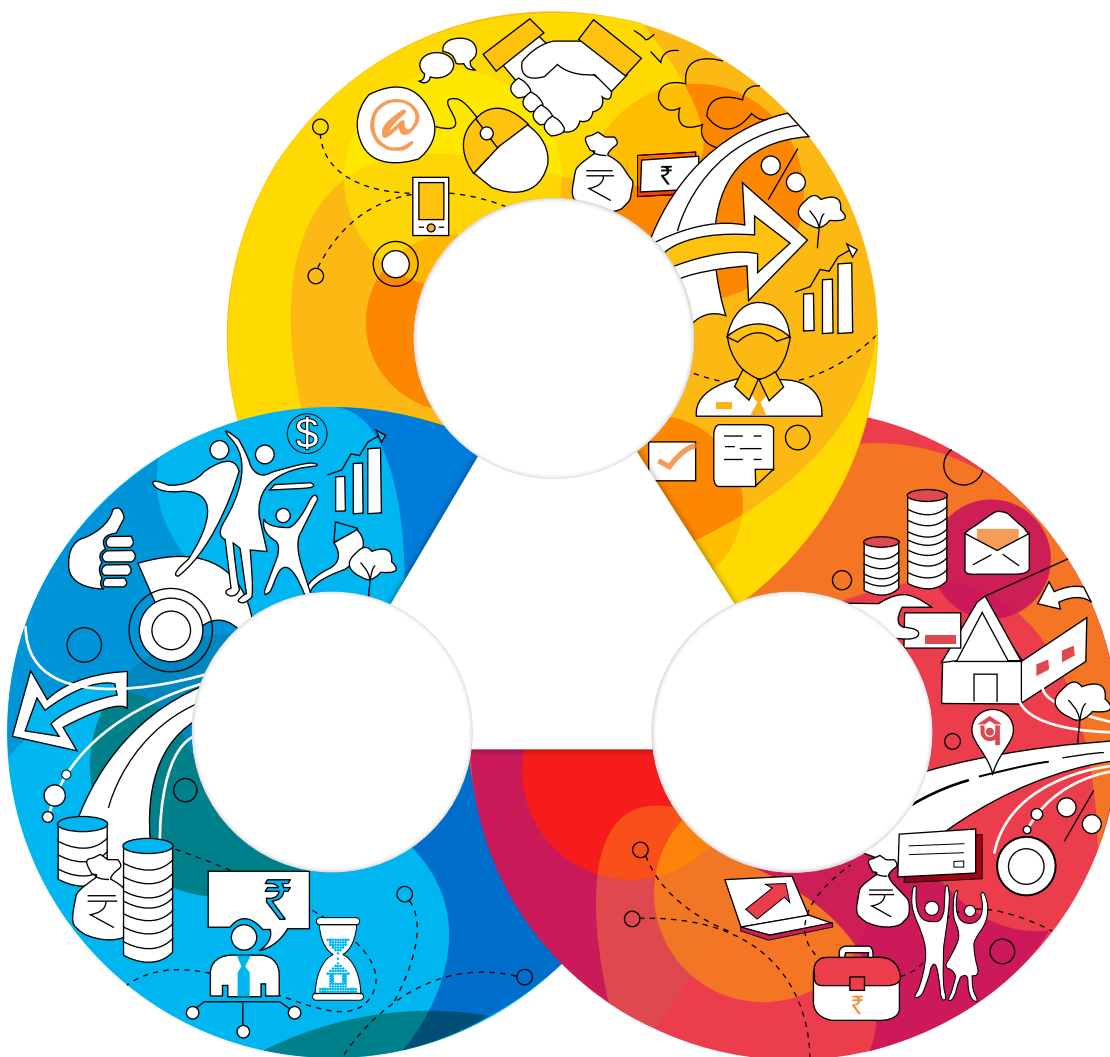
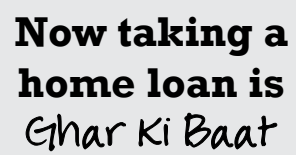


# Fueled by Ambition Driven to Transform

— 26th Annual Report 2013-14 —



PNB Housing Finance Limited



**Now taking a home loan is Ghar Ki Baat**

# Contents

03	Logic Behind New Logo	18	Doing More, Doing it Differently	52	Auditors' Report
04	Board of Directors	22	Transforming with Information Technology	56	Balance Sheet
06	Transforming Dreams, Fueling Realty	26	Transforming the Financial Landscape	57	Profit and Loss Statement
08	Fueled by Ambition, Driven to Transform	28	Leadership Team	58	Cash Flow Statement
10	Awards and Recognition	29	Management Discussion & Analysis	60	Notes to Financial Statements
12	From the Chairman's Desk	42	Directors' Report	89	Events
14	From the Managing Director's Desk	50	Comments of C & AG	92	Our Network



# Corporate Information

## DIRECTORS

K R Kamath  
*Chairman*

Tejinder Singh Laschar

G N Bajpai

P K Gupta

S K Jain

S S Bhatia

Vivek Vig

Anand Dorairaj

Sanjaya Gupta  
*Managing Director*

## AUDITORS

B R Maheshwari & Co.  
M-118 Connaught Circus,  
New Delhi - 110 001

## LEGAL ADVISORS

Vaish Associates, Advocates

## COMPANY SECRETARY

Sanjay Jain

## BANKERS & FINANCIAL INSTITUTIONS

Bank of Baroda

Central Bank of India

Dena Bank

HDFC Bank Limited

HUDCO

ICICI Bank Limited

Punjab National Bank

State Bank of India

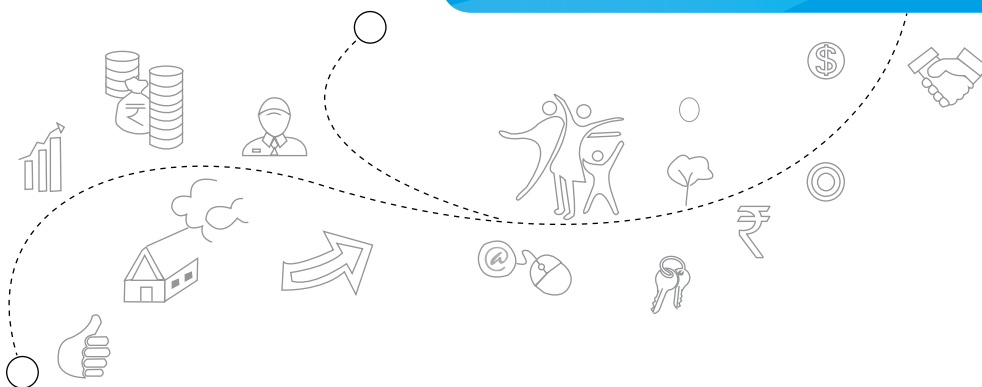
Union Bank of India

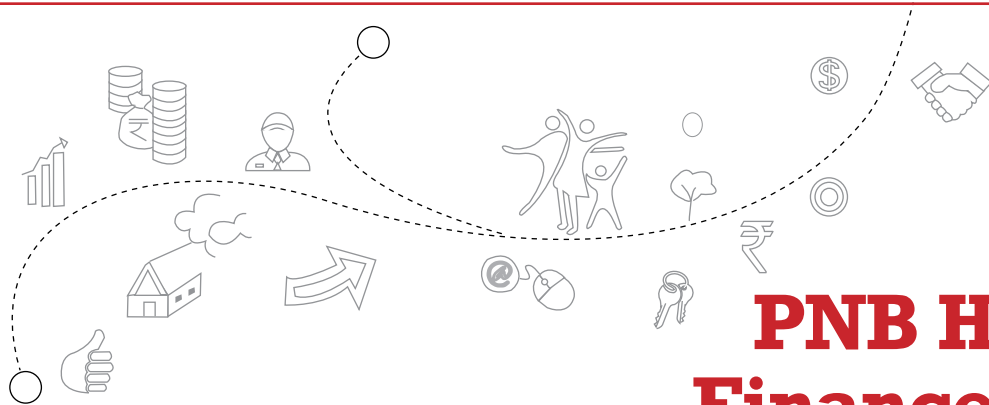
United Bank of India

Vijaya Bank

## REGISTERED AND CENTRAL SUPPORT OFFICE

9th Floor, Antriksh Bhawan,  
22, K G Marg  
New Delhi - 110 001





# PNB Housing Finance Limited logic behind new logo

## Old Logo



Ghar Ki Baat

## New Logo



Ghar Ki Baat

The old logo of PNB Housing Finance Limited (PNB HFL) faced the unique challenge of having too much in too little a space. PNB Housing Finance Limited, written out in one straight line, was not easy to read. A challenge that became particularly severe when one looked at the logo from a distance. As a direct consequence, the brand message of it being a housing finance company was getting lost at first glance. This caused a problem as the Company was poised to make its presence felt in the market and every opportunity had to be taken to popularize the name – PNB Housing Finance Limited; logo being a vital element in every marketing communication.

**To provide a solution to this communication challenge, minor changes were incorporated into the framework of the existing logo. These changes ensured better visibility and message delivery without a total overhaul of the original design.**

Maroon and yellow color band at the bottom, emphatically flag off the parentage, which is PNB. This alone ensures a positive rub-off on our emerging brand; after all the logo announces the pedigree loud and clear – a pedigree that has come to be trusted across all spheres of banking and financial services.

PNB Housing is written across the maroon band to the right of the emblem. The available space allows PNB Housing to be seen clearly, immediately registering the name as a housing finance company.

The new logo, hence, is ready to enhance this message and visibility in every marketing communication.





# Board of Directors



## Shri K R Kamath

*Chairman of the Board*

*Currently, CMD of Punjab National Bank*

He is a brilliant academician and a banker of repute. He started his career with Corporation Bank in 1977. At Corporation Bank, he had held various senior level positions.

He was appointed as Executive Director of Bank of India on May 19th, 2006. He became the Chairman and Managing Director of Allahabad Bank on August 2nd, 2008. He was appointed as the Chairman and Managing Director of Punjab National Bank in November 2009.

He is the Chairman of the Board of PNB HFL.



## Shri Tejinder Singh Laschar

He joined the Indian Economic Services in 1973 and superannuated as Senior Economic Advisor.

He has also held prestigious positions such as Economic Advisor to the Ministry of Chemicals and Fertilizers; Member Secretary of the Working Group on Fertilizers, 10th Five Year Plan; Additional Economic Advisor, Ministry of Finance and Director, Ministry of Home Affairs and Banking Division of the Ministry of Finance.

He is the Chairman of the Audit Committee and member of Business Process Committee of the Board of PNB HFL.



## Shri Ghyanendra Nath Bajpai

He was the Chairman of Life Insurance Corporation of India (LIC) and the Chairman of Securities and Exchange Board of India (SEBI).

Currently, he is on the Board of many prominent companies in the capacity of Chairman/ Non-Executive Independent Director. He is also the Chairman of the National Pension Trust and has written three books. He received "Outstanding contribution to the development of finance" award from Prime Minister of India.

He is the Chairman of the Marketing Committee of the Board of PNB HFL.



## Shri P K Gupta

He started his career with PNB in 1971 and became General Manager. He was elevated as the Executive Director of Corporation Bank in 2001. He became the Chairman & Managing Director of National Housing Bank in 2004 and the Chairman & Managing Director of United Bank of India in 2005. He has also held the position of Managing Director of PNB Capital Services Ltd.

He is member of Audit Committee and Appointments Committee of the Board of PNB HFL.



### Shri S K Jain

He is an MBA from Indiana University, USA (Dean's List) and a Fulbright scholar. He worked at Citibank for 30 years in various capacities in India and abroad. He was Senior Credit Officer in Hong Kong, Taiwan, Philippines, Thailand and Canada with Citibank before retiring in 2001.

He is currently the Chairman of the Credit Committee of the Board of PNB HFL.



### Shri Vivek Vig

He is a post graduate from Indian Institute of Management (Bangalore). He joined Citibank in 1986 and has performed several roles at Citibank, including Country Head (Consumer) of Turkey and Saudi Arabia. After Citibank, he joined Centurion Bank of Punjab in 2004, as Country Head (Retail Bank). He is now associated with Destimoney Group of Companies in the capacity of Managing Director & Group CEO.

He is a member of the Credit Committee and Business Process Committee of the Board of PNB HFL.



### Shri Anand Dorairaj

He is a Chartered Accountant from the Institute of Chartered Accountants of India (ICAI). He has worked with Citigroup International in New York. After gaining experience as a senior emerging markets specialist with extensive hands on exposure in mergers and acquisitions, he joined New Silk Route Advisors in February 2007 and focused on private equity opportunities in the Indian sub-continent.

He is a member of the Audit Committee and Appointments Committee of the Board of PNB HFL.



### Shri S S Bhatia

He joined PNB as a Management Trainee in 1977. During his 37-year career with PNB, he has handled many important assignments. He has headed large branches, been SRM and later on DGM, Amritsar, DGM (Stressed Assets Management Division), Circle Head (Meerut), Field General Manager (Ludhiana) and now General Manager, RAD and MSME, HO.

He is a member of the Credit Committee and Marketing Committee of the Board of PNB HFL.



### Shri Sanjaya Gupta, MD

He holds a post graduate degree in Business Management. He is also a Fellow of the Royal Institution of Chartered Surveyors.

Throughout his career, which spans over 27 years, he has significantly contributed to mortgages and allied risk management products across geographies. He holds the distinction of establishing Indian mortgage industry's first international housing finance branch operations for HDFC Ltd. He is often consulted by policy makers on key changes in the sector.

He is an ADB nominated Director on the Board of HDFC Plc., Maldives and an independent Director of India Shelter Finance Corporation Ltd., where he also heads the Audit Committee of the Board.

He was appointed Managing Director of the Company in June 2010.





# Transforming Dreams, Fueling Realty

A dream is a boundless desire, without necessarily being affordable. For millions of Indians, owning a home is a distant reality, rooted in such a desire. Being the most capital intensive purchase of their lives, buying a home is not always realizable, thus easy access to funding is essential to transform this dream into reality.







PNB Housing Finance Limited enables people to realize their dream of owning a home by providing competitive and easily accessible home loans.

PNB HFL provides home loans (for home purchase, extension, construction, buying a residential plot of land or home improvement) and non-home loans (loans for commercial property, loan against property, lease rental discounting and loans to real estate developers).

PNB HFL also offers Public Deposits of different maturities and various interest payment options for those who have surplus savings to invest in highly rated instruments.

**Amongst India's top five lenders in the housing finance segment, PNB Housing Finance Limited is driven by its ethos of putting people first, being customer-centric and operating to the highest ethical standards.**

### PNB Housing Finance Limited - A Self Portrait

- We are a subsidiary of one of India's largest banks - Punjab National Bank, which owns 72.6% of the Company's equity. The remaining equity capital is held by Destimoney Enterprises Private Limited.
- We enjoy high credit ratings - CRISIL FAAA with stable outlook for fixed deposits, CRISIL AA+ with stable outlook for bank borrowings, CRISIL AA+, CARE AA+ and ICRA AA+ for non convertible debentures (NCDs) and CRISIL A1+ for commercial papers.



Loan book has expanded to  
**₹10,591** crores during FY 2014,  
from **₹6,619** crores in the  
previous year.

Profit After Tax stands at  
**₹127.44** crores during FY 2014,  
from **₹91.5** crores in the previous year.

Gross non-performing assets (NPAs) are  
at a low of **0.32%** and  
Net NPAs stand at **0.16%** of loans  
outstanding as on March 31st, 2014.





## A vibrant illustration of a family (mother, father, and child) sitting on a sofa, surrounded by a circular border filled with various financial and lifestyle icons like houses, cars, and money bags, symbolizing financial planning for family goals.