1	54914840	0	0	54914840	32.53	54914840	0	54914840	0	0	0	0	54914840

Table III - Statement showing shareholding pattern of the Public shareholder

Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held (VI) = (IV)+(V)+ (VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities as a percentage of diluted share capital (XII) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Sub-categorization of shares		
							Class eg: X	Class eg: Y	Total			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	Sub-category(i)	Sub-category(ii)	Sub-category(iii)
1	Institutions (Domestic)																	
(a)	Mutual Fund	6	2607309	0	2607309	1.54	2607309	0	2607309	1.54	0	0	0	0	0	0	0	
	Tata Mutual Fund- Tata Equity P/E Fund	1	2541674	0	2541674	1.51	2541674	0	2541674	1.51	0	0	0	0	0	0	0	
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(c)	Alternate Investment Funds	2	117448	0	117448	0.07	117448	0	117448	0.07	0	0	0	0	0	0	0	
(d)	Banks	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(e)	Insurance Companies	6	2316991	0	2316991	1.37	2316991	0	2316991	1.37	0	0	0	0	0	0	0	
(f)	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(g)	Asset Reconstruction Companies	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(h)	Sovereign Wealth Funds	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(i)	NBFCs registered with RBI	1	3000	0	3000	0.00	3000	0	3000	0.00	0	0	0	0	0	0	0	
(j)	Other Financial Institutions	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(k)	Any Other (Specify)	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
	Sub Total (B)(1)	15	5044748	0	5044748	2.99	5044748	0	5044748	2.99	0	0	0	0	0	0	0	
2	Institutions (Foreign)																	
(a)	Foreign Direct Investment	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(b)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(c)	Sovereign Wealth Funds	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(d)	Foreign Portfolio Investors Category I	91	39903869	0	39903869	23.64	39903869	0	39903869	23.64	0	0	0	0	0	0	0	
	Investment Opportunities V Pte. Limited	1	16687956	0	16687956	9.89	16687956	0	16687956	9.89	0	0	0	0	0	0	0	
	General Atlantic Singapore Fund Pte Ltd	1	16593240	0	16593240	9.83	16593240	0	16593240	9.83	0	0	0	0	0	0	0	
(e)	Foreign Portfolio Investors Category II	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(f)	Any Other (Specify)	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(g)	Sub Total (B)(2)	91	39903869	0	39903869	23.64	39903869	0	39903869	23.64	0	0	0	0	0	0	0	
3	Central Government/ State Government(s)																	
(a)	Central Government / President of India	1	1060	0	1060	0.00	1060	0	1060	0.00	0	0	0	0	0	0	0	
(b)	State Government / Governor	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	
	Sub Total (B)(3)	1	1060	0	1060	0.00	1060	0	1060	0.00	0	0	0	0	0	0	0	

Table VI - Statement showing foreign ownership limits

Particular	Approved limits (%)	Limits utilized (%)
As on shareholding date	74	56.11
As on the end of previous 1st quarter	74	55.74
As on the end of previous 2nd quarter	74	56.4
As on the end of previous 3rd quarter	74	56.77
As on the end of previous 4th quarter	74	58.35

Notes :-

1) "Approved Limits (%)" means the limit approved by Board of Directors / shareholders of the Listed entity. In case the listed entity has no Board approved limit, provide details of sectoral / statutory cap prescribed by Government / Regulatory Authorities

2) Details of Foreign ownership includes foreign ownership / investments as specified in Rule 2(s) of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, made under the Foreign Exchange Management Act, 1999.



PNB HOUSING FINANCE LIMITED

CIN: L65922DL1988PLC033856

Registered office: 9th Floor, Antriksh Bhawan, 22 K G Marg, New Delhi-110001

Date:

Application No.	PNBHFL/NCD/22-23/Mar/Series-LVII/____
-----------------	---------------------------------------

To
Board of Directors
PNB Housing Finance Limited

Dear Sir(s)

Sub: Issue of Listed, Secured, Rated, Taxable, Redeemable Non - Convertible Debentures (the "NCDs") of face value of INR 1,00,000 each under series LVII with a Base Issue of Rupees One Hundred and Fifty Crore with a Green Shoe Option up to Rupees One Hundred and Fifty Crore, Total Aggregating to Rupees Three Hundred Crore only on a Private Placement Basis (The "Issue").

Having read and understood the contents of the Placement Memorandum dated March 16, 2023, attached, we apply for allotment to me/us of the NCDs. The amount payable on application as shown below is remitted herewith. On allotment, please place my/ our name(s) on the Register of Debenture holder(s). We bind ourselves to the terms and conditions as mentioned in the Placement Memorandum dated March 16, 2023

(Please read carefully the instructions on the next page before filling up this form)

Debenture Series	8.70% PNB Housing Finance Limited 2024 Series LVII	
Number of debentures applied for	No. in figures	No. in words
Amount (Rs.) in figures		
Amount (Rs.) in words		
Cheque / Demand Draft No. / RTGS UTR No.	Date	Cheque / Draft drawn on

Applicant's Name and Address in full (in capital letters):

City:	State:	Pin code:
Tel:	Fax:	Email:

Status:

Company <input type="checkbox"/>	Mutual Fund <input type="checkbox"/>	Financial Institution <input type="checkbox"/>
Insurance Company <input type="checkbox"/>	Bank <input type="checkbox"/>	Others <input type="checkbox"/> _____ (please specify)

Details of Bank Account through which investment is being done:

Bank Name	
Branch	
Account Type	
Account No.	
IFSC Code	

Depository Details:

I/We, the undersigned, want delivery of the Debentures in Electronic Form. Details of my/our Beneficiary (Electronic) account are given below:

Depository Name	
DP ID	
Client ID	

We understand that in case of allotment of debentures to us/our Beneficiary Account as mentioned above would be credited to the extent of debentures allotted.

We confirm that we have not been debarred from accessing the capital market or have not been restrained by any regulatory authority from directly or indirectly acquiring the said securities.

Tax Details:

Tax Deduction Status	Fully Exempt	Tax to be deducted at source <input type="checkbox"/>
		Yes <input type="checkbox"/> No <input type="checkbox"/>

Copies of tax exemption certificate / PAN Card / Declarations attached:

Name of authorized signatory	Designation	Signature



PNB HOUSING FINANCE LIMITED

CIN: L65922DL1988PLC033856

Registered office: 9th Floor, Antriksh Bhawan, 22 K G Marg, New Delhi-110001

ACKNOWLEDGEMENT SLIP

Application No: - PNBHFL/NCD/22-23/Mar/Series-LVII/___

Date:

Received from _____

Rs. _____ /- by Cheque / Demand Draft No. _____

drawn on _____ towards application for _____

Non-Convertible Debentures.

(Cheques / Demand Drafts are subject to realization)

INSTRUCTIONS

1. Application Form must be completed in full in BLOCK LETTERS IN ENGLISH. A blank space must be left between two or more parts of the name. Signatures should be made in English or in any of the Indian languages. Signature in a language other than English must be attested by an authorized official of a Bank or by a magistrate / notary public under his / her official seal.
2. The full amount of Non-Convertible Debenture has to be paid along with the application form.
3. Application form duly completed in all respects together with KYC documents mentioned elsewhere in this Placement Memorandum provided and must be submitted to the Corporate Office of the Company at 9th Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi - 110 001.
4. The participants must ensure to do the funds pay-in from their same bank account which is updated by them on the NSE BOND (EBP) platform while placing the bids.
5. Payment must be made by electronic mode i.e. RTGS / NEFT in favour of "National Securities Clearing Corporation Ltd" in line with NSE operational and SEBI regulations and circular clear funds should be reflected on or before 10:30 AM on PAY-IN-Date.
6. Applications made by categories of investors other than individuals must be accompanied by certified copies of Memorandum and Articles of Association, Board Resolution / Power of Attorney for investment, authority to authorized signatories in case of limited companies or corporate bodies.
7. Please mention your Permanent Account Number or the GIR number allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor GIR number has been allotted, the fact of non-allotment should be mentioned in the application form in space provided. Income tax as applicable will be deducted at source at the time of payment of interest.
8. Copy of PAN card and if TDS is exempt a copy of tax exemption certificate to be attached.
9. Receipt of application will be acknowledged in the "Acknowledgement Slip" appearing below the Application Form. No separate receipt will be issued.
10. The application would be accepted as per the terms of the issue outlined in the Placement Memorandum dated March 16, 2023.

To,
Stock Exchange,
Dear Sir / Madam,
SUB.: ISSUE OF Private Placement issuance of Secured Listed Redeemable Non-Convertible Debentures of INR 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) WITH GREEN SHOE OPTION UPTO INR 150,00,00,000 (RUPEES ONE HUNDRED AND FIFTY CRORE) AGGREGATING UP TO INR 300,00,00,000 (RUPEES THREE HUNDRED CRORE) FOR SERIES LVII BY PNB HOUSING FINANCE LTD.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
 - 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:
We confirm that:
 - a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.
 - b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
 - c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.
 - d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.
 - e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.
 - f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.
 - g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.
- We have satisfied ourselves about the ability of the Issuer to service the debt securities.

PLACE: MUMBAI

DATE: 2023-03-10

Digitally signed by

Signer: SHEETAL CHINTAN MEHTA
Date: Friday, March 10, 2023 8:56 PM





CERTIFICATE

To
IDBI Trusteeship Services Limited
(on behalf of proposed NCD Investors)
Universal Insurance Building,
Ground Floor, Sir P.M. Road,
Fort, Mumbai - 400001

Independent Statutory Auditor's Certificate on Confirmation of Eligibility of PNB Housing Finance Limited ("Issuer" or the "Company") to issue Listed, Secured, Rated, Taxable, Redeemable Non-Convertible Debentures.

We understand that PNB Housing Finance Limited having its registered office at 9th Floor Antriksh Bhawan 22 KG Marg New Delhi 110001, is required to obtain a certificate with respect to Eligibility of the Company to issue Listed, Secured, Rated, Taxable, Redeemable Non- Convertible Debentures (8.70% PNB Housing Finance Limited 2024 Series LVII) on private placement basis, as on March 10, 2023, in accordance with Chapter XI 'Guidelines on Private Placement of Non-Convertible Debentures (NCDs)' of Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 ("Master Direction") issued by RBI on February 17, 2021.

Management's Responsibility

The Company's Management is responsible for the preparation and maintenance of all accounting and other relevant supporting records and documents and for the Compliance of Master Direction issued by RBI. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and maintenance of the records with respect to eligibility conditions mentioned in the Master Direction.

Auditor's Responsibility

Our responsibility is to provide reasonable assurance with respect to Eligibility of the Company to issue Listed, Secured, Rated, Taxable, Redeemable Non- Convertible Debentures (8.70% PNB Housing Finance Limited 2024 Series LVII) on private placement basis, as on March 10, 2023, in accordance with Chapter XI 'Guidelines on Private Placement of Non-Convertible Debentures (NCDs)' of Master Direction.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

T R Chadha & Co., a partnership firm converted into T R Chadha & Co LLP
(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28th December, 2015

Regd. /Corporate Office : B-30, Connaught Place, Kuthiala Building, New Delhi - 110001
Phone : 43259900, Fax : 43259930, E-mail : delhi@trchadha.com



T R Chadha & Co LLP

Chartered Accountants



We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

Opinion

Based on the information and explanations given to us and management representation with respect to eligibility of the Company to issue Non-Convertible Debentures in accordance with Master Direction issued by RBI, we certify that PNB Housing Finance Limited, having its registered office at 9th floor, Antriksh Bhawan, 22 Kasturba Gandhi Marg, New Delhi 110001, is eligible to issue Rs. 300 Crore (Rs. Three Hundred Crore only) including Green Shoe option to retain oversubscription upto Rs 150 Crore, in the nature of listed, secured, rated, taxable, redeemable non-convertible debentures (8.70% PNB Housing Finance Limited 2024 Series LVII) on private placement basis, as on March 10, 2023, in accordance with Chapter XI 'Guidelines on Private Placement of Non-Convertible Debentures (NCDs)' of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

Restriction on Use

This certificate has been issued to the management of PNB Housing Finance Limited for the purpose of submission to their Debenture Trustees acting on behalf of the investors of the proposed NCD issue. Our certificate should not be used for any other purpose or by any person other than the addressees of this certificate. Accordingly, we do not accept or assume any liability or duty of care to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For T R Chadha & Co LLP
Chartered Accountants

Firm's Registration Number 006711N/N500028

Neena Goel

Neena Goel
Partner

M. No. 057986

UDIN: 23057986BGVLCR1144

Place: New Delhi

Date: 10th March 2023



T R Chadha & Co., a partnership firm converted into T R Chadha & Co LLP
(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28th December, 2015

Regd. /Corporate Office : B-30, Connaught Place, Kuthiala Building, New Delhi - 110001
Phone : 43259900, Fax : 43259930, E-mail : delhi@trchadha.com



National Stock Exchange Of India Limited

Ref. No.: NSE/LIST/6070

March 13, 2023

The Company Secretary
PNB Housing Finance Limited
9th Floor, Antriksh Bhavan,
22, Kasturba Gandhi Marg,
New Delhi - 110001.

Kind Attn.: Mr. Sanjay Jain

Dear Sir,

Sub.: In-principle approval for listing of Non-Convertible Debentures on private placement basis

This is with reference to your application dated March 12, 2023 requesting for in-principle approval for the proposed listing of senior, secured, rated, taxable, redeemable, non-cumulative, non-convertible debentures of face value of Rs. 100000/- each, for base issue size of Rs. 15000 lakhs with a green shoe option of Rs. 15000 lakhs, aggregating to total issue size of Rs 30000 lakhs, to be issued by PNB Housing Finance Limited on private placement basis. In this regard, the Exchange is pleased to grant in-principle approval for the said issue, subject to adequate disclosures to be made in the Offer Document in terms of Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard and provided the Company includes the Disclaimer Clause as given below in the Offer Document after the SEBI disclaimer clause:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). It is to be distinctly understood that the aforesaid submission or in-principle approval given by NSE vide its letter Ref.: NSE/LIST/6070 dated March 13, 2023 or hosting the same on the website of NSE in terms of Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 as amended from time to time, should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever”



Ref. No.: NSE/LIST/6070

March 13, 2023

Please note that the approval given by us should not in any way be deemed or construed that the draft Offer Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this draft offer document; nor does it warrant that the securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project.

Kindly also note that these debt instruments may be listed on the Exchange after the allotment process has been completed, provided the securities of the issuer are eligible for listing on the Exchange as per our listing criteria and the issuer fulfills the listing requirements of the Exchange. The issuer is responsible to ensure compliance with all the applicable guidelines issued by appropriate authorities from time to time including Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard.

Specific attention is drawn towards Para 1 of Chapter XV of SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021. Accordingly, Issuers of privately placed debt securities in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of allotment of securities. The details can be uploaded using the following links:

<https://www.nse-ebp.com>

<https://www.nseebp.com/ebp/rest/reportingentity?new=true>

Kindly ensure compliance with SEBI Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/167 dated November 30, 2022 with respect to the timelines for listing of securities issued on a private placement basis.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/Rule/Bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

Yours faithfully,
For National Stock Exchange of India Limited

Prakash Kelkar,
Manager



Statement of consolidated Profit and Loss

(₹ in crore)

Particulars	Half year ended	Year ended		
	30-Sep-22	31-Mar-22	31-Mar-21	31-Mar-20
	(Unaudited)	(Audited)		
Revenue from operations				
Interest income	2,896.20	5,822.00	7,189.83	7,688.21
Fees and commission income	181.96	262.55	181.23	298.84
Net gain on fair value changes	6.05	111.38	162.33	158.64
Income on derecognised (assigned) loans	10.90	-	70.53	336.15
Total revenue from operations	3,095.11	6,195.93	7,603.92	8,481.84
Other income	0.31	4.80	20.16	7.71
Total income (I+II)	3,095.42	6,200.73	7,624.08	8,489.55
Expenses				
Finance cost	1,894.13	4,064.46	5,100.73	5,874.95
Impairment on financial instruments & write-offs	291.51	576.36	861.90	1,251.37
Employee benefits expenses	129.50	216.61	211.29	233.06
Depreciation and amortisation	26.21	53.39	59.01	65.85
Fees and commission expense	5.00	11.12	11.61	8.92
Other expenses	97.54	194.83	172.51	244.39
Total expenses	2,443.89	5,116.77	6,417.05	7,678.54
Profit before tax (III-IV)	651.53	1,083.96	1,207.03	811.01
Tax expense:				
-Current tax	123.90	249.15	413.25	389.24
-Deferred tax ((credit)/charge)	30.04	(1.67)	(136.12)	(224.47)
Total tax expense	153.94	247.48	277.13	164.77
Net profit after tax (V-VI)	497.59	836.48	929.90	646.24
Other comprehensive income				
A (i) Items that will not be reclassified to profit or loss: Remeasurement gain/ (loss) on defined benefit plan	0.06	1.34	2.43	0.79
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.01)	(0.34)	(0.61)	(0.20)
B (i) Items that will be reclassified to profit or loss: Cash flow hedge	81.84	128.69	(30.08)	(46.91)
(ii) Income tax relating to items that will be reclassified to profit or loss	(20.60)	(32.39)	7.57	(8.98)
Total comprehensive income (VII+VIII)	558.88	933.78	909.21	590.94
Profit for the year, net of tax attributable to				
Owners of the parent	497.59	836.48	929.90	646.24
Non-controlling interest	-	-	-	-
Other comprehensive income/ (loss) for the year, net of tax attributable to				
Owners of the parent	61.29	97.30	(20.69)	(55.30)
Non-controlling interest	-	-	-	-
Total comprehensive income for the year, net of tax attributable to				
Owners of the parent	558.88	933.78	909.21	590.94
Non-controlling interest	-	-	-	-
Earnings per share (of ₹ 10 each)*				
-Basic (₹)	29.51	49.64	55.29	38.45
-Diluted (₹)	29.47	49.53	55.26	38.41

* EPS for the quarters are not annualised

Consolidated Statement of Balance Sheet

(₹ in crore)

Particulars	As at			
	30-Sep-22	31-Mar-22	31-Mar-21	31-Mar-20
	(Unaudited)		(Audited)	
ASSETS				
Financial assets				
Cash and cash equivalents	3,245.78	5,065.62	6,968.56	8,514.32
Bank balance other than (a) above	0.07	150.47	0.07	0.07
Derivative financial instruments	645.40	242.25	-	125.66
Trade receivables	23.23	42.80	44.94	44.90
Loans	55,670.10	55,335.94	60,644.72	66,628.02
Investments	3,343.71	3,482.70	2,044.82	2,075.74
Other financial assets	748.16	673.91	906.58	701.70
Sub total - financial assets	63,676.45	64,993.69	70,609.69	78,090.41
Non - financial assets				
Current tax assets (net)	138.97	47.30	-	61.01
Deferred tax assets (net)	348.26	398.90	429.63	285.94
Investment property	0.52	0.53	0.54	0.55
Property, plant and equipment	68.18	71.38	81.75	105.31
Right of use assets	65.35	60.47	78.09	119.80
Capital work-in-progress	-	-	0.01	1.23
Other Intangible assets	16.13	18.02	20.89	25.42
Intangible assets under developments	1.19	3.54	2.37	2.83
Other non-financial assets	43.27	26.95	32.75	30.67
Assets held for sale	106.97	108.83	136.48	206.56
Sub total - non - financial assets	788.84	735.92	782.51	839.32
TOTAL - ASSETS	64,465.29	65,729.61	71,392.20	78,929.73
LIABILITIES				
Financial liabilities				
Derivative financial instruments	-	-	51.44	-
Payables				
(I) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	21.94	16.29	17.82	86.92
(II) Other Payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
Debt securities	4,073.08	6,201.97	11,461.48	17,836.46
Borrowings (other than debt securities)	28,919.12	27,715.84	29,746.34	32,328.12
Deposits	17,367.47	17,648.98	16,746.04	16,131.94
Subordinated liabilities	1,438.27	1,438.18	1,438.58	1,438.58
Other financial liabilities	2,047.47	2,520.79	2,675.65	1,689.95
Sub total - financial liabilities	53,867.35	55,542.05	62,137.35	69,511.97
Non financial liabilities				
Current tax liabilities	-	-	62.93	-
Provisions	22.37	17.33	18.39	18.94
Other non-financial liabilities	137.27	298.60	250.50	1,401.05
Sub total - non financial liabilities	159.64	315.93	331.82	1,419.99
EQUITY				
Equity share capital	168.62	168.60	168.27	168.19
Other equity	10,269.68	9,703.03	8,754.76	7,829.58
Subtotal - equity	10,438.30	9,871.63	8,923.03	7,997.77
TOTAL - EQUITY AND LIABILITIES	64,465.29	65,729.61	71,392.20	78,929.73

Statement of Consolidated Cash Flow

(₹ in crore)

Particulars	For half year ended		For the year ended	
	30-Sep-22	31-Mar-22	31-Mar-21	31-Mar-20
	(Unaudited)		(Audited)	
Cash flow from operating activities				
Profit before tax	651.53	1,083.96	1,207.03	811.01
Adjustment to reconcile profit before tax to net cash flows:				
Depreciation and amortisation	26.21	53.39	59.01	65.85
Net loss on sale of property, plant and equipment	0.16	0.19	3.71	0.61
Impairment on financial instruments	(317.56)	14.33	778.75	1173.15
Impairment on assets held for sale	-	7.86	26.64	55.80
Net loss / (gain) on financial asset at fair value through profit and loss	18.28	10.04	4.71	0.47
Share based payment expense	7.49	3.67	13.30	21.06
Effective interest rate on financial assets	(18.48)	(11.30)	33.18	(21.83)
Effective interest rate on financial liabilities	(4.90)	111.03	(40.96)	68.75
Interest expenses	1,891.09	4,057.94	5,075.84	-
Income on derecognised (assigned) loans	(72.74)	232.13	(172.21)	(181.48)
Restructured loss/ (gain) on financial assets	3.42	(13.93)	(62.11)	-
Interest on leases including modification gain / (loss)	3.04	6.52	6.96	11.03
Re-measurement on defined benefit plan	-	-	-	0.79
Advances written-off	2.23	-	-	-
Bad debts written-off	609.06	562.03	83.07	78.22
	2,147.30	5,033.90	5,809.89	1,272.42
Operating profits before changes in working capital	2,798.83	6,117.86	7,016.92	2,083.43
Working Capital changes				
Increase/(decrease) in trade payables	5.65	(1.53)	(69.10)	(40.24)
Increase/(decrease) in provision	5.10	0.28	3.88	(7.98)
Increase/(decrease) in other financial liabilities	(1,007.64)	(11.76)	287.06	(539.78)
Increase/(decrease) in non financial liabilities	(161.33)	48.10	(268.18)	(599.03)
(Increase)/ decrease in loans at amortised cost	(524.37)	4,769.22	5,150.67	6,430.92
(Increase) / decrease in trade receivable	19.58	2.16	(0.04)	(6.02)
(Increase)/decrease in other financial asset	(1.99)	1.03	(34.93)	(6.46)
Derivative impact of external commercial borrowings	-	-	-	(383.37)
(Increase)/decrease in other non financial asset	(16.32)	5.80	(3.43)	(12.99)
Investments (Net)	-	-	-	2,485.53
Proceeds from sale of asset held for sale	1.86	19.79	43.44	(131.25)
Decrease in bank balance other than cash and cash equivalents	150.40	(150.40)	0.00	0.04
	(1,529.06)	4,682.69	5,109.37	7,189.37
Cash generated from / (used in) operations before adjustments for interest and taxes paid	1,269.77	10,800.55	12,126.29	9,272.80
Interest Paid	(1,405.49)	(4,184.76)	(5,219.27)	-
Taxes paid (net of refunds)	(215.56)	(359.71)	(295.74)	(344.30)
Net cash (used in) / generated from operating activities	(351.28)	6,256.08	6,611.28	8,928.50
Cash flow from investing activities				
Purchase of property, plant and equipment and other intangible assets	(7.46)	(13.97)	(7.72)	(63.75)
Capital work-in-progress and intangible assets under development (net)	0.12	(1.16)	1.69	1.11
Proceeds from sale of property, plant and equipment and other intangible assets	0.17	0.13	0.37	0.11
Investments (net)	34.95	(1,459.99)	26.21	-
Net cash generated from / (used in) investing activities	27.78	(1,474.99)	20.55	(62.53)
Cash flow from financing activities				
Proceeds from				
Debt securities and subordinated liabilities	-	455.00	1,690.00	3,000.00
Borrowings from bank	8,856.06	19,698.27	18,181.48	15,989.83
Deposits (net)	(229.98)	901.39	630.68	2,107.97
Commercial paper	-	-	2,125.00	-
Repayment of				
Debt securities and subordinated liabilities	(2,130.00)	(4,673.00)	(8,746.00)	(7,308.00)
Borrowings from bank	(7,975.70)	(21,920.17)	(20,612.66)	(10,448.29)
Commercial paper	-	(1,125.00)	(1,416.00)	(7,534.00)
Lease Liability	(17.02)	(31.67)	(32.83)	(35.02)
Proceeds from issue of share capital including securities premium	0.30	11.15	2.74	24.27
Dividend paid (including dividend distribution tax)	-	-	-	(182.37)
Net cash (used in) / generated from financing activities	(1,496.34)	(6,684.03)	(8,177.59)	(4,385.61)
Net changes in cash & cash equivalents	(1,819.84)	(1,902.94)	(1,545.76)	4,480.36
Cash or cash equivalents at the beginning of the period	5065.62	6,968.56	8,514.32	4,033.96
Cash or cash equivalents at the end of the period	3245.78	5,065.62	6,968.56	8,514.32
Net (decrease)/increase of cash & cash equivalents during the period	(1,819.84)	(1,902.94)	(1,545.76)	4,480.36

Note : Figures in bracket denotes application of cash

Statement of standalone Profit and Loss

(₹ in crore)

Particulars	Half year ended	Year ended		
	30-Sep-22	31-Mar-22	31-Mar-21	31-Mar-20
	(Unaudited)	(Audited)		
Revenue from operations				
Interest income	2,885.27	5,792.65	7,191.62	7,689.46
Dividend income	-	-	-	110.00
Fees and commission income	174.61	239.34	142.26	185.90
Net gain on fair value changes	5.74	109.10	160.79	156.81
Income on derecognised (assigned) loans	10.90	-	70.53	336.15
Total revenue from operations	3,076.52	6,141.09	7,565.20	8,478.32
Other income	0.66	4.83	18.78	7.60
Total income (I+II)	3,077.18	6,145.92	7,583.98	8,485.92
Expenses				
Finance cost	1,894.61	4,065.63	5,100.40	5,875.30
Impairment on financial instruments & write-offs	291.52	576.38	861.83	1,250.51
Employee benefits expenses	105.30	180.05	176.37	195.28
Depreciation and amortisation	26.11	53.18	58.78	65.64
Fees and commission expense	4.28	9.00	6.68	8.03
Other expenses	103.72	198.91	193.20	266.16
Total expenses	2,425.54	5,083.15	6,397.26	7,660.92
Profit before tax (III-IV)	651.64	1,062.77	1,186.72	825.00
Tax expense:				
-Current tax	120.37	242.56	407.96	366.32
-Deferred tax ((credit)/charge)	30.16	(1.71)	(146.46)	(223.63)
Total tax expense	150.53	240.85	261.50	142.69
Net profit after tax (V-VI)	501.11	821.92	925.22	682.31
Other comprehensive income				
A (i) Items that will not be reclassified to profit or loss: Remeasurement gain/ (loss) on defined benefit plan	(0.06)	0.43	1.68	0.27
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.01	(0.11)	(0.42)	(0.07)
B (i) Items that will be reclassified to profit or loss: Cash flow hedge	81.84	128.69	(30.08)	(46.91)
(ii) Income tax relating to items that will be reclassified to profit or loss	(20.60)	(32.39)	7.57	(8.98)
Total comprehensive income (VII+VIII)	562.30	918.54	903.97	626.62
Earnings per share (of ₹ 10 each)*				
-Basic (₹)	29.72	48.78	55.01	40.60
-Diluted (₹)	29.68	48.67	54.98	40.55

* EPS for the quarters are not annualised

Standalone Statement of Balance Sheet

(₹ in crore)

Particulars	As at			
	30-Sep-22	31-Mar-22	31-Mar-21	31-Mar-20
	(Unaudited)	(Audited)		
ASSETS				
Financial assets				
Cash and cash equivalents	3,151.04	4,964.37	6,906.43	8,512.46
Bank balance other than (a) above	0.07	150.47	0.07	0.07
Derivative financial instruments	645.40	242.25	-	125.66
Trade receivables	11.96	39.02	15.03	5.84
Loans	55,728.42	55,380.74	60,687.37	66,668.68
Investments	3,329.39	3,472.02	2,032.92	2,048.32
Other financial assets	748.15	673.91	906.08	701.69
Sub total - financial assets	63,614.43	64,922.78	70,547.90	78,062.72
Non - financial assets				
Current tax assets (net)	127.87	37.55	-	43.44
Deferred tax assets (net)	348.06	398.80	429.48	275.45
Investment property	0.52	0.53	0.54	0.55
Property, plant and equipment	68.15	71.33	81.68	105.21
Right of use assets	65.28	60.39	78.00	119.69
Capital work-in-progress	-	-	0.01	1.23
Other Intangible assets	15.94	17.74	20.43	24.80
Intangible assets under developments	1.19	3.54	2.37	2.83
Other non-financial assets	43.87	27.81	35.63	31.70
Assets held for sale	106.97	108.83	136.48	206.56
Sub total - non - financial assets	777.85	726.52	784.62	811.46
TOTAL - ASSETS	64,392.28	65,649.30	71,332.52	78,874.18
LIABILITIES				
Financial liabilities				
Derivative financial instruments	-	-	51.44	-
Payables				
(I) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	21.13	27.14	27.80	83.54
(II) Other Payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
Debt securities	4,073.08	6,201.97	11,461.48	17,836.46
Borrowings (other than debt securities)	28,919.12	27,715.84	29,746.34	32,328.12
Deposits	17,367.46	17,648.97	16,747.42	16,132.68
Subordinated liabilities	1,438.27	1,438.18	1,438.58	1,438.58
Other financial liabilities	2,044.84	2,502.94	2,659.48	1,689.55
Sub total - financial liabilities	53,863.90	55,535.04	62,132.54	69,508.93
Non financial liabilities				
Current tax liabilities	-	-	65.59	-
Provisions	21.93	17.12	17.97	18.43
Other non-financial liabilities	135.81	296.60	249.24	1,399.66
Sub total - non financial liabilities	157.74	313.72	332.80	1,418.09
EQUITY				
Equity share capital	168.62	168.60	168.27	168.19
Other equity	10,202.02	9,631.94	8,698.91	7,778.97
Subtotal - equity	10,370.64	9,800.54	8,867.18	7,947.16
TOTAL - EQUITY AND LIABILITIES	64,392.28	65,649.30	71,332.52	78,874.18

Statement of standalone Cash Flow

(₹ in crore)

Particulars	For the half year ended		For the year ended		
	30-Sep-22		31-Mar-22	31-Mar-21	31-Mar-20
	(Unaudited)		(Audited)		
Cash flow from operating activities					
Profit before tax	651.64	1,062.77	1,186.72	825.00	
Adjustment to reconcile profit before tax to net cash flows:					
Depreciation and amortisation	26.11	53.18	58.78	65.64	
Net loss on sale of property, plant and equipment	0.16	0.19	3.71	0.61	
Impairment on financial instruments	(317.54)	14.35	778.75	1173.15	
Impairment on assets held for sale	-	7.86	26.64	55.80	
Net loss / (gain) on financial asset at fair value through profit and loss	18.28	10.06	4.43	(0.22)	
Share based payment expense	7.49	3.67	13.30	21.06	
Effective interest rate on financial assets	39.85	33.50	20.22	(34.78)	
Effective interest rate on financial liabilities	(4.89)	109.64	(40.96)	68.75	
Interest expenses	1,891.58	4,059.12	5,076.40	-	
Income on derecognised (assigned) loans	(72.74)	232.13	(172.22)	(181.48)	
Restructured loss/ (gain) on financial assets	3.42	(13.93)	(62.11)	-	
Interest on leases including modification gain/(loss)	3.03	6.51	6.95	11.02	
Re-measurement on defined benefit plan	-	-	-	0.27	
Advances written-off	2.23	-	-	-	
Bad debts written-off	609.06	562.03	83.07	77.36	
	2,206.04	5,078.31	5,796.96	1,257.18	
Operating profits before changes in working capital	2,857.68	6,141.08	6,983.68	2,082.18	
Working Capital changes					
Increase/(decrease) in trade payables	(6.01)	(0.66)	(55.74)	(48.62)	
Increase/(decrease) in provision	4.75	(0.42)	3.22	(6.96)	
Increase/(decrease) in other financial liabilities	(992.43)	(13.46)	271.29	(530.12)	
Increase/(decrease) in non financial liabilities	(160.79)	47.36	(268.06)	(597.04)	
(Increase) / decrease in loans at amortised cost	(596.22)	4,722.27	5,161.63	6,443.66	
(Increase) / decrease in trade receivable	27.06	(23.99)	(9.19)	20.90	
(Increase) / decrease in other financial asset	(1.98)	0.53	(34.43)	(6.48)	
Derivative impact of external commercial borrowings	-	-	-	(383.37)	
(Increase)/decrease in other non financial asset	(16.06)	7.82	(5.27)	(21.62)	
Investments (Net)	-	-	-	2,410.40	
Proceeds from sale of asset held for sale	1.86	19.79	43.44	(131.25)	
Decrease in bank balance other than cash and cash equivalents	150.40	(150.40)	0.00	0.04	
	(1,589.42)	4,608.84	5,106.89	7,149.54	
Cash generated from / (used in) operations before adjustments for interest and taxes paid	1,268.26	10,749.92	12,090.57	9,231.72	
Interest Paid	(1,405.98)	(4,185.94)	(5,219.83)	-	
Taxes paid (net of refunds)	(210.70)	(345.81)	(305.18)	(320.58)	
Net cash (used in) / generated from operating activities	(348.42)	6,218.17	6,565.56	8,911.14	
Cash flow from investing activities					
Purchase of property, plant and equipment and other intangible assets	(7.47)	(13.97)	(7.70)	(63.63)	
Capital work-in-progress and intangible assets under development (net)	0.12	(1.16)	1.69	1.11	
Proceeds from sale of property, plant and equipment and other intangible assets	0.17	0.13	0.37	0.11	
Investments (net)	38.59	(1,461.23)	10.97	-	
Net cash generated from / (used in) investing activities	31.41	(1,476.23)	5.33	(62.41)	
Cash flow from financing activities					
Proceeds from					
Debt securities and subordinated liabilities	-	455.00	1,690.00	3,000.00	
Borrowings from bank	8,856.06	19,698.27	18,181.48	15,989.83	
Deposits (net)	(229.98)	901.39	631.32	2,108.71	
Commercial paper	-	-	2,125.00	-	
Repayment of					
Debt securities and subordinated liabilities	(2,130.00)	(4,673.00)	(8,746.00)	(7,308.00)	
Borrowings from bank	(7,975.70)	(21,920.17)	(20,612.66)	(10,448.29)	
Commercial paper	-	(1,125.00)	(1,416.00)	(7,534.00)	
Lease Liability	(17.00)	(31.64)	(32.80)	(35.01)	
Proceeds from issue of share capital including securities premium	0.30	11.15	2.74	24.27	
Dividend paid (including dividend distribution tax)	-	-	-	(159.75)	
Net cash (used in) / generated from financing activities	(1,496.32)	(6,684.00)	(8,176.92)	(4,362.24)	
Net changes in cash & cash equivalents	(1,813.33)	(1,942.06)	(1,606.03)	4,486.49	
Cash or cash equivalents at the beginning of the period	4,964.37	6,906.43	8,512.46	4,025.97	
Cash or cash equivalents at the end of the period	3,151.04	4,964.37	6,906.43	8,512.46	
Net (decrease)/increase of cash & cash equivalents during the period	(1,813.33)	(1,942.06)	(1,606.03)	4,486.49	

Note : Figures in bracket denotes application of cash

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

S.no.	Particulars	Quarter ended			Nine months ended		(₹ in crore)
		31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	Year ended
		(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: Remeasurement gain/ (loss) on defined benefit plan	(0.48)	(1.74)	1.20	(0.42)	0.66	1.34
	(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: Cash flow hedge	(4.87)	70.01	31.63	76.97	33.68	128.69
	(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



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

S.no.	Particulars	Quarter ended			Nine months ended		(₹ in crore)
		31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	Year ended
			(Unaudited)		(Unaudited)		31-Mar-22
	Revenue from operations						
(i)	Interest income	1,707.05	1,591.71	1,404.19	4,592.32	4,496.92	5,792.65
(ii)	Fees and commission income	63.62	65.81	54.97	238.23	128.13	239.34
(iii)	Net gain on fair value changes	16.55	5.74	23.07	22.29	101.88	109.10
(iv)	Income on derecognised (assigned) loans	-	8.92	-	10.90	-	-
I	Total revenue from operations	1,787.22	1,672.18	1,482.23	4,863.74	4,726.93	6,141.09
II	Other income	0.18	(0.62)	0.23	0.84	4.43	4.83
III	Total income (I+II)	1,787.40	1,671.56	1,482.46	4,864.58	4,731.36	6,145.92
	Expenses						
(i)	Finance cost	996.64	964.13	997.50	2,891.25	3,134.67	4,065.63
(ii)	Impairment on financial instruments & write-offs	254.84	243.24	129.49	546.36	430.83	576.38
(iii)	Employee benefits expenses	46.05	55.96	41.41	151.35	136.29	180.05
(iv)	Net loss on fair value changes	-	(1.19)	-	-	-	-
(v)	Depreciation and amortisation	12.55	13.14	13.08	38.66	39.22	53.18
(vi)	Fees and commission expense	2.30	1.07	2.49	6.58	4.96	9.00
(vii)	Other expenses:						
	- Impairment on assets held for sale	52.24	-	(2.14)	52.24	3.51	7.86
	- Other expenses	53.67	57.00	53.12	157.39	142.19	191.05
IV	Total expenses	1,418.29	1,333.35	1,234.95	3,843.83	3,891.67	5,083.15
V	Profit before tax (III-IV)	369.11	338.21	247.51	1,020.75	839.69	1,062.77
	Tax expense:						
	-Current tax	(17.82)	82.43	(4.35)	102.55	184.69	242.56
	-Deferred tax ((credit)/charge)	114.68	(7.13)	68.17	144.84	3.04	(1.71)
VI	Total tax expense	96.86	75.30	63.82	247.39	187.73	240.85
VII	Net profit after tax (V-VI)	272.25	262.91	183.69	773.36	651.96	821.92
VIII	Other comprehensive income						
	A (i) Items that will not be reclassified to profit or loss: Remeasurement gain/ (loss) on defined benefit plan	(0.58)	(1.61)	1.11	(0.64)	0.39	0.43
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.15	0.40	(0.28)	0.16	(0.10)	(0.11)
	B (i) Items that will be reclassified to profit or loss: Cash flow hedge	(4.87)	70.01	31.63	76.97	33.68	128.69
	(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)	268.18	314.09	208.19	830.48	677.45	918.54
	Earnings per share (of ₹ 10 each)*						
	-Basic (₹)	16.14	15.59	10.90	45.86	38.70	48.78
	-Diluted (₹)	16.13	15.57	10.87	45.83	38.59	48.67
	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						9,631.94

* EPS for the quarters are not annualised

