

October 21, 2022

The Manager – Listing National Stock Exchange of India Ltd. Exchange Plaza Bandra Kurla Complex Bandra (E), Mumbai -400051  <u>Scrip Code: PNBGILTS</u>	The Manager – Listing BSE Limited Phiroze JeeJeebhoy Towers Dalal Street, Mumbai- 400 001  <u>Scrip Code: 532366</u>
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**Subject: Outcome of the Board Meeting**

**Ref: Intimation pursuant to Regulation 30 read with Regulation 33 and Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations')**

Dear Sir / Madam,

In terms of the above referred provisions of Listing Regulations, we wish to inform you that the Board of Directors of PNB Gilts Limited ('the Company') at their meeting held today i.e. October 21, 2022 commenced at 04:23 p.m. and concluded at 06:42 p.m. has, inter-alia, approved the unaudited financial results of the Company for the quarter and half year ended September 30, 2022.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the copy of approved unaudited financial results of the Company for the quarter and half year ended September 30, 2022 alongwith Limited Review Report submitted by the Statutory Auditor are enclosed herewith. Kindly also note that the results are also being published in newspapers and posted on the website of the Company viz. [www.pnbgilts.com](http://www.pnbgilts.com).

Kindly take the above on record.

This is for your Information and records.

Thanking You,

Yours truly,  
For PNB Gilts Ltd

(Monika Kochar)  
Company Secretary



## **Independent Auditor's Review Report**

**TO THE BOARD OF DIRECTORS**

**PNB GILTS Limited**

### **Introduction**

We have reviewed the accompanying statement of unaudited Balance Sheet of PNB Gilts Limited ('the Company') as at September 30, 2022, Profit and Loss Account for the half year ended September 30, 2022 and Statement of Cash Flows for the half year ended September 30, 2022 (hereinafter called as the Interim Financial Information) prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, LIST/COMP/27/2018-19 dated November 22, 2018, CIR/CFD/CMDI/44/2019 dated March 29, 2019, and CIR/CFD/CMDI /80/2019 dated July 19, 2019 (Circular).

This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

### **Scope of review**

We conducted our review of the interim Financial Information in accordance with the Standard of Review Engagement (SRE) 2410, "Review of interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Interim Financial Information is free of material misstatement. A review of interim Financial Information consists of making inquiries,



primarily from persons responsible for Financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim Financial Information prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

### **For Batra Deepak & Associates**

Chartered Accountants

(Registration No. 005408C)

A handwritten signature in blue ink, appearing to be 'Ashish', is written over a circular stamp. The stamp contains the text 'Batra Deepak & Associates Chartered Accountants' around the perimeter and 'DELHI' in the center.

**(CA. Ashish Mittal)**

Partner

Membership Number: 511442

UDIN:

Place: Delhi

Date: October 21, 2022

UDIN: - 22511442BAPQTH7130



**PNB GILTS LIMITED**  
(CIN: I74899DL1996PLC077120)  
Regd. Office: 5, Sansad Marg, New Delhi – 110001  
Ph: 23325759, 23325779 Fax 23325751, 23325763  
E-Mail: pnbgilt@pnbgilt.com Website: www.pnbgilt.com

Statement of unaudited financial results for the Quarter and half year ended 30th September, 2022

(Rs in Lacs)

S.No.	Particulars	3 months ended			6 months ended		Year ended
		30/09/2022 (Reviewed)	30/06/2022 (Reviewed)	30/09/2021 (Reviewed)	30/09/2022 (Reviewed)	30/09/2021 (Reviewed)	31/03/2022 (Audited)
	<b>Revenue from operations</b>						
	Interest income	33,715.61	28,139.24	26,392.32	61,854.85	47,122.06	97,072.68
	Dividend income	0.85	-	0.06	0.85	0.06	0.06
	Rental income	0.60	2.10	2.10	2.70	4.20	8.40
	Fees and commission income	231.11	199.67	669.00	430.78	1,406.07	1,891.04
	Net gain on securities (Realised & Unrealised)	-	-	-	-	-	-
(I)	<b>Total revenue from operations</b>	<b>33,948.17</b>	<b>28,341.01</b>	<b>27,063.48</b>	<b>62,289.18</b>	<b>48,532.39</b>	<b>98,972.19</b>
(II)	Other income	103.96	2.72	9.36	106.68	82.44	190.98
(III)	<b>Total income (I+II)</b>	<b>34,052.13</b>	<b>28,343.73</b>	<b>27,072.84</b>	<b>62,395.86</b>	<b>48,614.83</b>	<b>99,163.16</b>
	<b>Expenses</b>						
	Finance costs	25,473.03	18,631.87	13,108.55	44,104.90	24,088.47	51,042.72
	Fees and commission expense	465.73	415.74	401.59	881.47	685.86	1,404.77
	Net loss on securities (Realised & Unrealised)	7,456.34	20,065.57	2,978.98	27,521.91	6,484.92	23,408.55
	Employees benefit expense	118.11	337.16	365.42	455.27	674.58	1,509.38
	Depreciation, amortization and impairment	30.53	16.33	28.91	46.86	55.41	115.07
	Other expenses	439.51	386.45	321.30	825.96	621.42	1,358.87
(IV)	<b>Total expenses</b>	<b>33,983.25</b>	<b>39,853.12</b>	<b>17,204.75</b>	<b>73,836.37</b>	<b>32,610.66</b>	<b>78,839.35</b>
(V)	<b>Profit/(loss) before exceptional items and tax (III-IV)</b>	<b>68.88</b>	<b>(11,509.39)</b>	<b>9,868.09</b>	<b>(11,440.51)</b>	<b>16,004.17</b>	<b>20,323.82</b>
(VI)	Exceptional items (Income)/ Expense	0.23	6.07	(1,807.07)	6.30	(700.13)	(691.28)
(VII)	<b>Profit/(loss) before tax (V-VI)</b>	<b>68.65</b>	<b>(11,515.46)</b>	<b>11,675.16</b>	<b>(11,446.81)</b>	<b>16,704.30</b>	<b>21,015.10</b>
	Tax expense/(credit)						
	(1) Current tax	-	-	2,870.45	-	4,724.33	4,738.71
	(2) Earlier year taxes	62.92	-	-	62.92	0.10	57.91
	(3) Deferred tax	791.44	(2,621.02)	513.41	(1,829.58)	(300.57)	(352.67)
(VIII)	<b>Total Tax expenses</b>	<b>854.36</b>	<b>(2,621.02)</b>	<b>3,383.86</b>	<b>(1,766.66)</b>	<b>4,423.86</b>	<b>4,443.96</b>
(IX)	<b>Profit/ Loss for the period (VII-VIII)</b>	<b>(785.71)</b>	<b>(8,894.44)</b>	<b>8,291.30</b>	<b>(9,680.15)</b>	<b>12,280.44</b>	<b>16,571.13</b>
(X)	<b>Other comprehensive income</b>						
	A (i) Items that will not be reclassified to profit or loss						
	-Remeasurements of defined benefit plan	6.93	(3.72)	(31.73)	3.21	(120.88)	(102.77)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.75)	0.94	7.98	(0.81)	30.42	25.86
	<b>Subtotal (A)</b>	<b>5.18</b>	<b>(2.78)</b>	<b>(23.75)</b>	<b>2.40</b>	<b>(90.46)</b>	<b>(76.91)</b>
	B (i) Items that will be reclassified (specify items and amounts) to profit or loss						
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Subtotal (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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	Other comprehensive income (A+B)	5.18	(2.78)	(23.75)	2.40	(90.46)	(76.91)
(XI)	Total comprehensive income for the period (comprising profit/ (loss) and other comprehensive income for the period) (IX+X)	(780.53)	(8,897.22)	8,267.55	(9,677.75)	12,189.98	16,494.22
(XII)	Earnings per share *						
	Basic (Rs )	(0.44)	(4.94)	4.61	(5.38)	6.82	9.21
	Diluted (Rs )	(0.44)	(4.94)	4.61	(5.38)	6.82	9.21

\*Earnings per share for three months/ six months ended are not annualised

#### NOTES

- The above financial results of the Company have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) rules, 2015 as amended by the Companies (Indian Accounting Standards), Rules, 2016, prescribed under Section 133 of the Companies Act 2013 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Any application guidance/ clarifications/ directions issued by the RBI or other regulators are implemented as and when they are issued/ applicable
- These results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on October 21, 2022.
- In compliance with Regulation 33 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, limited review of financial results for the quarter and half year ended September 30, 2022 has been carried out by the statutory auditors of the Company. **Batra Deepak & Associates**
- The financial results have been prepared as per the format prescribed in Division III of Schedule III of the Companies Act, 2013 vide Ministry of Corporate Affairs (MCA) Notification dated October 11, 2018 as amended from time to time
- There is no separate reportable segment for the Company as per Ind AS 108-Operating Segments.
- Taxation Laws (Amendment) Ordinance 2019, dated September 20, 2019 provides an option to domestic companies to pay income tax at a concessional rate. The Company has elected to apply the concessional tax rate since FY 2019-20 and the taxes have been computed accordingly.
- In compliance with the SEBI circular no. SEBI/HO/DDHS/CIR/P/2019/115 dated October 22, 2019 read with circular no. SEBI/HO/DDHS/CIR/P/2019/167 dated December 24, 2019, the Company is required to submit to the Stock Exchange its financial results for the quarter and half year ended September 30, 2022.
- Figures of the previous period have been regrouped, wherever considered necessary in order to make them comparable with those of the current period.
- The figures for the quarter and half year ended September 30, 2022 are the balancing figures between reviewed figures in respect of the quarter and half year ended September 30, 2022 and the quarter ended June 30, 2022. Also, the figures for the quarter and half year ended September 30, 2021 are the balancing figures between reviewed figures in respect of the quarter and half year ended September 30, 2021 and the quarter ended June 30, 2021.
- The company neither has any adverse financial impact due to COVID-19 nor it anticipates any impact on its liquidity position or on its ability to continue as a going concern.
- As per RBI Master Direction for standalone Primary Dealers dated August 30, 2016, the valuation of the securities portfolio shall be done on prices declared by FIMMDA using last 15 days market prices with a minimum trade quantum of Rs. 5 crore in a day. Further in absence of market trading in required volume in last 15 days, value of securities are calculated based on inputs received from FIMMDA related to tenure spread / credit spread matrix over and above the G-sec par curve and accordingly it has been done.
- As per Ind As 19 issued by the Institute of Chartered Accountants of India, the company has made provision for employee benefit as per the actuarial valuation for the current year
- An amount of Rs. 2,08,075/- was paid to CCIL on 24.08.2022 on account of SGL Bouncing. Also, a provision of Rs. 2,48,500/- was made towards RBI penalty for the same.
- An amount of Rs. 100.00 lacs is received from Madhavpura Mercantile Coop Bank Ltd (MMCBL) on 17.10.2022 and therefore the same has been shown as recoverable from MMCBL as on 30.09.2022.  
An amount of Rs. 761.88 lacs was to be received from MMCBL (which is under liquidation) and the same was written off from the books in FY 2015-16. Till now the company has received Rs. 212 lacs (including the amount received on 17.10.2022).



15. Exceptional items comprise the following.

Particulars	Quarter ended September 30, 2022	Quarter ended 30th June, 2022	Half year ended September 30, 2022	Half year ended September 30, 2021	Year ended 31st March, 2022
i) Write off of 9.60% SREI Equipment Finance Limited and interest accrued on it (#1 and #2)	-	-	-	1,700.70	1,700.70
ii) Amount received on account of DHFL (#3)	-	-	-	(1,098.31)	(1,099.79)
iii) Debenture of Piramal Capital received on account of DHFL (#3)	-	-	-	(1,321.29)	(1,321.29)
iv) Prior period expenses (#4)	0.23	6.07	6.30	18.77	29.10
<b>Total</b>	<b>0.23</b>	<b>6.07</b>	<b>6.30</b>	<b>(700.13)</b>	<b>(691.28)</b>

**#1 and #2**

Company holds 9.60% SREI Equipment Finance Limited DB 25-05-2028 security. Due to downgrading in the rating of the debenture, the same has been fully written off from books along with its interest accrued. Earlier, 100% provision was created on account of Investment and interest accrued on the same.

**#3**

The company has written off an amount of Rs. 4971.86 lacs on account of investment and Rs. 451.26 lacs on account of Interest accrued on DHFL in the FY 19-20. However, the previous year, the company has received an amount of Rs. 1099.78 lacs in the bank account and Rs. 1321.29 lacs by way of debenture of 6.75% Piramal Capital & Housing Finance Limited on account of DHFL.

**#4**

Certain expenses pertaining to the previous years which could not be provided for during the last year, have been booked in the current year and shown under exceptional items. As the amount is not material, retrospective effect is not taken.



Particulars	As at 30th September 2022	As at 31st March 2022
	(Reviewed)	(Audited)
<b>ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	46.97	5,012.78
Bank balance other than above	1,112.15	160.31
Derivative financial instruments	208,382.22	82,632.48
Loans	94,098.54	25,999.09
Investments	1,538,508.86	1,526,726.17
Other financial assets	38,328.35	33,368.79
	<u>1,880,477.09</u>	<u>1,673,899.62</u>
<b>Non-financial assets</b>		
Current tax assets (net)	548.17	591.30
Deferred tax assets (net)	1,961.59	132.81
Investment property	6.93	17.49
Capital Work in progress	97.44	-
Property, plant and equipment	269.39	226.51
Intangible Assets under Development	219.63	-
Other intangible assets	18.20	14.74
Right of Use asset	88.29	95.67
Other non-financial assets	218.69	59.83
	<u>3,428.33</u>	<u>1,138.35</u>
	<u><b>1,883,905.42</b></u>	<u><b>1,675,037.97</b></u>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
Derivative financial instruments	204,790.32	78,059.48
Payables		-
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	160.98	98.02
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		-
Borrowings (other than debt securities)	1,552,415.19	1,453,029.99
Lease Liability	93.97	99.47
Other financial liabilities	573.66	325.34
	<u>1,758,034.12</u>	<u>1,531,612.30</u>
<b>Non financial liabilities</b>		
Current tax liabilities (net)	126.95	126.95
Provisions	739.26	510.38
Deferred tax liabilities (net)		-
Other non-financial liabilities	952.18	57.17
	<u>1,818.39</u>	<u>694.50</u>
<b>Equity</b>		
Equity share capital	18,001.01	18,001.01
Other equity	106,051.90	124,730.16
	<u>124,052.91</u>	<u>142,731.17</u>
	<u><b>1,883,905.42</b></u>	<u><b>1,675,037.97</b></u>





## Statement of cash flows for the period ended September 30, 2022

(Rs. in Lacs)

Particulars	Half Year ended	Year ended	Half Year ended
	30th September 2022	31st March 2022	30th September 2021
	(Reviewed)	(Audited)	(Reviewed)
Profit before tax	(11,446.81)	21,015.10	16,704.30
Adjustments for			
Add: Depreciation and amortisation expense	46.86	115.07	55.41
Changes in provisions	232.09	(904.85)	(755.43)
Loss/(profit) on sale of property, plant and equipment	(0.14)	(5.01)	(4.95)
Interest expense on leased liability	3.74	5.20	1.17
Interest paid	44,101.16	51,037.52	24,087.30
Tax Adjustments	-	-	(89.01)
Less: Discount and interest received	(61,854.85)	(97,072.68)	(47,122.06)
Dividend received	(0.85)	(0.06)	(0.06)
<b>Operating Profit/(loss) before changes in operating activity</b>	<b>(28,918.80)</b>	<b>(25,809.72)</b>	<b>(7,123.33)</b>
Cash flow from operating activity			
Add: Discount and interest received	61,854.85	97,072.68	47,122.06
Dividend received	0.85	0.06	0.06
Less: Interest expense on leased liability	(3.74)	(5.20)	(1.17)
Interest paid	(44,101.16)	(51,037.52)	(24,087.30)
Adjustment for changes in operating activity			
Changes in investments in FDR and other bank balances	(951.84)	467.45	(4,918.78)
Changes in investments at fair value through profit and loss	(10,801.59)	(441,577.12)	(758,147.36)
Changes in financial assets and non-financial assets	(73,217.87)	(29,003.77)	(37,617.22)
Changes in financial liability and non-financial liabilities	1,207.78	(256.32)	5,362.31
Cash used in operations	(94,931.52)	(450,149.45)	(779,410.74)
Less: Net taxes paid	(19.82)	(6,206.06)	(4,193.57)
<b>(A) Net cash used in operating activity</b>	<b>(94,951.34)</b>	<b>(456,355.51)</b>	<b>(783,604.31)</b>
Cash flow from investing activities			
Adjustment for changes in investing activity			
Sale proceeds of property, plant and equipment	0.16	7.35	7.27
Purchase of property, plant and equipment	(392.33)	(70.44)	(53.71)
<b>(B) Net cash used in investing activity</b>	<b>(392.17)</b>	<b>(63.09)</b>	<b>(46.44)</b>
Cash flow from financing activity			
Adjustment for changes in financing activity			
Changes in borrowings and debt securities	99,385.20	466,706.07	788,965.66
Lease Accounting Adjustment	(5.50)	(22.27)	(17.04)
Dividend distribution	(9,000.51)	(5,400.30)	(5,400.30)
Changes in unclaimed dividends and bonus fractional entitlement	(2.49)	7.55	(6.53)
<b>(C) Net cash flow from financing activity</b>	<b>90,377.70</b>	<b>461,291.06</b>	<b>788,541.79</b>
<b>Consolidated cash flow during the year (A+B+C)</b>	<b>(4,965.81)</b>	<b>4,872.46</b>	<b>(108.96)</b>
Cash and cash equivalent at the beginning of the year	5,012.78	140.32	140.32
Cash and cash equivalent at the end of the year	46.97	5,012.78	31.36
Balances with banks			
Balances with Reserve Bank of India	41.91	29.14	25.19
Balances with PNB Current Accounts	5.06	4,983.64	6.17
	46.97	5,012.78	31.36

## Notes

- (1) The above statement of cash flows has been prepared under the 'Indirect Method' as set out in Ind AS-7- Statement of Cash  
(2) Cash and Cash equivalents comprises of balances with scheduled banks and RBI



Date: October 21, 2022  
Place: New Delhi

For Satra Deepak &amp; Associates

Ashish Mittal  
Partner  
Mem No: 511442

