

Punjab National Bank
...the name you can BANK upon!

**Presentation on Performance
for the
FY/Quarter March 2014**

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Overview of Performance

Particulars		Rs. Crore		YOY Growth %
Operating Profit	:			
- Q4 Mar'14		3173	↑	11.3
- FY Mar'14		11384	↑	4.4
Net profit	:			
- Q4 Mar'14		806		-28.7
- FY Mar'14		3343		-29.6
Total Business	:	800666	↑	14.3
Total Assets	:	550420	↑	14.9
Deposits	:	451397	↑	15.3
Credit	:	349269	↑	13.1

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Profit (Rs. Crore)

Sl.	Parameters	Q4' FY 13	Q4' FY 14	Q3' FY 14	Variation (Q4' 14 over Q4 '13)	
					Amt.	(%)
1	Interest Income	10377	11101	10984	725	7.0
2	Interest Expenses	6600	7100	6763	499	7.6
3	NII (Spread) (1-2)	3776	4002	4221	225	6.0
4	Other Income	1176	1397	938	221	18.8
5	Operating Expenses	2101	2225	2457	124	5.9
6	Contribution (4-5)	-925	-828	-1519	96	10.4
7	Operating Profit (3+6)	2852	3173	2702	322	11.3
8	Provisions	1721	2367	1947	646	37.5
9	Net Profit	1131	806	755	-324	-28.7

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Profit from Core Operations (Rs. crore)

Particulars	Q4' FY 13	Q4' FY 14	Q3' FY 14	Variation (Q4' 14 over Q4 '13)	
				Amt.	Gr. (%)
Net Profit Declared	1131	806	755	-324	-28.7
Treasury Trading Profit	267	189	24	-78	-29.2
Depreciation	190	28	219	-162	-85.1
Net Profit (Excl. Trading Profit & impact of Depreciation)	1054	646	951	-408	-38.7
Operating Profit Declared	2852	3173	2702	322	11.3
Treasury Trading Profit	267	189	24	-78	-29.2
Core Operating Profit (Excl. Trading Profit)	2585	2984	2679	400	15.5

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Provisions		(Rs. Crore)				
Sl.	Particulars	Q4' FY 13	Q4' FY 14	Q3' FY 14	Variation (Q4' 14 over Q4 '13)	
					Amt.	%
1	Provision towards NPAs (Net of floating provisions)	830	1755	1083	925	111.4
2	Standard Advances incl. Standard Restructured	384	380	278	-5	-1.2
4	Depreciation on Investment	190	28	219	-162	-85.1
5	Income Tax	243	228	357	-15	-6.1
6	Others	73	-24	11	-97	-133.2
7	Total Provision	1721	2367	1947	646	37.5

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Break-up : Income		(Rs. Crore)				
Sl.	Parameters	Q4' FY 13	Q4' FY 14	Q3' FY 14	Variation (Q4' 14 over Q4 '13)	
					Amt.	(%)
1	Interest on Advances	7790	8249	8246	459	5.9
2	Interest on Investments	2406	2659	2599	254	10.5
3	Other Interest Income	181	193	139	12	6.7
4	Interest Income (1+2+3)	10377	11101	10984	725	7.0
5	Other Income	1176	1397	938	221	18.8
	of which					
6	Core Non-Interest Income	723	850	775	127	17.6
7	Recovery in Written off a/cs	130	274	86	145	111.7
8	Trading Profit	267	189	24	-78	-29.2
9	Dividend from Liquid MF	54	72	41	18	33.3
10	Residual (incl Derivative inc)	2	11	13	9	408.6
11	Total Income (4+5)	11553	12498	11922	945	8.2

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Fee Based Income (Rs. Crore)

Sl.	Particulars	Q4' FY 13	Q4' FY 14	Q3' FY 14	Variation (Q4' 14 over Q4 '13)	
					Amt.	(%)
1	Processing Fees	100	127	87	27	27.5
2	LC/LG Income	190	208	199	19	9.9
3	Bills & Remittance	93	118	106	25	26.5
4	Incidental Charges	36	53	64	17	49.0
5	Inc from ATM operations	78	85	95	7	9.5
6	Income from Ins & MF	22	26	15	3	15.1
7	Misc. Income	78	120	101	42	54.0
8	Exchange Profit	128	114	107	-14	-10.9
9	Core Non Interest Income	723	850	775	127	17.6

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Break-up : Expenditure (Rs. Crore)

Sl.	Parameters	Q4' FY 13	Q4' FY 14	Q3' FY 14	Variation (Q4' 14 over Q4 '13)	
					Amt.	(%)
1	Intt. Paid on Deposits	6240	6421	6315	181	2.9
2	Intt. Paid on Borrowings	91	396	178	305	336.9
3	Others	270	283	270	14	5.1
4	Total Interest Paid (1+2+3)	6600	7100	6763	499	7.6
5	Estab. Expenses	1421	1478	1758	57	4.0
	Of Which					
5a	Employee Benefits (AS-15)	307	351	649	44	14.2
6	Other Operating Expenses	680	747	699	68	10.0
7	Operating Expenses (5+6)	2101	2225	2457	124	5.9
8	Total Expenses (4+7)	8701	9325	9220	624	7.2

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Cost & Yield Ratios

(Annualized)

Sl.	Particulars	Q 4' FY 2013	Q 4' FY 2014	Q 3' FY 2014
1	Cost of Deposit [%]	6.62	6.14	6.33
2	Cost of Fund [%]	5.40	5.11	5.18
3	Yield on Advances [%]	10.73	9.94	10.60
4	Yield on Investment [%]	7.86	7.90	7.84
5	Yield on Fund [%]	8.50	7.99	8.41
6	Net Interest Margin [%]	3.51	3.20	3.57

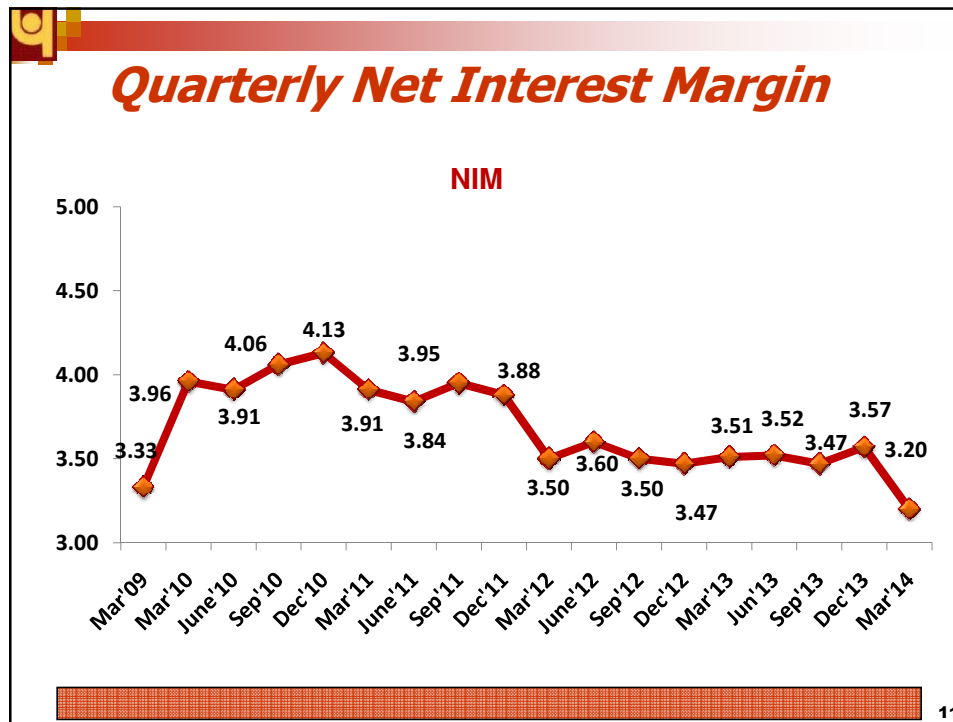
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Profitability Ratios

(Annualized)

Sl.	Particulars	Q 4' FY 2013	Q 4' FY 2014	Q 3' FY 2014
1	Return on Assets [%]	0.93	0.58	0.58
2	Return on Net worth [%]	14.48	9.35	8.91
3	Opt. Profit to AWF [%]	2.33	2.28	2.07
4	Cost to Income Ratio [%]	42.42	41.22	47.62
5	Estb. Exp. To Total Exp. [%]	16.33	15.85	19.07
6	Opt. Exp. To AWF [%]	1.72	1.60	1.88
7	Book Value per Share [Rs]	884.03	952.50	936.85
8	Earnings per share [Rs]	131.63	89.08	85.15

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Profit (FY)

(Rs. Crore)

Sl.	Parameters	Mar'13	Mar'14	Variation (Mar'14 over Mar'13)	
				Amt.	(%)
1	Interest Income	41886	43223	1337	3.2
2	Interest Expenses	27037	27077	40	0.1
3	NII (Spread) (1-2)	14849	16146	1297	8.7
4	Other Income	4223	4577	353	8.4
5	Operating Expenses	8165	9338	1173	14.4
6	Contribution (4-5)	-3942	-4762	-820	20.8
7	Operating Profit (3+6)	10907	11384	477	4.4
8	Provisions	6160	8042	1882	30.6
9	Net Profit	4748	3343	-1405	-29.6

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Profit from Core Operations (FY) (Rs. crore)

Particulars	Mar'13	Mar'14	Variation (Mar'14 over Mar'13)	
			Amt.	(%)
Net Profit Declared	4748	3343	-1405	-29.6
Treasury Trading Profit	487	549	63	12.9
Depreciation	104	783	679	655.3
Net Profit (Excl. Trading Profit & impact of Depreciation)	4365	3576	-789	-18.1
Operating Profit Declared	10907	11384	477	4.4
Treasury Trading Profit	487	549	63	12.9
Core Operating Profit (Excl. Trading Profit)	10421	10835	414	4.0

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Provisions (FY)

(Rs. Crore)

Sl.	Particulars	Mar'13	Mar'14	Variation (Mar'14 over Mar'13)	
				Amt.	(%)
1	Provision towards NPAs (Net of floating provisions)	3336	4517	1181	35.4
2	Standard Adv. Incl. Standard Restructured	874	1374	500	57.2
4	Depreciation on Investment	104	783	679	655.3
5	Income Tax	1774	1348	-426	-24.0
6	Others	71	20	-51	-71.8
7	Total Provision	6160	8042	1882	30.6

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Break-up : Income (FY)

(Rs. Crore)

Sl.	Parameters	Mar'13	Mar'14	Variation (Mar'14 over Mar'13)	
				Amt.	(%)
1	Interest on Advances	31847	32393	546	1.7
2	Interest on Investments	9530	10266	736	7.7
3	Other Interest Income	509	564	56	10.9
4	Interest Income (1+2+3)	41886	43223	1337	3.2
5	Other Income	4223	4577	353	8.4
	of which				
6	Core Non-Interest Income	3062	3320	258	8.4
7	Recovery in Written off a/cs	421	515	94	22.2
8	Trading Profit	487	549	63	12.9
9	Dividend from Liquid MF	233	206	-27	-11.5
10	Residual (incl. Derivative inc)	21	-13	-34	-160.5
11	Total Income (4+5)	46109	47800	1691	3.7

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Fee Based Income (FY)

(Rs. Crore)

Sl.	Particulars	Mar'13	Mar'14	Variation (Mar'14 over Mar'13)	
				Amt.	(%)
1	Processing Fees	519	582	64	12.3
2	LC/LG Income	735	765	30	4.1
3	Bills & Remittance	395	426	31	7.8
4	Incidental Charges	153	190	37	24.1
5	Inc from ATM operations	311	349	37	11.9
6	Income from Ins & MF	55	69	13	23.8
7	Misc. Income	312	395	83	26.6
8	Exchange Profit	581	544	-37	-6.3
9	Core Non Interest Income	3062	3320	258	8.4

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Break-up : Expenditure (FY)

(Rs. Crore)

Sl.	Parameters	Mar'13	Mar'14	Variation (Mar'14 over Mar'13)	
				Amt.	(%)
1	Intt. Paid on Deposits	25501	25222	-279	-1.1
2	Intt. Paid on Borrowings	416	768	352	84.6
3	Others	1120	1087	-33	-2.9
4	Total Interest Paid (1+2+3)	27037	27077	40	0.1
5	Estab. Expenses	5675	6510	836	14.7
	Of Which				
5a	Employee Benefits (AS-15)	2102	2158	56	2.6
6	Other Operating Expenses	2490	2828	337	13.6
7	Operating Expenses (5+6)	8165	9338	1173	14.4
8	Total Expenses (4+7)	35202	36416	1214	3.4

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Cost & Yield Ratios

(Annualized)

Sl.	Particulars	FY Mar'13	FY Mar'14	9 M Dec'13
1	Cost of Deposit [%]	6.82	6.33	6.40
2	Cost of Fund [%]	5.70	5.20	5.24
3	Yield on Advances [%]	11.06	10.36	10.51
4	Yield on Investment [%]	7.89	7.85	7.84
5	Yield on Fund [%]	8.83	8.31	8.43
6	Net Interest Margin [%]	3.52	3.44	3.52

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Profitability Ratios				
(Annualized)				
Sl.	Particulars	FY Mar'13	FY Mar'14	9 M Dec'13
1	Return on Assets [%]	1.00	0.64	0.67
2	Return on Net worth [%]	15.19	9.69	9.97
3	Opt. Profit to AWF [%]	2.30	2.19	2.15
4	Cost to Income Ratio [%]	42.81	45.06	46.42
5	Estb. Exp. To Total Exp. [%]	16.12	17.88	18.58
6	Opt. Exp. To AWF [%]	1.72	1.79	1.87
7	Book Value per Share [Rs]	884.03	952.50	936.85
8	Earnings per share [Rs]	139.52	93.91	95.54

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Business						
(Rs. Crore)						
Sl.	Parameters	Mar'13	Dec'13	Mar'14	Variation % Over	
					Mar'13	Dec'13
1	Total Business	700356	746780	800666	14.3	7.2
	<i>Out of Which</i>					
	Overseas Business	48335	57112	73447	52.0	28.6
	Overseas Business (USD Mio)	9057	9265	12282	35.6	32.6
2	Total Deposit	391560	420647	451397	15.3	7.3
3	Total Advances	308796	326133	349269	13.1	7.1
4	CD Ratio [%]	78.86%	77.53%	77.38%		

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Deposit		(Rs. Crore)				
Sl.	Parameters	Mar'13	Dec'13	Mar'14	Variation % Over	
					Mar'13	Dec'13
1	Total Deposit	391560	420647	451397	15.3	7.3
2	Overseas Deposit	16277	22220	32972	102.6	48.4
	Overseas Deposit (USD Mio)	3139	3595	5500	75.2	53.0
3	Differential Rate Dep. Incl. CD	48921	21396	22512	-54.0	5.2
	Share of DRI Dep. to Total %	12.49	5.09	4.99		
4	Inter Bank Deposit (Term)	11114	12174	16049	44.4	31.8
5	Inter Bank Deposit (CA)	2974	1990	2809	-5.5	41.1
6	Core Deposit	331525	387077	412836	24.5	6.7
	Core Dep. To Total (%)	84.67%	92.02%	91.46%		
7	SB Deposit	123470	133814	141373	14.5	5.6
8	Current Deposit	29874	27147	31499	5.4	16.0
9	CASA Deposit	153344	160961	172872	12.7	7.4
	Share of CASA To Dom. Dep. (%)	40.9%	40.4%	41.3%		

CASA as percentage to Core Deposit is at 41.87%

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Advances- Sectoral		(Rs. Crore)					
Sl.	Parameters	Mar'13	Dec'13	Mar'14	% Share in Gr. Non-food cr.	Variation Mar'14/Mar'13	
						Amt.	(%)
1	Global Gross Advances	315243	334581	359646		44403	14.1
2	Overseas Advances	32058	34893	40475		8417	26.3
3	Domestic Gross Advances	283185	299688	319171		35986	12.7
3a	Food Credit	6057	7146	6251		194	3.2
3b	Dom. Non-Food Gross Adv.	277128	292542	312920	100.00	35792	12.9
	- of Which (Sl. No. 4 to 9)						
4	Agriculture & Allied	38055	44149	*53053	16.95	14998	39.4
5	Industry	125415	137318	142013	45.38	16598	13.2
5a	MSME Manufacturing	37593	43661	46499	14.86	8906	23.7
5b	Large Industry	87822	93657	95514	30.52	7692	8.8
6	Retail Loans	31721	36066	38864	12.42	7143	22.5
6a	Housing	14332	16005	17038	5.44	2707	18.9
6b	Car/Vehicle	2880	3239	3577	1.14	697	24.2
6c	Education	3999	4228	4258	1.36	259	6.5
6d	Other Retail Loans	10510	12593	13991	4.47	3480	33.1
7	Commercial Real Estate	9220	7666	7795	2.49	-1425	-15.5
8	NBFC	11052	11728	13473	4.31	2421	21.9
9	Services & Others	61665	55615	57722	18.45	-3943	-6.4

*** Agriculture Adv. Includes Rs. 7900 cr. pertaining to RRBs. Excl. this the yoy growth of is 21.9%.**

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Advances – Industry wise Breakup (Rs. Crore)

Major Industry wise Deployment	Mar'13		Dec'13		31st Mar'14		Variation Mar'14/Mar'13	
	Amt.	Share % to NFC	Amt.	Share % to NFC	Amt.	Share % to NFC	Amt.	(%)
Food Processing	6240	2.3	7317	2.5	9307	3.0	3067	49.2
Textiles	9269	3.3	9841	3.4	10593	3.4	1324	14.3
Chemical & Chemical Products	4022	1.5	4844	1.7	5579	1.8	1557	38.7
Cement & Cement Products	2295	0.8	2354	0.8	2571	0.8	276	12.0
Basic Metal & Metal Products	20430	7.4	23116	7.9	23325	7.5	2895	14.2
-Iron & Steel	16810	6.1	20359	7.0	21028	6.7	4218	25.1
Paper & paper products	1482	0.5	1535	0.5	1554	0.5	72	4.9
Petroleum	1496	0.5	1552	0.5	1593	0.5	97	6.5
All Engineering Products	5088	1.8	5234	1.8	5317	1.7	229	4.5
Vehicles & Vehicle parts	1143	0.4	941	0.3	864	0.3	-279	-24.4
Construction	1806	0.7	2274	0.8	2363	0.8	557	30.8
Infrastructure	53277	19.2	56870	19.4	58077	18.6	4800	9.0
-Power	27726	10.0	31985	10.9	32747	10.5	5021	18.1
-Tele-Communication	8116	2.9	6599	2.3	6349	2.0	-1767	-21.8
- Roads & Ports	11145	4.0	11408	3.9	12813	4.1	1668	15.0
- Others	6289	2.3	6877	2.4	6168	2.0	-121	-1.9
Residual	18867	6.8	21441	7.3	20870	6.7	2003	10.6
Industry	125415	45.3	137318	46.9	142013	45.4	16598	13.2

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Investment (Rs. Crore)

Sl	Particulars	Mar'13	Dec'13	Mar'14
1	Gross Investment	130313	141851	140466
2	Held To Maturity (HTM)	91267	96424	95694
3	Available For Sale (AFS)	37027	44247	41439
4	Held For trading (HFT)	2019	1180	3333
5	Duration (AFS)	4.39	4.30	4.55
6	Modified Duration (AFS)	4.17	4.05	4.29
7	Duration Total Portfolio	4.76	4.78	4.73
8	Modified Duration Total Portfolio	4.56	4.56	4.51
9	Net demand & time Liabilities	378653	403177	413619
10	SLR (%)	27.98	28.80	25.02
11	SLR HTM to Total SLR (%)	82.99	82.11	80.19
12	HTM To Gross Investment (%)	70.04	67.98	68.13
13	Total SLR	107445	114948	112643
14	Total Non SLR	22868	26903	27823

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Break up of Gross Credit as per Asset Class (Rs. Crore)				
	Standard Adv. (Excl. Std. Restructured)	Restructured Standard (O/S)	*NPA	Gross Advances
Upto 2008-09	153682	279	2507	156468
FY 2009-10	183330	1762	3214	188306
FY 2010-11	237490	2130	4379	243999
FY 2011-12	275645	13528	8720	297893
FY 2012-13	275600	26177	13466	315243
FY 2013-14	305258	35507	18880	359646

**This includes restructured NPA amounting to Rs. 1132.58 cr. as on Mar'14*

01.04.2013 to 31.03.2014 (Current FY)

Sl.	Standard Restructured A/cs (O/s)	No.	Amt. O/s	DFV
1	Under CDR	40	6148	648.42
2	Under SME	286	332	10.37
3	Others (Non-CDR)	49	2850	196.40
	Total	375	9330	855.19

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Sectorwise O/S Restructured Accounts (Rs. Crore)				
01.04.2013 to 31.03.2014 (Current FY)				
Sl.	Restructured Accounts	No.	Amt. O/s	Diminution in Fair Value
1	Standard Adv.	375	9330	855
2	NPA	7	240	41
	Total	382	9571	896

Cumulative

Sl.	Standard Restructured A/cs (O/s)	No.	Amt. O/s
1	Under CDR	99	15591
2	Under SME	463	1135
3	Others (Non-CDR)	191	18781
	Total	753	35507

Sl.	Sector	Upto Mar'13	During Mar'14	O/S Amt	%age Share
A	Agriculture	127	171	298	0.8
B	Housing	0	0	0	0.0
C	Real Estate	279	31	310	0.9
D	Industry	22281	7473	29753	83.8
E	Others	3490	1656	5146	14.5
	Total	26177	9330	35507	100.0
Out of the Above Major Industries/Sectors					
1	Iron & Steel	4061	2042	6103	17.2
2	Infrastructure	12710	1573	14283	40.2
Out of which					
	Power	10862	381	11243	31.7
	Telecom	958	393	1351	3.8
3	Drilling	681	0	681	1.9
4	Textiles	804	1155	1959	5.5
5	Aviation	1619	0	1619	4.6
6	Sugar	549	69	618	1.7
7	Paper/Printing	176	76	252	0.7
8	Chemi/Fertiliser/Drugs	678	406	1084	3.1
9	Cement	22	324	346	1.0
10	Manufacturing	40	13	53	0.1
11	Engineering	27	18	45	0.1
12	Auto parts	0	148	148	0.4
13	Hotel	540	161	701	2.0
14	Education	331	375	706	2.0
15	Finance	80	0	80	0.2

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Non-Performing Assets

(Rs. Crore)

Sl.	Parameters	Mar'13	Dec'13	Mar'14
1	NPA as at the beginning of Yr.	8720	13466	13466
2	Cash Recovery	1942	2107	2611
3	Up gradation	962	623	1429
4	Write Off	997	1256	1355
5	Total Reduction (2+3+4)	3901	3985	5395
6	Fresh Addition	8647	7115	10810
	-Fresh slippages	7809	6255	9865
	-Debits in existing NPA A/cs	838	860	945
7	Gross NPAs end period	13466	16596	18880
8	Eligible Deductions incl. Provisions	6229	7512	8963
9	Net NPAs	7237	9084	9917
10	Recovery in written-off debt A/Cs	421	241	515

Particulars	Mar'13	Dec'13	Mar'14
Gross NPA%	4.27%	4.96%	5.25%
Net NPA%	2.35%	2.80%	2.85%
NPA Coverage Ratio	58.83%	58.55%	59.07%

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Capital Adequacy (Basel III)

(Rs. Crore)

Sl.	Particulars	Mar'13	Mar'14	Mar'14
	Capital Fund		BASEL II	BASEL III
1	Tier I	31664	34606	33060
2	Tier II	9608	11135	9867
3	Total (Tier I+II)	41273	45741	42928
4	Risk-weighted Assets	324380	372311	372548
5	Capital Adequacy Ratio	12.72%	12.29%	11.52%
6	Tier I	9.76%	9.29%	CET: 8.55%
				Add. T I: 0.33%
				Total Tier I: 8.87%
7	Tier II	2.96%	2.99%	2.65%

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Market Share & Productivity

Sl.	Parameters	Mar'13	Dec'13	Mar14
1	Deposit Market Share (%)	5.18	5.01	4.98
2	Credit Market Share (%)	5.11	4.99	4.98
3	Business Per Branch (Rs. Cr.)	116.84	120.60	126.10
4	Business Per Employee (Rs. Cr.)	11.65	12.01	12.83

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