

November 11, 2021

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 above referred provisions of the Listing Regulations, we wish to inform you that the Board of Directors of PNB Gilts Limited ("the Company") in its meeting held today i.e. November 11, 2021 commenced at 02:33 p.m. and concluded at 04:45 p.m. has, inter- alia, considered and approved the unaudited financial results of the Company for the quarter and half year ended September 30, 2021.

Pursuant to Regulation 33 of the Listing Regulations, the copy of approved unaudited financial results of the Company for the quarter and half year ended September 30, 2021 alongwith Limited Review Report submitted by the Statutory Auditor are enclosed herewith as Annexure A.

Please 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).

Further, in the same meeting, the Board has also decided to extend the tenure of Sh. Vikas Goel, Managing Director & CEO, whose tenure is upto January 31, 2022 by re-appointing him on the same position. The extension of his tenure is for 1 year i.e. upto January 31, 2023, subject to members' approval.

It is also confirmed that Sh. Vikas Goel is not debarred from holding the office of director by virtue of any order passed by SEBI or any such authority.

The details as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 are provided in the enclosed Annexure-B.

This is for your Information and records.

Thanking You,

Yours truly,  
For PNB Gilts Ltd

  
 (Monika Kochar)  
 Company Secretary



Annexure A

**PNB GILTS LIMITED**  
(CIN: L74899DL1996PLC077120)  
Regd. Office: 5, Sansad Marg, New Delhi – 110001  
Ph: 23325759, 23325779 Fax 23325751, 23325763  
E-Mail: pnbgilts@pnbgilts.com Website: www.pnbgilts.com

**Statement of Unaudited financial results for the Quarter/Half year ended 30th September, 2021**

(Rs. In lacs)

S.No.	Particulars	3 months ended			6 months ended		Year ended
		30-09-2021 (Reviewed)	30-06-2021 (Reviewed)	30-09-2020 (Reviewed)	30-09-2021 (Reviewed)	30-09-2020 (Reviewed)	31-03-2021 (Audited)
	<b>Revenue from operations</b>						
	Interest income	26,392.32	20,729.74	21,539.53	47,122.06	42,630.38	77,883.38
	Dividend income	0.06	-	0.70	0.06	0.70	1.98
	Rental income	2.10	2.10	2.40	4.20	5.40	9.60
	Fees and commission income	669.00	737.07	305.75	1,406.07	473.12	2,046.96
	Net gain on securities (Realised & Unrealised)	-	-	-	-	20,570.80	25,255.85
(I)	<b>Total revenue from operations</b>	<b>27,063.48</b>	<b>21,468.91</b>	<b>21,848.38</b>	<b>48,532.39</b>	<b>63,680.40</b>	<b>1,05,197.77</b>
(II)	Other income	9.36	73.08	6.31	82.44	13.59	29.62
(III)	<b>Total income (I+II)</b>	<b>27,072.84</b>	<b>21,541.99</b>	<b>21,854.69</b>	<b>48,614.83</b>	<b>63,693.99</b>	<b>1,05,227.40</b>
	<b>Expenses</b>						
	Finance costs	13,108.55	10,979.92	11,408.12	24,088.47	21,737.60	39,481.15
	Fees and commission expense	401.59	284.27	386.46	685.86	647.57	1,193.65
	Net loss on securities (Realised & Unrealised)	2,978.98	3,505.94	7,313.40	6,484.92	-	-
	Employees benefit expense	365.42	309.16	322.78	674.58	558.82	1,251.11
	Depreciation, amortization and impairment	28.91	26.50	44.97	55.41	80.00	189.23
	Other expenses	321.30	300.12	129.77	621.42	378.05	804.95
(IV)	<b>Total expenses</b>	<b>17,204.75</b>	<b>15,405.91</b>	<b>19,605.50</b>	<b>32,610.66</b>	<b>23,402.04</b>	<b>42,920.08</b>
(V)	<b>Profit/(loss) before exceptional items and tax (III-IV)</b>	<b>9,868.09</b>	<b>6,136.08</b>	<b>2,249.19</b>	<b>16,004.17</b>	<b>40,291.95</b>	<b>62,307.32</b>
(VI)	Exceptional items-Expense/(Income)	(1,807.07)	1,106.94	-	(700.13)	-	872.62
(VII)	<b>Profit/(loss) before tax (V-VI)</b>	<b>11,675.16</b>	<b>5,029.14</b>	<b>2,249.19</b>	<b>16,704.30</b>	<b>40,291.95</b>	<b>61,434.70</b>
	Tax expense/(credit):						
	(1) Current tax	2,870.45	1,853.88	3,391.89	4,724.33	10,240.76	16,257.91
	(2) Earlier year taxes	-	0.10	-	0.10	-	398.70
	(3) Deferred tax	513.41	(813.98)	(2,822.47)	(300.57)	(67.47)	(633.59)
(VIII)	<b>Total Tax expenses</b>	<b>3,383.86</b>	<b>1,040.00</b>	<b>569.42</b>	<b>4,423.86</b>	<b>10,173.29</b>	<b>16,023.02</b>
(IX)	<b>Profit/ Loss for the period (VII-VIII)</b>	<b>8,291.30</b>	<b>3,989.14</b>	<b>1,679.77</b>	<b>12,280.44</b>	<b>30,118.66</b>	<b>45,411.68</b>
(X)	<b>Other comprehensive income</b>						
	A.(i) Items that will not be reclassified to profit or loss						
	-Remeasurements of defined benefit plan	(31.73)	(89.15)	67.05	(120.88)	28.57	(35.40)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	7.98	22.44	(16.87)	30.42	(7.19)	8.91
	<b>Subtotal (A)</b>	<b>(23.75)</b>	<b>(66.71)</b>	<b>50.18</b>	<b>(90.46)</b>	<b>21.38</b>	<b>(26.49)</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>





	Other comprehensive income (A+B)	(23.75)	(66.71)	50.18	(90.46)	21.38	(26.49)
(XI)	Total comprehensive income for the period (comprising profit/ (loss) and other comprehensive income for the period)	8,267.55	3,922.43	1,729.95	12,189.98	30,140.04	45,385.19
(XII)	Earnings per share *						
	Basic (Rs.)	4.61	2.22	0.93	6.82	16.73	25.23
	Diluted (Rs.)	4.61	2.22	0.93	6.82	16.73	25.23

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

#### NOTES

1. 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.

2. These results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on November 11, 2021.

3. 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, the statutory auditors of the Company, Rasool Singhal & Co. have carried out the Limited review of the interim financial results as per Standard on Review Engagements (SRE ) 2410 " Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India.

4. The interim 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 Affair (MCA) Notification dated October 11, 2018.

5. There is no separate reportable segment for the Company as per Ind AS 108-Operating Segments.

6. 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.

7. 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 ended September 30, 2021.

8. The financial results have been prepared in accordance with the recognition and measurement principles laid down in IND AS 34-Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India.

9. Figures of the previous period have been regrouped, wherever considered necessary in order to make them comparable with those of the current period.

10. The figures for the quarter ended September 30, 2021 and September 30, 2020 are the balancing figures between reviewed figures in respect of the half year ended September 30, 2021 and September 30, 2020 and the published year to date figures upto the three months ended June 30, 2021 and June 30, 2020 respectively.

11. 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.

12. No Commercial Papers were issued during the half year ended 30th September, 2021.

13. 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.

14. Other Income includes an amount of Rs. 67.64 lacs pertaining to interest on Income Tax refunds.

15. The company recently opened a branch in Kolkata. The lease term for the same is 11 months. The company being reasonably certain that the lease will continue for five years and considered as long term lease for calculation of Right of Use Asset as per Ind AS 116.

16. Exceptional items comprise the following:

*(Signature)*



Particulars	Quarter ended 30th September, 2021	Year ended 31st March, 2021
i) Write off of I.A. on 9.60% SREI Equipment Finance Limited (#1)	113.11	-
ii) Write off of Investment in 9.60% SREI Equipment Finance Limited (#2)	1,587.59	-
iii) Provision of I.A. on 9.60% SREI Equipment Finance Limited (#1)	-	226.22
iv) Provision of Investment in 9.60% SREI Equipment Finance Limited (#2)	-	740.25
v) Underwriting fee pertaining to prior years (July 17 to March 2020)	-	(93.88)
vi) Extra TDS booked in 2019-20, reversed	-	0.03
vii) Prior period expenses (#3)	18.77	-
viii) Amount received on account of DHFL (#4)	(1,098.31)	-
ix) Debenture of 6.75% Piramal Capital & Housing Finance Ltd received on account of DHFL. (#4)	(1,321.29)	-
<b>Total</b>	<b>(700.13)</b>	<b>872.62</b>

#### #1 and #2

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

#### #3

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.

#### #4

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 2019-20. However, in the current quarter of FY 2021-22, the company has received an amount of Rs. 1098.31 lacs in the bank account and Rs. 1321.29 lacs by way of debenture of 6.75% Piramal Capital and Housing Finance Limited on account of DHFL.

*[Handwritten signature]*



**Balance Sheet as at September 30, 2021**

Particulars	(Rs. In Lacs)	
	As at 30th September 2021 (Reviewed)	As at 31st March 2021 (Audited)
<b>ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	31.36	140.32
Bank balance other than above	5,546.54	627.76
Derivative financial instruments	77,106.94	91,558.37
Loans	33,139.78	6,571.05
Investments	18,48,843.51	10,90,686.81
Other financial assets	34,696.90	23,793.08
	<u>19,99,365.03</u>	<u>12,13,377.38</u>
<b>Non-financial assets</b>		
Current tax assets (net)	219.67	224.26
Deferred tax assets (net)	85.28	-
Investment property	17.93	18.37
Property, plant and equipment	247.75	233.72
Other intangible assets	28.51	30.38
Right of Use asset	88.69	24.42
Other non-financial assets	204.48	59.82
	<u>892.31</u>	<u>590.98</u>
	<u>20,00,257.34</u>	<u>12,13,968.36</u>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
Derivative financial instruments	78,081.04	92,523.13
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	183.35	74.28
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)	17,75,289.59	9,86,323.93
Lease Liability	90.43	27.02
Other financial liabilities	5,341.77	402.42
	<u>18,58,986.18</u>	<u>10,79,350.77</u>
<b>Non financial liabilities</b>		
Current tax liabilities (net)	1,695.39	1,258.60
Provisions	588.90	1,223.45
Deferred tax liabilities (net)	-	245.70
Other non-financial liabilities	559.96	252.59
	<u>2,844.25</u>	<u>2,980.35</u>
<b>Equity</b>		
Equity share capital	18,001.01	18,001.01
Other equity	1,20,425.90	1,13,636.22
	<u>1,38,426.91</u>	<u>1,31,637.23</u>
	<u>20,00,257.34</u>	<u>12,13,968.36</u>







Statement of cash flows for the period ended September 30, 2021

	(Rs. In Laacs)		
Particulars	Half Year ended 30th September 2021 (Reviewed)	Year ended 31st March 2021 (Audited)	Half Year ended 30 September 2020 (Reviewed)
Profit before tax	16,704.30	61,434.70	40,291.95
Adjustments for			
Add: Depreciation and amortisation expense	55.41	189.23	80.00
Changes in provisions	(755.43)	470.81	46.95
Loss/(profit) on sale of property, plant and equipment	(4.95)	(1.62)	0.83
Interest expense on leased liability	1.17	3.79	2.29
Interest paid	24,087.30	39,477.36	21,735.31
Tax Adjustments	(89.01)	-	-
Less: Discount and interest received	(47,122.06)	(77,883.38)	(42,630.38)
Dividend received	(0.06)	(1.98)	(0.70)
<b>Operating Profit/(loss) before changes in operating activity</b>	<b>(7,123.33)</b>	<b>23,688.90</b>	<b>19,526.25</b>
Cash flow from operating activity			
Add: Discount and interest received	47,122.06	77,883.38	42,630.38
Dividend received	0.06	1.98	0.70
Less: Interest expense on leased liability	(1.17)	(3.79)	(2.29)
Interest paid	(24,087.30)	(39,477.36)	(21,735.31)
Adjustment for changes in operating activity			
Changes in investments in FDR and other bank balances	(4,918.78)	(62.81)	6.57
Changes in investments at fair value through profit and loss	(7,58,147.36)	2,01,713.50	(1,90,868.63)
Changes in financial assets and non-financial assets	(37,617.22)	(53.73)	(1,959.48)
Changes in financial liability and non-financial liabilities	5,362.31	(9.36)	14,810.92
Cash used in operations	(7,79,410.74)	2,63,680.71	(1,37,590.89)
Less: Net taxes paid	(4,193.57)	(15,409.80)	(5,150.78)
<b>(A) Net cash used in operating activity</b>	<b>(7,83,604.31)</b>	<b>2,48,270.91</b>	<b>(1,42,741.67)</b>
Cash flow from investing activities			
Adjustment for changes in investing activity			
Sale proceeds of property, plant and equipment	7.27	3.36	-
Purchase of property, plant and equipment	(53.71)	(123.57)	(82.24)
<b>(B) Net cash used in investing activity</b>	<b>(46.44)</b>	<b>(120.21)</b>	<b>(82.24)</b>
Cash flow from financing activity			
Adjustment for changes in financing activity			
Changes in borrowings and debt securities	7,88,965.66	(2,30,110.11)	1,57,856.25
Lease Accounting Adjustment	(17.04)	(36.79)	(18.00)
Dividend distribution	(5,400.30)	(18,001.01)	-
Changes in unclaimed dividends and bonus fractional entitlement	(6.53)	63.13	(6.24)
<b>(C) Net cash flow from financing activity</b>	<b>7,83,541.79</b>	<b>(2,48,084.78)</b>	<b>1,57,832.01</b>
<b>Consolidated cash flow during the year (A+B+C)</b>	<b>(108.96)</b>	<b>65.92</b>	<b>15,008.10</b>
Cash and cash equivalent at the beginning of the year	140.32	74.40	74.40
<b>Cash and cash equivalent at the end of the year</b>	<b>31.36</b>	<b>140.32</b>	<b>15,082.50</b>
Balances with banks			
Balances with Reserve Bank of India	25.19	125.96	15,080.13
Balances with PNB Current Accounts	6.17	14.36	2.37
	<b>31.36</b>	<b>140.32</b>	<b>15,082.50</b>

**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 Flows notified under Section 133 of the Companies Act, 2013.

(2) Cash and Cash equivalents comprises of balances with scheduled banks and RBI

Date: November 11, 2021

Place: New Delhi

For & on behalf of Board

Managing Director & CEO

For Rasool Singh & Co.

(CA Jitender Goel)  
Partner





# RASOOL SINGHAL & CO.

## CHARTERED ACCOUNTANTS

To,  
The Board of Directors  
PNB Gilts Limited  
5, Sansad Marg New Delhi-110001

### Introduction

We have reviewed the accompanying statement of unaudited financial results of PNB Gilts Limited (Company) for the quarter and half year ended September 30, 2021 (Statement). This statement has been prepared by the company in accordance with 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/CMD1/44/2019 dated March 29, 2019, and CIR/CFD/CMD1 /80/2019 dated July 19, 2019 (Circular).

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on November 11, 2021. Our responsibility is to issue a report on this financial statement based on our review.

### Scope of Review

We conducted our review of the Financial Statements in accordance with the Standard on Review Engagements (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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

### Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results, 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.

Date: 11.11.2021  
Place: Delhi

For Rasool Singhal & Co.  
Chartered Accountants  
(FRN: 500015N)

  
CA. Jitender Goel,  
Partner  
Membership No. 074227  
UDIN: 21074227AAAAAU6499

**Administrative Office :** SD-29, Shastri Nagar, Ghaziabad - 201002  
**Corporate Office :** 1003, K.M. Trade Tower, Hotel Radisson Blu, Kaushami, Ghaziabad - 201010  
**Head Office :** G-313, Sector-63, Noida - 201301  
**Contact No. :** 9811242760, 9810041371, 0120-4207878  
**Email :** carasoolsinghal@gmail.com, cajitendergoel@gmail.com

### Annexure B

<b>Name of the Director and KMP</b>	Mr. Vikas Goel
<b>Designation</b>	Managing Director & CEO
<b>Reason for change viz. appointment, resignation, removal, death or otherwise</b>	Re-appointment
<b>Date of appointment/cessation/reappointment (as applicable)</b>	w.e.f. 01.02.2022
<b>Term of Appointment</b>	1 year w.e.f. 01.02.2022, subject to members' approval
<b>Brief Profile</b>	<p>Sh. Vikas Goel is B.Com (Hons.) from Shri Ram College of Commerce, Delhi University and MBA from Fisher College of Business, the Ohio State University.</p> <p>Prior to joining PNB Gilts Limited, he worked with three multinational banks (American Express Bank, Credit Agricole Bank and First Abu Dhabi Bank) in India for around 27 years in leadership roles in establishing and managing Global Markets businesses, primarily the Fixed Income and Currency asset classes etc.</p> <p>He is with PNB Gilts Limited as Managing Director &amp; CEO w.e.f. 1st February 2019.</p>
<b>Disclosure of relationship between Directors</b>	Not related to any director

