

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

(CONSOLIDATED)

Table DF-1: Scope of Application

Qualitative Disclosures:

Top bank in the group

Punjab National Bank (herein after referred to as the 'Bank') is the top bank in the group to which the Capital Adequacy Framework under Basel III applies. The Bank has three domestic and two international subsidiaries, which together constitute the Group in the context of Consolidated Financial Statements (CFS).

The Bank has three domestic subsidiaries, namely:

- i) PNB Gilts Ltd.
- ii) PNB Investment Services Ltd.
- iii) PNB Cards and Services Ltd.*

The Bank has two international subsidiaries, namely:

- i) Punjab National Bank (International) Limited (PNBIL), UK
- ii) Druk PNB Bank Ltd., Bhutan

*However, PNB Cards and Services Ltd. has not been considered for Consolidated Financial Statements (CFS) as per Reserve Bank of India (RBI) Basel III guidelines as the same does not fall under the Scope of regulatory consolidation.

Note: PNB Insurance Broking Pvt. Ltd. is non-functional, the Broking license has been surrendered, capital stands extinguished and liquidator shall be completing the necessary formalities to conclude the winding up procedure.

The Bank is not directly involved in insurance activity. However, Bank has invested in the share capital in the following insurance related Subsidiaries/Associates.

S. No.	Name of the company	Country of Incorporation	Status	Proportion of ownership
1.	PNB MetLife India Insurance Company Ltd.	India	Associate	30 %
2.	Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd.	India	Associate	23 %

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

a. List of group entities considered for consolidation

(i) All the group entities as mentioned above are considered for consolidation under accounting scope of consolidation.

(ii) All the subsidiaries except associates/JVs, insurance and non-financial subsidiaries as mentioned above are considered for consolidation under regulatory scope of Consolidation. Regulatory scope of consolidation refers to consolidation in such a way as to result in the assets of the underlying group entities being included in the calculation of consolidated risk- weighted assets of the group.

Name of the entity & Country of incorporation	Whether the entity is included under accounting scope of consolidation (Yes/No)	Method of consolidation	Whether the entity is included under regulatory scope of consolidation (Yes/No)	Method of consolidation	Reasons for difference in the method of consolidation	Reasons for consolidation under only one of the scopes of consolidation
PNB Gilts Ltd.(India)	Yes	Consolidated in accordance with AS-21, Consolidated Financial Statements	Yes	Consolidated in accordance with AS-21, Consolidated Financial Statements	Not applicable	Not applicable
PNB Investment Services Ltd. (India)						
Punjab National Bank (International) Ltd. (U.K.)						
Druk PNB Bank Ltd (Bhutan)						
PNB Cards and Services Ltd. (India)			No	Not applicable	Not applicable	Non-Financial Subsidiary: Not under the Scope of regulatory Consolidation

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Name of the entity & Country of incorporation	Whether the entity is included under accounting scope of consolidation (Yes/No)	Method of consolidation	Whether the entity is included under regulatory scope of consolidation (Yes/No)	Method of consolidation	Reasons for difference in the method of consolidation	Reasons for consolidation under only one of the scopes of consolidation
PNB MetLife India Insurance Co. Ltd (India)	Yes	Consolidated in accordance with AS-23	No	Not applicable	Not applicable	Associate: Not under the Scope of regulatory Consolidation
JSC (Tengri Bank), Almaty, Kazakhstan \$						
PNB Housing Finance Ltd, India						
Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd, India						
India SME Asset Reconstruction Co. Ltd, India						
Dakshin Bihar Gramin Bank, Patna, India						
Sarva Haryana Gramin Bank, Rohtak, India						
Himachal Pradesh						

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Name of the entity & Country of incorporation	Whether the entity is included under accounting scope of consolidation (Yes/No)	Method of consolidation	Whether the entity is included under regulatory scope of consolidation (Yes/No)	Method of consolidation	Reasons for difference in the method of consolidation	Reasons for consolidation under only one of the scopes of consolidation
Gramin Bank, Mandi, India	Yes	Consolidated in accordance with AS-23	No	Not applicable	Not applicable	Associate: Not under Scope of regulatory Consolidation
Punjab Gramin Bank, Kapurthala, India						
Prathama UP Gramin Bank, Moradabad, India						
Assam Gramin Vikas Bank, Guwahati, India						
Bangiya Gramin Vikas Bank, Murshidabad, India						
Manipur Rural Bank, Imphal, India						
Tripura Gramin Bank, Agartala, India						
Everest Bank Ltd., Nepal						

\$Agency of the Republic of Kazakhstan revoked license of JSC Tengri Bank w.e.f. 18th September, 2020 and is under liquidation.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

b. List of group entities not considered for consolidation both under accounting and regulatory scope of consolidation.

Rs. in millions

Name of the entity & Country of Incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	% of bank's Holding in the total equity	Regulatory treatment of bank's investments in the capital instruments of the entity	Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)
NA	NA	NA	NA	NA	NA

Quantitative Disclosures:

c. Group entities considered for regulatory consolidation.

Rs. in millions

Name of the entity & Country of incorporation	Principle activity of the entity	Total balance sheet equity as on 30 th Sept'2022 (As per accounting balance sheet)	Total balance sheet Assets as on 30 th Sept'2022 (As per accounting balance sheet)
PNB Gilts Ltd. (India)	Primary Dealer	12270.33	167871.57
PNB Investment Services Ltd. (India)	Merchant Banking, Corporate Advisory & Debenture Trustee & Security Trustee	462.27	486.01
Punjab National Bank (International) Ltd. (U.K.)	Banking	7082.39	73890.83
Druk PNB Bank Ltd. (Bhutan)	Banking	2491.65	24283.31

d. Capital deficiency in subsidiaries

There is no capital deficiency in the subsidiaries of the Bank as on 30th September 2022.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

e. The aggregate amounts (e.g. current book value) of the bank's total interests in insurance entities, which are risk-weighted:

Rs. in millions

Name of the Insurance entities / country of incorporation	Principle activity of the entity	Total balance sheet equity (as per the accounting Balance sheet of the legal entity) as on 30.09.2022	% of bank's Holding in the Total equity / Proportion of voting power	Quantitative Impact on regulatory capital of using risk weighting method versus using the full deduction method
Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd (India)	Life Insurance/Bancassurance	12152.05	23%	Risk weight up to the value of investment
PNB Metlife India Insurance Company Ltd (India)	Life Insurance/Bancassurance	20252.15	30%	Risk weight up to the value of investment

f. Any restrictions or impediments on transfer of funds or regulatory capital within the banking group is as governed by RBI.

Table DF-2: Capital Adequacy

Qualitative Disclosures:

(a)

1. Capital Adequacy

The bank believes in the policy of total risk management. The bank views the risk management function as a holistic approach whereby risk retention is considered appropriate after giving due consideration to factors such as specific risk characteristics of obligor, inter relationship between risk variables and corresponding return and achievement of various business objectives within the controlled operational risk environment. Bank believes that risk management is one of the foremost responsibilities of top/ senior management. The Board of Directors decides the overall risk management policies and approves the Risk Management Philosophy & Policy, Credit Management & Risk policy, Investment policy, ALM policy, Operational Risk Management policy, Policy for internal capital adequacy assessment process (ICAAP), Credit Risk Mitigation & Collateral Management Policy, Stress Testing Policy and Policy for Mapping Business Lines/Activities, containing the direction and strategies for integrated management of the various risk exposures of the Bank. These policies, inter alia, contain various trigger levels, exposure levels, thrust areas etc.

The bank has constituted a Board level subcommittee namely Risk Management Committee (RMC). The committee has the overall responsibility of risk management functions and oversees the function of Credit Risk Management Committee (CRMC),

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Asset Liability Committee (ALCO), Market Risk Management Committee (MRMC) and Operational Risk Management Committee (ORMC). The meeting of RMC is held at least once in a quarter. The bank recognizes that the management of risk is integral to the effective and efficient management of the organization.

2. Credit Risk Management

2.1.1 Credit Risk Management Committee (CRMC) headed by MD & CEO is the top-level functional committee for Credit risk. The committee considers and takes decisions necessary to manage and control credit risk within overall quantitative prudential limit set up by Board. The committee is entrusted with the job of approval of policies on standards for presentation of credit proposal, fine-tuning required in various models based on feedbacks or change in market scenario, approval of any other action necessary to comply with requirements set forth in Credit Risk Management Policy/ RBI guidelines or otherwise required for managing credit risk.

2.1.2 In order to provide a robust risk management structure, the Credit Management and Risk policy of the bank aims to provide a basic framework for implementation of sound credit risk management system in the bank. It deals with various areas of credit risk, goals to be achieved, current practices and future strategies. As such, the credit policy deals with short term implementation as well as long term approach to credit risk management. The policy of the bank embodies in itself the areas of risk identification, risk measurement, risk grading techniques, reporting and risk control systems / mitigation techniques and documentation practice.

Zonal Risk Management Cells (ZRMCs) have been set up at zonal level as an extended arm of HO: IRMD to inculcate risk culture at field level in line with Risk Philosophy of the Bank. The new risk assessment structure focuses on complete segregation of credit risk assessment system from credit underwriting by centralizing the risk rating process parallel to Zonal Level under direct control of Integrated Risk Management Division at Head Office, whereas the credit delivery system shall continue through business delivery structure of credit verticals and zones. The segregation of processes had been introduced to create an independent efficient risk assessment and third eye view based calculation of risk over a borrowing entity.

For better support, control & transparent structure of reporting, organization structure in the bank has been revamped. In this regard, bank has introduced specialized lending branches for catering to loans from Rs 10 lacs to Rs 1 Crore through PNB Loan Point (PLP) in respect of Retail, Agriculture and MSME segments. Mid Corporate Centres (MCC) shall sanction corporate loans above 1 crore upto 10 crore. Corporate Banking Branches (CBBs) shall handle Non Retail Credit proposals above Rs. 10 Crores. LCB & ELCBs for loans above 50 crores has been put in place. All loan proposals falling under the powers of MCC, Circle Office, Zonal Office and Head office are considered by Credit approval Committees.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

- 2.1.3 Bank has developed comprehensive risk rating system that serves as a single point indicator of diverse risk factors of counterparty and for taking credit decisions in a consistent manner. The risk rating system is drawn up in a structured manner, incorporating different factors such as borrower's specific characteristics, industry specific characteristics etc. Risk rating system is being applied to the loan accounts with total limits above Rs.100 Lacs w.e.f. 07.05.2022. Bank is undertaking periodic validation exercise of its rating models and also conducting migration and default rate analysis to test robustness of its rating models.

Small & Medium Enterprise (SME), Retail advances and lending to agriculture are subjected to scorecard assessment which support "Accept/ Reject" decisions based on the scores obtained. All eligible SME, Retail loan and Agriculture lending applications are necessarily to be evaluated under score card system. Further, bank has developed score cards for evaluating lending proposals under co-lending arrangement, digital lending and credit cards.

Recognizing the need of technology platform in data handling and analytics for risk management, the bank has placed rating/ scoring systems at central server network. All these models can be accessed by the users 'on line' through any office of the bank.

For monitoring the health of borrowal accounts at regular intervals, bank has put in place a tool called PNB SAJAG - Early Warning Signal + Preventive Monitoring System (EWS+PMS) for detection of early warning signals to address the issue of monitoring of causes of build-up of stress in assets with a view to prevent/minimize the loan losses.

- 2.1.4 Bank has implemented enterprise-wide data warehouse (EDW) project, to cater to the requirement for the reliable and accurate historical data base and to implement the sophisticated risk management solutions/ techniques and the tools for estimating risk components {PD (Probability of Default), LGD (loss Given Default), EAD (Exposure at Default)} and quantification of the risks in the individual exposures to assess risk contribution by individual accounts in total portfolio and identifying buckets of risk concentrations.
- 2.1.5 As an integral part of Risk Management System, bank has put in place a well-defined Loan Review Mechanism (LRM). This helps bring about qualitative improvements in credit administration. A separate Division known as Credit Audit & Review Division has been formed to ensure LRM implementation.
- 2.1.6 The risk rating and vetting process is done independent of credit appraisal function to ensure its integrity and independency. The rating category wise portfolio of loan assets is reviewed on quarterly basis to analyze mix of quality of assets etc.
- 2.1.7 The bank has implemented the Standardized Approach of credit risk as per RBI guidelines and further we are in the process of adoption of Internal Rating Based Approaches (IRB). Bank has received approval from RBI for adoption of Foundation Internal Rating Based Approach (FIRB) on parallel run basis

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

w.e.f. 31.07.2013. Further, bank has placed notice of intention to RBI for implementing Advanced Internal Rating Based (AIRB) approach for credit risk.

Major initiatives taken for implementation of IRB approach are as under:

- For corporate assets class, bank has estimated PD based upon model wise default rates viz. Large Corporate and Mid Corporate borrowers using Maximum likelihood estimator (MLE). For retail asset class, PD is computed for identified homogeneous pool by using exponential smoothing technique.
- LGD (Loss Given Default) values have been calculated by using workout method for Corporate Asset Class as well as for each homogenous pool of Retail Asset Class.
- Bank has also put in place a mechanism to arrive at the LGD rating grade apart from the default rating of a borrower. The securities eligible for LGD rating are identified facility wise and the total estimated loss percentage in the account is computed using supervisory LGD percentage prescribed for various types of collaterals and accordingly LGD rating grades are allotted.
- Mapping of internal grades with that of external rating agencies grades: Bank has mapped its internal rating grades with that of external rating agencies grades. This exercise helps in unexpected loss calculation and PD estimation.
- Benchmarking of Cumulative Default Rates: Benchmark values of cumulative default rates for internal rating grades have been calculated based on the published default data of external rating agencies. The benchmark values is used for monitoring of cumulative default rates of internal rating grades and PD validation.
- Bank has adopted supervisory slotting criteria approach for calculation of capital under specialised lending (SL) exposure falling under corporate asset class.
- Bank has put in place a comprehensive "Credit Risk Mitigation & Collateral Management Policy", which ensures that requirements of FIRB approach are met on consistent basis.

2.2 Market Risk

2.2.1 The investment policy covering various aspects of market risk attempts to assess and minimize risks inherent in treasury operations through various risk management tools. Broadly, it incorporates policy prescriptions for measuring, monitoring and managing systemic risk, credit risk, market risk, operational risk and liquidity risk in treasury operations.

2.2.2 Besides regulatory limits, the bank has put in place internal limits and ensures adherence thereof on continuous basis for managing market risk in trading book of the bank and its business operations. Bank has prescribed entry level barriers, exposure limits, stop loss limits, VaR limits, Duration limits and Risk Tolerance limit for trading book investments. Bank is keeping constant track

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

on Migration of Credit Ratings of investment portfolio. Limits for exposures to Counterparties, Industry Segments and Countries are monitored. The risks under Forex operations are monitored and controlled through Stop Loss Limits, Overnight limit, Daylight limit, Aggregate Gap limit, Individual Gap limit, Value at Risk (VaR) limit, Inter-Bank dealing and investment limits etc.

2.3 Operational Risk

(i) Qualitative Disclosures:

Operational Risk:

Basel Committee and subsequently RBI have defined Operational Risk (OR) as “the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events”. This definition includes legal risk, but excludes strategic and reputational risk. The bank has also adopted the same definition for management of operational risk within the bank. The Bank has put in place Board approved policy with clearly defined roles and responsibilities to mitigate operational risk arising out of the Bank’s business and operations. The bank adopts three lines of defense model for management of operational risk.

First line of defence is the Business Divisions These Divisions being owner of various banking activities, take up management of operational risks within their owned activities, undertake actions for management/mitigation of these risks and take any business line/division level decisions with respect to operational risk. They propagate Operational Risk Management (ORM) policies as laid down by the Board. They analyze the findings of Risk & Control Self- Assessment (RCSA), Key Risk Indicators (KRI) & loss events and initiate action for strengthening of internal processes, management/ mitigation of Operational Risk and explore use of insurance and other mitigating options.

Second Line of defence is Risk Management Division which is responsible for framing the Operational Risk Framework/Policy and ensuring implementation thereof. Operational Risk Management Division acts as a repository of Operational Risk Loss Data Base, KRIs, RCSA Surveys results, Scenario Analyses and used the same for root cause analyses, Operational Risk Management and Measurement. Certain information collected and published by Control Units like Inspection & Audit Division, Management Audit & Review Division, Fraud Risk Management Division and Security Department etc. are used to identify, control, monitor and mitigate the operational risk at Bank wide level. Separate division has been created, presently Mission Parivartan Division, to look into Business Process Reengineering.

Third line of defence is Inspection & Audit Division/ Management Audit & Review Division (IAD/MARD) which are responsible for independent review and validation of Operational Risk Management Framework (ORMF) and Operational Risk Management System (ORMS) at bank wide level.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Governance and Organisational Structure for Managing Operational Risk:

Operational Risk Management Committee (ORMC) headed by Executive Director looking after Integrated Risk Management Division along with all the other EDs and CGMs / GMs of various divisions as members is the Executive level committee to oversee the entire operational risk management of the bank. An independent Operational Risk Management Department (ORMD) is responsible for implementation of ORM ensuring a strong ORM culture and responsibility across the Bank.

For management of operational risks at HO division level, each business line/division has a **Risk Assessment Committee (RAC)**. This committee is headed by Divisional Head of the concerned division. The committee identifies the operational risks present in the existing/new products/processes/activities of that business line/division, take corrective/preventive/pre-emptive steps to monitor and control the Operational Risk within the overall framework of the ORM Policy of the Bank.

In order to ensure completeness and correctness of loss data and also to inculcate risk culture deep down the ladder in the Bank, committees named as '**Checks on Threats to Reduce Op-risk Losses (CONTROL)**' and **Joint Action Group on Op-risk Control (JAGROC)** have been formed at Circle level and Zonal level respectively which also identify and evaluate the internal and external factors that could adversely affect the achievement of Bank's performance, corporate goals, information system, and compliance objective in the HO guidelines.

Tools to measure & monitor Operational Risk

Internal Control is an essential pre-requisite for an efficient and effective operational risk management. Bank has clearly laid down policies and procedures to ensure the integrity of its operations, appropriateness of operating systems and compliance with the management policies. Established Frameworks/Policies for control and mitigation of operational risk are in place:

- 1) Operational Risk Management (ORM) policy
- 2) Policy for Business Continuity Plan (BCP)
- 3) Policy for Approval of New Product (SoP, Risk Description Charts, Review etc.)
- 4) Policy for Outsourcing of Financial Services
- 5) Loss Data Collection Framework
- 6) Risk & Control Self-Assessment Framework. It's a proactive exercise which helps in identifying control gaps and consequent actions proposed to close the gaps. RCSA is used for identification & mitigation of operational risks, reporting of control deficiencies, monitoring of changes in control environment and assessment of operational risk profile.
- 7) Business Line Mapping Framework as per Basel defined 8 Business Lines and 7 Loss Event Types.
- 8) Key Risk Indicator Framework. The indicators have been defined subject to annual review with threshold and monitoring mechanism. These indicators are

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

metrics/ measures that are derived from various factors to indicate an early warning of or to monitor increasing risk or control failures in an activity.

Quantitative Disclosures:

(b) Capital requirement for credit risk:

(Rs. in million)

Particulars	30.09.2022
Portfolios subject to standardized approach	593896.90
Securitization exposure	0

(c) Capital requirement for market risk (under standardized duration approach):

(Rs. in million)

Risk Category	30.09.2022
i) Interest Rate Risk	26785.12
ii) Foreign Exchange Risk (including Gold)	720.00
iii) Equity Risk	10213.88
iv) CDS	0.00
Total capital charge for market risks under Standardized duration approach (i + ii + iii + iv)	37719.01

(d) Capital requirement for operational risk:

(Rs. in million)

Capital requirement for operational risk	30.09.2022
i) Basic indicator approach	57169.30
ii) The Standardized approach (if applicable)	-

(e) Common Equity Tier 1, Tier 1 and Total Capital ratios (Group basis):

	30.09.2022
Common equity Tier 1 Capital ratio (%) (Basel- III)	10.94
Tier 1 Capital ratio (%) (Basel- III)	12.27
Tier 2 Capital ratio (%) (Basel- III)	2.54
Total Capital ratio (CRAR) (%) (Basel- III)	14.81

For Significant Bank Subsidiaries:

Name of subsidiary	Common equity Tier 1 Capital ratio (%) (Basel- III)	Additional Tier 1 Capital ratio (%) (Basel- III)	Tier 1 Capital ratio (%) (Basel- III)	Tier 2 Capital ratio (%) (Basel- III)	Total Capital ratio (CRAR) (%) (Basel- III)
	30.09.2022				
PNB Gilts Ltd	26.17	0	26.17	0	26.17
Punjab National Bank	9.05	4.69	13.74	4.45	18.19

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Name of subsidiary	Common equity Tier 1 Capital ratio (%) (Basel- III)	Additional Tier 1 Capital ratio (%) (Basel- III)	Tier 1 Capital ratio (%) (Basel- III)	Tier 2 Capital ratio (%) (Basel- III)	Total Capital ratio (CRAR) (%) (Basel- III)
(International) Ltd.*					
PNB Investment Services Ltd.	NA	NA	NA	NA	NA
Druk PNB Bank Ltd.	14.60	0	14.60	1.66	16.26

*The capital ratios are as per IFRS Accounting Standard

Table DF- 3: Credit Risk: General Disclosures

Qualitative Disclosures:

(a)

3.1 Any amount due to the bank under any credit facility is overdue if it is not paid on the due date fixed by the bank. Further, an impaired asset is a loan or an advance where:

- (i) Interest and/or instalment of principal remains overdue for a period of more than 90 days in respect of a term loan.
- (ii) The account remains out of order in respect of an overdraft/cash credit continuously for a period of 90 days.

Account will be treated out of order, if:

- The outstanding balance in CC/OD accounts remains continuously in excess of the sanctioned limit/drawing power for 90 days, or
 - The outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but there are no credits continuously for 90 days, or the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but credits are not enough to cover the interest debited during the previous 90 days period ('Previous 90 days period' shall be inclusive of the day for which the day-end process is being run).
- (iii) In case of bills purchased & discounted, the bill remains overdue for a period of more than 90 days
 - (iv) The instalment or principal or interest thereon remains overdue for two crop seasons for short duration and the instalment of principal or interest thereon remains overdue for one crop season for long duration crops in case of Agricultural loans.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

The classification of an assets as overdue/impaired, reflects the status of an account at the day-end of that calendar date, irrespective of the time of running of such processes.

Credit approving authority, prudential exposure limits, industry exposure limits, credit risk rating system, risk based pricing and loan review mechanisms are the tools used by the bank for credit risk management. All these tools have been defined in the Credit Management & Risk Policy of the bank. At the macro level, policy document is an embodiment of the Bank's approach to understand measure and manage the credit risk and aims at ensuring sustained growth of healthy loan portfolio while dispensing the credit and managing the risk.

(ii) Quantitative Disclosures

(b) The total gross credit risk exposures:

(Rs. in million)

Category	30.09.2022
Fund Based exposure	9682518.44
Non Fund Based (O/s)	1034636.69

(c) The geographic distribution of exposures:

(Rs. in million)

Category	Overseas	Domestic
	30.09.2022	30.09.2022
Fund Based exposure	444732.90	9237785.55
Non Fund Based (O/s)	3613.05	1031023.64

(d)

(i) Industry type distribution of Exposures (Fund Based as on 30.09.2022) on Consolidated basis is as under:

Industry Name	(Rs. In Million)
A. Mining and Quarrying	33863.52
A.1 Coal	24480.51
A.2 Others	9383.01
B. Food Processing	224573.39
B.1 Sugar	42256.34
B.2 Edible Oils and Vanaspati	21955.45
B.3 Tea	10339.28
B.4 Coffee	125.85
B.5 Others	149896.46
C. Beverages (excluding Tea & Coffee) and Tobacco	6101.81
C.1 Tobacco and tobacco products	1468.70
C.2 Others	4633.11
D. Textiles	157861.67
D.1 Cotton	43458.16
D.2 Jute	833.35

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Industry Name	(Rs. In Million)
D.3 Man-made	20413.43
D.4 Others	93156.73
E. Leather and Leather products	16402.81
F. Wood and Wood Products	11641.25
G. Paper and Paper Products	29129.93
H. Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	218012.62
I. Chemicals and Chemical Products (Dyes, Paints, etc.)	86815.48
I.1 Fertilizers	5504.86
I.2 Drugs and Pharmaceuticals	16729.53
I.3 Petro-chemicals (excluding under Infrastructure)	34110.94
I.4 Others	30470.15
J. Rubber, Plastic and their Products	56130.36
K. Glass & Glassware	8693.11
L. Cement and Cement Products	18988.36
M. Basic Metal and Metal Products	341215.75
M.1 Iron and Steel	302550.58
M.2 Other Metal and Metal Products	38665.17
N. All Engineering	80131.46
N.1 Electronics	26189.80
N.2 Others	53941.66
O. Vehicles, Vehicle Parts and Transport Equipments	21530.12
P. Gems and Jewellery	106573.20
Q. Construction	48212.02
R. Infrastructure	1306346.11
R.1 Energy	581979.79
R.2 Transport	535532.90
R.3 Communication	105754.54
R.4 Others	83078.89
S. Other Industries	515595.69
All Industries (A to S)	3287818.67
T. Residuary other advances	6394699.77
TOTAL Fund Based (Domestic+ Overseas) Advances	9682518.44

Industry where Fund-Based Exposure (as on 30.09.2022) on consolidated basis is more than 5% of Gross Fund Based Exposure:

S.No.	Industry Name	(Rs. in million)
1	Energy (Infrastructure)	581979.79
2	Transport (Infrastructure)	535532.90

(ii) Industry type distribution of Exposures (Non Fund Based as on 30.09.2022) on consolidated basis is as under:

Industry Name	(Rs. in million)
A. Mining and Quarrying	2749.06
A.1 Coal	2253.65

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Industry Name	(Rs. in million)
A.2 Others	495.41
B. Food Processing	36162.99
B.1 Sugar	5912.30
B.2 Edible Oils and Vanaspati	13130.37
B.3 Tea	848.06
B.4 Coffee	0.00
B.5 Others	16272.25
C. Beverages (excluding Tea & Coffee) and Tobacco	195.94
C.1 Tobacco and tobacco products	0.00
C.2 Others	195.94
D. Textiles	25526.45
D.1 Cotton	10296.86
D.2 Jute	66.50
D.3 Man-made	3673.72
D.4 Others	11489.37
E. Leather and Leather products	2524.76
F. Wood and Wood Products	2264.82
G. Paper and Paper Products	4379.03
H. Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	5317.84
I. Chemicals and Chemical Products (Dyes, Paints, etc.)	22479.09
I.1 Fertilizers	4202.58
I.2 Drugs and Pharmaceuticals	5613.12
I.3 Petro-chemicals (excluding under Infrastructure)	7027.39
I.4 Others	5636.00
J. Rubber, Plastic and their Products	29332.53
K. Glass & Glassware	2029.46
L. Cement and Cement Products	1497.65
M. Basic Metal and Metal Products	119850.18
M.1 Iron and Steel	115201.36
M.2 Other Metal and Metal Products	4648.82
N. All Engineering	54515.93
N.1 Electronics	24420.19
N.2 Others	30095.74
O. Vehicles, Vehicle Parts and Transport Equipment's	4981.95
P. Gems and Jewellery	1221.28
Q. Construction	48876.11
R. Infrastructure	209706.08
R.1 Energy	73330.64
R.2 Transport	74946.14
R.3 Communication	12676.08
R.4 Others	48753.22
S. Other Industries, pl. specify	47543.22
All Industries (A to S)	621154.36
T. Residuary other advances	413482.33
TOTAL Non-Fund Based (Domestic+ Overseas) Advances	1034636.69

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Industry where Non- Fund based Exposure (as on 30.09.2022) on consolidated basis is more than 5% of Gross Non-Fund based Exposure:

S. No.	Industry Name	(Rs. In Million)
1.	Iron & Steel	115201.36
2.	Energy	73330.64
3.	Transport	74946.14

(e) The residual contractual maturity break down of assets as on 30.09.2022 is:
(Rs. in million)

Maturity Pattern	Advances*	Investments (Gross)	Foreign Currency Assets
Next day	41698.05	4.92	62258.00
2 - 7 days	279347.75	4362.00	43263.26
8 -14 days	60554.94	2056.72	42941.96
15- 30 days	360080.76	31703.12	131948.40
31days - 2months	321052.34	28558.93	115224.39
Over 2 months & upto 3 Months	618866.00	27868.17	40076.95
Over 3 Months to 6 months	618759.58	82804.66	92085.27
Over 6 Months & upto 1 year	601351.68	87667.87	90573.92
Over 1Year & upto 3 Years	1223403.48	407783.93	222155.98
Over 3 Years & upto 5 Years	2439226.31	594794.35	182508.00
Over 5 Years	1226729.70	2918558.40	24263.22
Total	7791070.59	4186163.09	1047299.36

*Figures are shown on net basis.

(f) The gross NPAs are:

(Rs. in million)

Category	30.09.2022
Sub Standard	141673.50
Doubtful – 1	168260.18
Doubtful – 2	194436.48
Doubtful – 3	143979.45
Loss	244118.91
Total NPAs (Gross)	892468.52

(g) The amount of Net NPAs is:

(Rs. in million)

Particulars	30.09.2022
Net NPA	293625.34

(h) The NPA Ratios are as under:

NPA Ratios	30.09.2022
% of Gross NPAs to Gross Advances	10.65
% of Net NPAs to Net Advances	3.77

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

(i) The movement of gross NPAs is as under:

(Rs. in million)

Movement of gross NPAs	30.09.2022
i) Opening Balance at the beginning of the year	947397.81
ii) Addition during the period	112175.75
iii) Reduction during the period	167105.03
iv) Closing Balance as at the end of the period (i + ii - iii)	892468.52

(j) The movement of provision with a description of each type of provision is as under:

(Rs. in million)

Name of Provisions	Opening Provisions as on 01.04.2022	Provision made during the period	Adjustment / Transfer / Write-off	Provision as on 30.09.2022
Provision for Standard Assets	59822.77	12564.48	(5398.96)	66988.30
Provision for Standard Derivatives	503.99	266.87	-	770.87
Provision for NPAs (excluding Standard Assets)	590825.72	115180.93	(116409.80)	589596.86

(k) The amount of non-performing investment is:

(Rs. in million)

Particulars	30.09.2022
Amount of non-performing investment	79287.55

(l) The amount of provisions held for non-performing investment is:

(Rs. in million)

Particulars	30.09.2022
Amount of provision held for non-performing investment	75208.21

(m) The movement of provisions for depreciation on investments is:

(Rs. in million)

Movement of provisions for depreciation on investments	30.09.2022
i) Opening balance at the beginning of the year	74218.79
ii) Provisions made during the period	30527.73
iii) Write-off made during the period	8558.46
iv) Write-back of excess provisions made during the period	0.00
v) Closing balance as at the end of the period (i + ii –iii-iv)	96188.06

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

(n) NPA and provisions maintained by major industry or counterparty type as on 30.09.2022

(Rs. in million)

Name of major industry or counterparty type	Amount of NPA (if available, past due loans be provided separately)	Specific and general provisions	Specific provisions during the current period	Write-offs during the current period
A. Mining and Quarrying	1541.53	1016.48	Bank has made a provisions of Rs.83151.20 Million towards NPA during current FY	Bank has written off Rs.60914.10 Million during current FY
B. Food Processing	46863.54	32561.81		
C. Textiles	19592.62	10192.28		
D. Chemical & Chemical Products	3530.03	2680.15		
E. Cement and Cement Products	997.37	618.09		
F. Basic Metal and Metal products	15289.92	7640.86		
G. Petroleum(Non Infra), Coal Products(Non Mining) and nuclear fuels	243.36	138.35		
H. All Engineering	7025.79	4467.64		
I. Gems and Jewellery	82510.26	81645.64		
J. Construction	17785.39	15219.84		
K. Infrastructure	81105.70	63985.39		
L. Computer Software				
M. Other Industry	86495.93	27921.96		
N. Trading	14.72	2.21		
O. Beverages & Tobacco	666.78	339.82		
P. Leather and Leather Products	1612.60	961.03		
Q. Wood and Wood products	1607.47	595.13		
R. Paper and Paper Products	2210.12	1106.53		
S. Rubber, plastic and their products	6621.03	3082.18		
T. Vehicle, Vehicle parts and Transport equipment's	1316.75	696.83		
U. Glass & Glassware	537.73	262.36		

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

(o) Geography-wise NPA and provisions as on 30.09.2022

(i)

(Rs. in million)

Amount of Gross NPA	Overseas (Outside India)	Domestic (In India)
892468.52	26975.03	865493.49

(ii)

(Rs. in million)

Provisions	Overseas (Outside India)	Domestic (In India)
Specific provisions	26493.65	563103.30
General Provisions		

Table DF- 4 - Credit Risk: Disclosures for Portfolios Subject to the Standardized Approach

Qualitative Disclosures:

(a)

4.1. Bank has the following seven approved domestic credit rating agencies as on 30.09.2022 accredited by RBI for mapping its exposure with domestic borrowers under standardized approach of credit risk.

- Brickwork
- CARE
- CRISIL
- ICRA
- India Ratings
- Acuite (Erstwhile SMERA)
- INFOMERICS

Bank has also approved the following three international credit rating agencies accredited by RBI in respect of exposure with overseas borrowers.

- FITCH
- Moody's
- Standard & Poor

These agencies are being used for rating (Long Term & Short Term) of fund based/ non-fund-based facilities provided by the bank to the borrowers. The bank uses solicited rating from the chosen credit rating agencies.

The ratings available in public domain are mapped according to mapping process as envisaged in RBI guidelines on the subject.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Quantitative Disclosures:

(b) For exposure amounts after risk mitigation subject to the standardized approach, amount of a bank's outstanding (rated and unrated) in the following three major risk buckets as well as those that are deducted are as under:

(Rs. in million)

Particulars	30.09.2022
i) Below 100% risk weight exposure outstanding	7203114.35
ii) 100% risk weight exposure outstanding	1404736.05
iii) More than 100% risk weight exposure outstanding	520250.18
iv) Deducted	0.00

Table DF-5: Credit Risk Mitigation: Disclosures for Standardized Approaches

Qualitative Disclosures:

(a)

5.1. Bank has put in place Board approved 'Credit Risk Mitigation and Collateral Management Policy' which, inter alia, covers policies and processes for various collaterals including financial collaterals and netting of on and off-balance sheet exposure.

5.2. The collaterals used by the Bank as risk mitigant comprise of the financial collaterals (i.e. bank deposits, govt./postal securities, life policies, gold jewellery, units of mutual funds etc.). A detailed process of calculation of correct valuation and application of haircut thereon has been put in place by developing suitable software.

5.3. Guarantees, which are direct, explicit, irrevocable and unconditional, are taken into consideration by Bank for calculating capital requirement. Use of such guarantees for capital calculation purposes is strictly as per RBI guidelines on the subject.

5.4. Majority of financial collaterals held by the Bank are by way of own deposits and government securities, which do not have any issue in realization. As such, there is no risk concentration on account of nature of collaterals.

Quantitative Disclosures

(Rs. in million)

Particulars	30.09.2022
(b) For each separately disclosed credit risk portfolio the total exposure (after, where applicable, on or off balance sheet netting) that is covered by eligible financial collateral after the application of haircuts.	273156.22
(c) For each separately disclosed portfolio the total exposure (after, where applicable, on or off-balance sheet netting) that is covered by guarantees/credit derivatives (whenever specifically permitted by RBI)	888120.02

Table DF-6: Securitization Exposures: Disclosure for Standardized Approach:
Bank/Group does not have any securitization exposure

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Table DF-7: Market Risk in Trading Book

Qualitative Disclosures:

(a)

7.1 RBI prescribed Standardized Measurement Method (duration based) for computation of capital charge for market risk has been adopted by Bank. Being fully compliant with Standardized Measurement Method as per RBI guidelines, now Bank is preparing for the Internal Model Approach (Advanced Approach on Market risk) based on Value at Risk (VaR) model.

Quantitative Disclosures:

(b)

(Rs. in million)

Risk Category	30.09.2022
i) Interest Rate Risk	26785.12
ii) Foreign Exchange Risk (including Gold)	720.00
iii) Equity Risk	10213.88
iv) CDS	0.00
iv) Total capital charge for market risks under Standardized duration approach (i + ii + iii)	37719.01

Table DF-8: Operational Risk

As per RBI directives, the bank has been maintaining capital for operational risk under Basic Indicator approach (BIA) w.e.f. 31.03.2008. The capital requirement as per Basic Indicator Approach (BIA) is Rs. 57,169.30 Millions as on 30.09.2022.

Table DF-9: Interest Rate Risk in the Banking Book (IRRBB)

Qualitative Disclosures:

(a)

9.1 The interest rate risk arises due to fluctuating interest rates on rate sensitive assets and liabilities. For earning perspective, Traditional Gap Analysis (TGA) and for economic value perspective, Duration Gap Analysis (DGA) is carried out to assess the interest rate risk at monthly intervals on both trading book and banking book for domestic and overseas operations, as per RBI guidelines. As per ALM Policy, prudential limits have been fixed for impact on Net Interest Income (NII), Net Interest Margin (NIM), Duration gap and Market Value of Equity for the bank. Moreover, behavioral studies are also being done for assessing and apportioning volatile and core portion of various non-maturity products of both assets and liabilities.

Earning Approach

Since, in case of banks, interest income comprises major part of the income, a standardized rate shock analysis for upward or downward rate movement on the Gap statement is done. Accordingly, Earning at Risk (EaR) for different rate shocks

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

is done to assess the impact on Net Interest Income (NII) of the bank due to adverse movement of rate of interest.

9.2 Economic Value Approach

The economic value approach involves analyzing the impact on the capital funds due to change in interest rate by 200 bps using Duration Gap Approach. It assesses the intrinsic values of assets and liabilities from time to time thereby improving banks insight into the profile of assets and liabilities vis-a vis contractual rate and market rate. As a prudential measure, a limit has been fixed for net duration gap of the assets and liabilities and the same is monitored at regular interval.

Quantitative Disclosures: **(b)**

Earning at Risk: The table reveals the impact of 50 bps adverse change in interest rate on NII as at 30.09.2022.

Change in interest rate	Estimated impact on NII due to adverse change in rate of interest up to 1 year
50 bps	Rs. 7883.63 Million

Economic Value of Equity: The table reveals the impact on Economic Value of Equity for an assumed rate shock of 200 bps on the banking book as at 30.09.2022.

Change in Economic value of Equity	200 bps
	Rs. 66551.85 Million

Table DF-10: General Disclosure for Exposures Related to Counterparty Credit Risk

Qualitative Disclosures: **(a)**

The Bank uses derivatives products for hedging its own balance sheet items as well as for trading purposes. The risk management of derivative operation is headed by a senior executive, who reports to top management, independent of the line functions. Trading positions are marked to market on daily basis.

The derivative policy is framed by Integrated Risk Management Division, which includes measurement of credit risk and market risk.

The hedge transactions are undertaken for balance sheet management. Proper system for reporting and monitoring of risks are in place. Policy for hedging and processes for monitoring the same is in place.

Accounting policy for recording hedge and non-hedge transactions are in place, which includes recognition of income, premiums and discounts.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Valuation of outstanding contracts, provisioning, collateral and credit risk mitigation are being done.

Quantitative Disclosures:
(b)

Exposure of Counterparty Credit Risk as on 30.09.2022			
Item	Notional Amount	Current Credit Exposure	Exposure at Default under Current Exposure Method or Exposure amount under CEM Method
Cross CCY Interest Rate Swaps	0.00	0.00	0.00
Forward Rate Agreements	0.00	0.00	0.00
Foreign exchange Contracts & Exchange traded Currency Futures	5425887.26	79625.98	191865.27
Single CCY Interest Rate Swaps	12697.93	1.31	107.61
Interest Rate Futures	0.00	0.00	0.00
Credit Default Swaps	0.00	0.00	0.00

Table DF - Disclosures in respect of computation of leverage ratio:

(Rs. in million)

	30.09.2021	31.12.2021	31.03.2022	30.06.2022	30.09.2022
Capital Measure	655614.20	649648.40	613282.24	645685.3	671021.10
Exposure Measure	14119583.06	14292878.40	14223890.18	14046231.01	14607234.71
Leverage Ratio	4.64%	4.55%	4.31%	4.60%	4.59%

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022
Important ratios on Solo Basis

(a) Common Equity Tier 1, Tier 1 and Total Capital ratios on Solo basis:

	30.09.2022
Common equity Tier 1 Capital ratio (%) (Basel- III)	10.88%
Tier 1 Capital ratio (%) (Basel- III)	12.20%
Tier 2 Capital ratio (%) (Basel- III)	2.54%
Total Capital ratio (CRAR) (%) (Basel- III)	14.74%

(b)

(i) Industry type distribution of Exposures (Fund Based as on 30.09.2022) on Solo basis is as under:

INDUSTRY NAME	(Rs. in million)
A. Mining and Quarrying	32506.91
A.1 Coal	23303.16
A.2 Others	9203.75
B. Food Processing	223059.99
B.1 Sugar	42256.34
B.2 Edible Oils and Vanaspati	21955.45
B.3 Tea	10339.28
B.4 Coffee	125.85
B.5 Others	148383.06
C. Beverages (excluding Tea & Coffee) and Tobacco	5413.75
C.1 Tobacco and tobacco products	780.64
C.2 Others	4633.11
D. Textiles	157442.78
D.1 Cotton	43458.16
D.2 Jute	833.35
D.3 Man-made	20413.43
D.4 Others	92737.84
E. Leather and Leather products	16402.81
F. Wood and Wood Products	11310.93
G. Paper and Paper Products	29114.75
H. Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	217351.46
I. Chemicals and Chemical Products (Dyes, Paints, etc.)	85829.13
I.1 Fertilizers	5504.86
I.2 Drugs and Pharmaceuticals	15847.73
I.3 Petro-chemicals (excluding under Infrastructure)	34006.39
I.4 Others	30470.15
J. Rubber, Plastic and their Products	56130.36
K. Glass & Glassware	8693.11
L. Cement and Cement Products	18893.67
M. Basic Metal and Metal Products	338787.35
M.1 Iron and Steel	301709.09
M.2 Other Metal and Metal Products	37078.25

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

N. All Engineering	80084.33
N.1 Electronics	26142.67
N.2 Others	53941.66
O. Vehicles, Vehicle Parts and Transport Equipments	20542.26
P. Gems and Jewellery	105131.90
Q. Construction	43472.82
R. Infrastructure	1300447.65
R.1 Energy	580604.33
R.2 Transport	531273.80
R.3 Communication	105490.64
R.4 Others	83078.89
S. Other Industries	461893.15
All Industries (A to S)	3212509.09
T. Residuary other advances	6399012.45
TOTAL Fund Based (Domestic+ Overseas) Advances	9611521.54

Industry where Fund-Based Exposure (as on 30.09.2022) on Solo basis is more than 5% of Gross Fund Based Exposure:

S. No.	Industry Name	(Rs. in million)
1	Energy (Infrastructure)	580604.33
2	Transport	531273.80

(ii) - Industry type distribution of Exposures (Non Fund Based as on 30.09.2022) on Solo basis is as under:

Industry Name	(Rs. in million)
A. Mining and Quarrying	2749.06
A.1 Coal	2253.65
A.2 Others	495.42
B. Food Processing	36062.49
B.1 Sugar	5912.30
B.2 Edible Oils and Vanaspati	13130.37
B.3 Tea	848.06
B.4 Coffee	0.00
B.5 Others	16171.75
C. Beverages (excluding Tea & Coffee) and Tobacco	195.94
C.1 Tobacco and tobacco products	0.00
C.2 Others	195.94
D. Textiles	25526.45
D.1 Cotton	10296.86
D.2 Jute	66.50
D.3 Man-made	3673.72
D.4 Others	11489.37
E. Leather and Leather products	2524.76
F. Wood and Wood Products	2264.75
G. Paper and Paper Products	4379.03
H. Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	5317.84
I. Chemicals and Chemical Products (Dyes, Paints, etc.)	22465.02

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Industry Name	(Rs. in million)
I.1 Fertilizers	4202.58
I.2 Drugs and Pharmaceuticals	5599.06
I.3 Petro-chemicals (excluding under Infrastructure)	7027.39
I.4 Others	5636.00
J. Rubber, Plastic and their Products	29332.53
K. Glass & Glassware	2029.46
L. Cement and Cement Products	1497.55
M. Basic Metal and Metal Products	119850.18
M.1 Iron and Steel	115201.36
M.2 Other Metal and Metal Products	4648.82
N. All Engineering	54514.11
N.1 Electronics	24418.37
N.2 Others	30095.74
O. Vehicles, Vehicle Parts and Transport Equipment's	4815.11
P. Gems and Jewellery	1221.28
Q. Construction	48832.68
R. Infrastructure	209706.08
R.1 Energy	73330.64
R.2 Transport	74946.14
R.3 Communication	12676.08
R.4 Others	48753.22
S. Other Industries, pl. specify	47448.76
All Industries (A to S)	620733.07
T. Residuary other advances	410290.57
TOTAL Non-Fund Based (Domestic+ Overseas) Advances	1031023.64

Industry where Non- Fund based Exposure (as on 30.09.2022) on Solo basis is more than 5% of Gross Non-Fund based Exposure:

S. No.	Industry Name	(Rs. in million)
1.	Iron & Steel	115201.36
2.	Energy	73330.64
3.	Transport	74946.14

The NPA Ratios are as under:

NPA Ratios	30.09.2022
SOLO	%
% of Gross NPAs to Gross Advances	10.48
% of Net NPAs to Net Advances	3.80

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

QUALITATIVE DISCLOSURE ON LIQUIDITY COVERAGE RATIO

The bank has implemented RBI guidelines on Liquidity Coverage Ratio (LCR) from 1st January 2015.

The LCR standard aims to ensure that a bank maintains an adequate level of unencumbered High Quality Liquid Assets (HQLAs) that can be readily converted into cash at little/no loss of value to meet its liquidity needs for a 30-calendar daytime horizon under a liquidity stress scenario.

LCR has two components:

- i. The value of the stock of High Quality Liquid Assets (HQLA)–*The Numerator*.
- ii. Total Net Cash Outflows: Total expected cash outflows minus Total expected cash inflows, in stress scenario, for the subsequent 30 calendar days - *The denominator*.

Definition of LCR:

Stock of high quality liquid assets (HQLAs) $\geq 100\%$ (w.e.f 01.04.2021)

Total net cash outflows over the next 30 calendar days

The LCR requirement has become binding on the banks with the following minimum required level as per the time-line given below:

	Jan 1, 2015	Jan 1, 2016	Jan 1, 2017	Jan 1, 2018	Jan 1, 2019
Minimum LCR	60%	70%	80%	90%	100%

For Q2 FY'2022-23, the daily average LCR was 164.11% (based on simple average of daily observations) at consolidated level, as against the regulatory requirement of 100%.

The main drivers of LCR of the bank are High Quality Liquid Assets (HQLAs) to meet liquidity needs of the bank at all times and basic funding from retail and small business customers. The retail and small business customer's contribute about 70.03% of total deposit portfolio of the bank, which attracts low run-off factor of 5/10% as on 30.09.2022.

Composition of High Quality Liquid Assets (HQLA)

HQLAs comprises of Level 1 and Level 2 assets. Level 2 assets are further divided into Level 2A and Level 2B assets, keeping in view their marketability and price volatility.

Level-1 assets are those assets which are highly liquid. For quarter ended September 30, 2022, the Level-1 asset of the bank includes Cash in Hand, Excess CRR,

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Government Securities in excess of minimum SLR, Marketable securities issued or guaranteed by foreign sovereign, MSF and FALLCR totalling to Rs. 2,66,804.19 cr (based on simple average of daily observations).

Level-2A & 2B assets are those assets which are less liquid and their weighted amount comes to Rs. 9486.55 cr (based on simple average of daily observations). Break-up of daily observation Average HQLA during quarter ended Sep,2022 is given hereunder:

High Quality Liquid Assets (HQLAs)	Average %age contribution to HQLA
Level 1 Assets	
Cash in hand	3.27%
Excess CRR balance	0.55%
Government Securities in excess of minimum SLR requirement	23.53%
Government securities within the mandatory SLR requirement, to the extent allowed by RBI under MSF (presently to the extent of 2 per cent of NDTL)	7.56%
Marketable securities issued or guaranteed by foreign sovereigns having 0% risk-weight under Basel II Standardized Approach	1.24%
Facility to avail Liquidity for Liquidity Coverage Ratio – FALLCR (presently to the extent of 16 per cent of NDTL)	60.42%
Total Level 1 Assets	96.57%
Total Level 2A Assets	3.26%
Total Level 2B Assets	0.17%
Total Stock of HQLAs	100.00%

Concentration of Funding Sources

This metric includes those sources of funding, whose withdrawal could trigger liquidity risks. It aims to address the funding concentration of bank by monitoring its funding requirement from each significant counterparty and each significant product/instrument. As per RBI guidelines, a "significant counterparty/Instrument/product" is defined as a single counterparty/Instrument/product or group of connected or affiliated counter-parties accounting in aggregate for more than 1% of the bank's total liabilities.

The bank has no significant counterparty (deposits/borrowings) as at 30.09.2022. Top 20 depositors of the bank constitute 3.33% of bank's total Deposit as on Sep 30, 2022. The significant product/ instrument include Saving Fund, Current deposit and Core Term Deposit the funding from which are widely spread and cannot create concentration risk for the bank.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Derivative exposure

The bank has low exposure in derivatives having negligible impact on its liquidity position.

Currency Mismatch

As per RBI guidelines, a currency is considered as “significant” if the aggregate liabilities denominated in that currency amount to 5 per cent or more of the bank’s total liabilities. In our case, only USD (18.12 % of bank’s total liabilities) falls in this criteria whose impact on total outflows in LCR horizon can be managed easily as the impact is not large considering the size of balance sheet of the bank.

Degree of centralization of liquidity management and interaction between group’s units

The group entities are managing liquidity on their own. However, the bank has put in place a group-wide contingency funding plan to take care of liquidity requirement of the group as a whole in the stress period.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

QUANTITATIVE DISCLOSURE (On consolidated basis {including domestic & foreign subsidiaries})					
				Rs. in Crore	
		30.09.2022		30.06.2022	
		Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*
	Based on the simple average of daily observations	65 Data Points		63 Data Points	
High Quality Liquid Assets					
1	Total High Quality Liquid Assets (HQLA)		276290.74		279152.04
Cash Outflows					
2	Retail deposits and deposits from small business customers of which :	800216.92	75312.13	797575.41	74999.50
(i)	Stable deposits	94191.31	4709.57	95575.63	4777.41
(ii)	Less stable deposits	706025.61	70602.56	701999.78	70222.09
3	Unsecured wholesale funding, of which:	211104.69	110201.77	211697.34	108487.91
(i)	Operational deposits (all counterparties)	0.00	0.00	0.00	0.00
(ii)	Non-operational deposits (all counterparties)	211104.69	110201.77	211697.34	108487.91
(iii)	Unsecured debt	0.00	0.00	0.00	0.00
4	Secured wholesale funding		0.00		0.00
5	Additional requirements, of which	101588.15	8361.91	92119.48	9049.17
(i)	Outflows related to derivative exposures and other collateral requirements	207.22	207.22	1639.11	1660.79
(ii)	Outflows related to loss of funding on debt products	0.00	0.00	0.00	0.00
(iii)	Credit and liquidity facilities	101380.93	8154.69	90480.37	7388.38
6	Other contractual funding obligations	0.00	0.00	0.00	0.00
7	Other contingent funding obligations	85419.40	4039.31	90938.13	3222.87
8	Total Cash Outflows		197915.12		195759.45
Cash Inflows					
9	Secured lending (e.g. reverse repos)	3471.56	0.00	16860.69	0.00
10	Inflows from fully performing exposures	29710.43	24629.77	28632.03	23909.35
11	Other cash inflows	4924.95	4924.95	3222.76	2737.25
12	Total Cash Inflows	38106.94	29554.72	48715.48	26646.60
Total Adjusted Value					
13	TOTAL HQLA		276290.74		279152.04
14	Total Net Cash Outflows		168360.40		169112.85
15	Liquidity Coverage Ratio (%)		164.11%		165.07%
* Simple averages of Daily observations over previous quarter					

* Simple averages of Daily observations over previous quarter

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022
QUALITATIVE DISCLOSURE ON NET STABLE FUNDING RATIO

The Net Stable Funding Ratio (NSFR) and Liquidity Coverage Ratio (LCR) are significant components of the Basel III reforms. The LCR guidelines which promote short term resilience of a bank's liquidity profile have been issued vide circular DBOD.BP.BC.No.120/21.04.098/2013-14 dated June 9, 2014. **The NSFR guidelines on the other hand ensure reduction in funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding in order to mitigate the risk of future funding stress.**

In the Indian context, the guidelines for NSFR were effective from October 1, 2021. The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. "Available stable funding" (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of stable funding required ("Required stable funding") (RSF) of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance sheet (OBS) exposures. The run-off factors for the stressed scenarios are prescribed by the RBI, for various categories of liabilities (viz., deposits, unsecured and secured wholesale borrowings), undrawn commitments, derivative-related exposures, and offset with inflows emanating from assets maturing within the same time period. **The minimum NSFR requirement set out in the RBI guideline for the standalone Bank and for Group effective October 1, 2021 is 100%.**

The PNB on a consolidated basis at 30th Sep, 2022 maintained Available Stable Funding (ASF) of ₹ 1135634 Crore against the RSF requirement of ₹ 820547 crore. The NSFR for the quarter ended Sep 30, 2022 was at 138.40%.

The Available Stable Funding (ASF) is primarily driven by the total regulatory capital as per Basle III Capital Adequacy guidelines stipulated by RBI and deposits from retail customers, small business customers and non-financial corporate customers. Under the Required Stable Funding (RSF), the primary drivers are unencumbered performing loans with residual maturities of one year or more.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

QUANTITATIVE DISCLOSURE (On consolidated basis {including domestic & foreign subsidiaries})											
		NSFR Disclosure as of 30.06.2022				(Amount in ₹ Crore)	NSFR Disclosure as of 30.09.2022				(Amount in ₹ Crore)
		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No maturity*	< 6 months	6 months to < 1yr	≥ 1yr		No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item											
1	Capital: (2+3)	99267	1500	0	26287	127053	99982	0	0	25347	125329
2	Regulatory capital	99267	1500	0	17804	118570	99982	0	0	19729	119710
3	Other capital instruments	0	0	0	8483	8483	0	0	0	5619	5619
4	Retail deposits and deposits from small business customers: (5+6)	434847	31030	237147	209786	846316	443201	30771	228402	231313	866841
5	Stable deposits	50706	11799	92140	89591	165139	51850	4763	23317	96070	172035
6	Less stable deposits	384141	19231	145007	120195	681177	391351	26007	205085	135243	694806
7	Wholesale funding: (8+9)	81680	46506	60344	50428	127893	81247	78539	65869	50293	136412
8	Operational deposits	0	0	0	0	0	0	0	0	0	0
9	Other wholesale funding	81680	46506	60344	50428	127893	81247	78539	65869	50293	136412
10	Other liabilities: (11+12)	26424	53657	44	52165	2173	30938	34647	1979	52165	7052
11	NSFR derivative liabilities		6	0	0			8	0	0	
12	All other liabilities and equity not included in the above categories	26424	53651	44	52165	2173	30938	34639	1979	52165	7052
13	Total ASF (1+4+7+10)					1103436					1135634
RSF Item											
14	Total NSFR high-quality liquid assets (HQLA)					14876					15805
15	Deposits held at other financial institutions for operational purposes	8633	27	0	0	4330	5661	34	0	0	2847
16	Performing loans and securities: (17+18+19+21+23)	9371	50337	45634	616810	761107	9370	66819	36474	658339	661046
17	Performing loans to financial institutions secured by Level 1 HQLA	0	650	0	0	65	0	285	204	0	131
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	22180	8769	54727	62439	0	27085	6475	87687	94987
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	1	18258	24188	410472	548374	0	31963	23030	410472	417203
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	7772	9980	297665	263685	0	14046	8928	239338	167057
21	Performing residential mortgages, of which:	0	5547	8389	61037	48720	0	3783	2477	69606	50330
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	4705	7115	51973	39958	0	3311	2168	61071	42685

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

23	Securities that are not in default and do not qualify as HQLA, including exchange- traded equities	9370	3702	4288	90574	101510	9370	3702	4288	90574	98395
24	Other assets: (sum of rows 25 to 29)	4641	185	10	70701	3909	135168	10046	14	70701	138484
25	Physical traded commodities, including gold	0	0	0	0	0	0	0	0	0	0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	4455	0	0	0	386	329	23	0	0	302
27	NSFR derivative assets	42	9	0	0	51	14	18	0	0	32
28	NSFR derivative liabilities before deduction of variation margin posted	97	0	0	0	97	67	0	0	0	67
29	All other assets not included in the above categories	47	176	10	70701	3375	134758	10005	14	70701	138083
30	Off-balance sheet items	0	19883	18	50955	2526	0	17010	0	50446	2364
31	Total RSF					786749					820547
32	Net Stable Funding Ratio (%)					140.25					138.40

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Table DF-11 :Composition of Capital (Consolidated)			30th Sept., 2022
			(Rs. In million)
Basel III common disclosure template to be used from March 31, 2017			
Common Equity Tier 1 capital: instruments and reserves			Ref No
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	482407.28	(A)
2	Retained earnings	4958.62	
3	Accumulated other comprehensive income (and other reserves)	426060.58	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies1)	0.00	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	1620.50	
6	Common Equity Tier 1 capital before regulatory adjustments	915046.98	
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	0.00	
8	Goodwill (net of related tax liability)	0.00	
9	Intangibles (net of related tax liability)	2738.04	(L) (i)
10	Deferred tax assets (Losses)	14077.50	
11	Cash-flow hedge reserve	0.00	
12	Shortfall of provisions to expected losses	0.00	
13	Securitisation gain on sale	0.00	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0.00	
15	Defined-benefit pension fund net assets	18600.10	
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)	0.00	
17	Reciprocal cross-holdings in common equity	7909.10	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	0.00	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	20582.73	
20	Mortgage servicing rights (amount above 10% threshold)	0.00	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	150295.67	
22	Amount exceeding the 15% threshold		
23	of which: significant investments in the common stock of financial entities		
24	of which: mortgage servicing rights	0.00	
25	of which: deferred tax assets arising from temporary differences		
26	National specific regulatory adjustments (26a+26b+26c+26d)	0.00	

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Table DF-11 :Composition of Capital (Consolidated)		30th Sept., 2022	
26 a	of Which : Investments in the equity capital of the unconsolidated insurance subsidiaries.	0.00	
26 b	of Which : Investments in the equity capital of the unconsolidated non-financial subsidiaries.	150.00	
26 c	of Which : Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	6242.10	
26 d	Of which : Unamortized Pension funds expenditures	0.00	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	0.00	
28	Total regulatory adjustments to Common equity Tier 1	220595.24	
29	Common Equity Tier 1 capital (CET1)	694451.74	
Additional Tier 1 capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	0.00	
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	0.00	
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	0.00	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	86240.00	
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	330.80	
35	of which: instruments issued by subsidiaries subject to phase out	0.00	
36	Additional Tier 1 capital before regulatory adjustments	86543.80	
Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	0.00	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	1100.00	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	511.20	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	0.00	
41	National specific regulatory adjustments (41a+41b)	0.00	
41 a	of which: Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	0.00	
41 b	of which: Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	0.00	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	0.00	
43	Total regulatory adjustments to Additional Tier 1 capital	1611.20	
44	Additional Tier 1 capital (AT1)	84932.60	

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Table DF-11 :Composition of Capital (Consolidated)		30th Sept., 2022	
45	Tier 1 capital (T1 = CET1 + AT1) (29 + 44)	779384.34	
Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	0.00	
47	Directly issued capital instruments subject to phase out from Tier 2	105530.00	
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	417.60	
49	of which: instruments issued by subsidiaries subject to phase out	0.00	
50	Provisions + Reserves	57461.54	
51	Tier 2 capital before regulatory adjustments	163409.14	
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	1055.20	
53	Reciprocal cross-holdings in Tier 2 instruments	0.00	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	981.50	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	0.00	
56	National specific regulatory adjustments (56a+56b)	0.00	
56 a	Of which : Investments in the Tier 2 capital of unconsolidated insurance subsidiaries	0.00	
56 b	of Which : Shortfall in the Tier 2 Capital of majority owned financial entities which have not been consolidated with the Bank	0.00	
57	Total regulatory adjustments to Tier 2 capital	2036.70	
58	Tier 2 Capital (T2)	161372.44	
59	Total Capital (TC= T1+ Admissible T2) (45+58)	940756.78	
60	Total Risk Weighted Assets (60a+60b+60c)	6350415.17	
60 a	of which: total credit risk weighted assets	5164320.76	
60 b	of which: total market risk weighted assets	471487.61	
60 c	of which: total operational risk weighted assets	714606.80	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	10.94%	
62	Tier 1 (as a percentage of risk weighted assets)	12.27%	
63	Total capital (as a percentage of risk weighted assets)	14.81%	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)	8.00%	

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Table DF-11 :Composition of Capital (Consolidated)		30th Sept., 2022	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: bank specific countercyclical buffer requirement	0.00%	
67	of which: G-SIB buffer requirement	0.00%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	5.44%	
National minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%	
71	National total capital minimum ratio (if different from Basel III minimum)	9.00%	
Amounts below the thresholds for deduction(before risk weighting)			
72	Non-significant investments in the capital of other financial entities	0.00	
73	Significant investments in the common stock of financial entities	12008.87	
74	Mortgage servicing rights (net of related tax liability)	Not applicable in India	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	92001.30	
Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	43058.30	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	64554.01	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	NA	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	NA	
Capital instruments subject to phase-out arrangements (Only applicable between March 31,2017 and March 31,2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	NA	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	NA	
82	Current cap on AT1 instruments subject to phase out arrangements	NA	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	NA	
84	Current cap on T2 instruments subject to phase out arrangements	NA	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	NA	

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

Notes to the Template

Row no of the template	Particular	(Rs. in million)
10	Deferred tax assets associated with accumulated losses	14077.50
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	249687.88
	Total as indicated in row 10	14077.50
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	0.00
	of which: increase in Common equity tier 1 capital	0.00
	of which: increase in Additional Tier 1 capital	0.00
	of which: increase in Tier 2 capital	0.00
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:	0.00
	(i) Increase in Common Equity Tier 1 capital	0.00
	(ii) Increase in risk weighted assets	0.00
50	Eligible provisions included in Tier 2 capital	43058.30
	Eligible Revaluation Reserves included in Tier 2 capital	0.00
	Total of Row 50	43058.30

Table DF-12: Composition of Capital- Reconciliation Requirements (Step 1)

Rs. In million			
S. No.	Items	Balance sheet as in financial statements As on reporting date 30.09.2022	Balance sheet under regulatory scope of consolidation As on reporting date 30.09.2022
A	Capital & Liabilities		
i	Paid-up Capital	22022.03	22022.03
	Reserves & Surplus	987832.66	966520.61
	Minority Interest	4402.61	4402.61
	Total Capital	1014257.30	992945.24
ii	Deposits	12014453.75	12014613.75
	of which: Deposits from banks	440737.29	440737.29
	of which: Customer deposits	11573716.46	11573876.46
	of which: Other deposits	0.00	0.00
iii	Borrowings	735729.04	735729.04
	of which: From RBI	0.00	0.00
	of which: From banks	15689.49	15689.49
	of which: From other institutions & agencies	335873.76	335873.76
	of which: Others (From outside	103625.62	103625.62

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

	India)		
	of which: Capital instruments	280540.18	280540.18
iv	Other liabilities & provisions	255910.52	255906.88
	Total	14020350.60	13999194.90
B	Assets		
i	Cash and balances with Reserve Bank of India	740690.45	740690.45
	Balance with banks and money at call and short notice	501054.09	501054.09
ii	Investments:	4111126.72	4089975.03
	of which: Government securities	3665883.08	3665883.08
	of which: Other approved securities	1.50	1.50
	of which: Shares	32552.74	32552.74
	of which: Debentures & Bonds	314211.73	314211.73
	of which: Subsidiaries / Joint Ventures / Associates	40192.45	19040.77
	of which: Others (Commercial Papers, Mutual Funds etc.)	58285.21	58285.21
iii	Loans and advances	7791070.59	7791070.59
	of which: Loans and advances to banks	138764.36	138764.36
	of which: Loans and advances to customers	7652306.23	7652306.23
iv	Fixed assets	119596.08	119593.55
v	Other assets	756812.67	756811.20
	of which: Goodwill and intangible assets	2745.98	2745.96
	of which: Deferred tax assets	252062.64	252062.25
vii	Debit balance in Profit & Loss account	0.00	0.00
	Total Assets	14020350.60	13999194.90

Table DF-12: Composition of Capital- Reconciliation Requirements (Step 2)				
(Rs. In million)				
S. No.	Items	Balance sheet as in financial statements As on reporting date 30.09.2022	Balance sheet under regulatory scope of consolidation As on reporting date 30.09.2022	Ref. No.
A	Capital & Liabilities			
i	Paid-up Capital	22022.03	22022.03	(A)
	of which : Amount eligible for CET 1	22022.00	22022.03	(A) (i)
	of which : Amount eligible for AT1	0.00	0.00	(A)

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

				(ii)
	Reserves & Surplus	987832.66	966520.61	(B)
	of which : Amount eligible for CET 1	969565.97	948253.92	(B) (i)
	Stock surplus (share premium)	460385.25	460385.25	(B) (ii)
	Statutory reserves	155254.32	155254.32	(B) (iii)
	Other reserves	59231.23	59229.91	(B) (iv)
	Capital reserves representing surplus arising out of sale proceeds of assets	167035.71	167035.71	(B) (v)
	Balance in Profit & Loss Account at the end of the previous financial year	25385.00	4958.60	(B) (vi)
	Current Financial Year Profit, to the extent admissible	6765.29	5880.97	(B) (vii)
	Revaluation Reserves (taken @ discount of 55% in capital)	85971.87	85971.87	(B) (viii)
	Foreign Currency Translation Reserve (taken @ discount of 25% in capital)	9537.29	9537.29	(B) (ix)
	of which : Amount eligible for Tier 2	18266.69	18266.69	(B) (x)
	Investment Reserve	3863.45	3863.45	(B) (xi)
	Investment Fluctuation Reserve	14403.24	14403.24	(B) (xii)
	Minority Interest	4402.61	4402.61	(C)
	Total Capital	1014257.30	992945.24	(D)
ii	Deposits	12014453.75	12014613.75	(E)
	of which: Deposits from banks	440737.29	440737.29	(E) (i)
	of which: Customer deposits	11573716.46	11573876.46	(E) (ii)
	of which: Other deposits (pl. specify)	0.00	0.00	(E) (iii)
iii	Borrowings	735729.04	735729.04	(F)
	of which: From RBI	0.00	0.00	(F) (i)
	of which: From banks	15689.49	15689.49	(F) (ii)
	of which: From other institutions & agencies	335873.76	335873.76	(F) (iii)
	of which: Others (pl. specify)	103625.62	103625.62	(F) (iv)
	of which: Capital instruments	280540.18	280540.18	(F) (v)
	(a) Eligible for AT1 Capital	89240.00	89240.00	F(vi)
	(b) Eligible for Tier 2 Capital	163300.18	163300.18	F(vii)
iv	Other liabilities & provisions	255910.52	255906.88	(G)
	of which DTLs related to goodwill	0.00	0.00	(G)

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

				(i)
	of which DTLs related to intangible assets	0.00	0.00	(G) (ii)
	Total	14020350.60	13999194.90	
B	Assets			
i	Cash and balances with Reserve Bank of India	740690.45	740690.45	(H) (i)
	Balance with banks and money at call and short notice	501054.09	501054.09	(H) (ii)
ii	Investments	4111126.72	4089975.03	(I)
	of which: Government securities	3665883.08	3665883.08	(I) (i)
	of which : Other approved securities	1.50	1.50	(I) (ii)
	of which: Shares	32552.74	32552.74	(I) (iii)
	of which: Debentures & Bonds	314211.73	314211.73	(I) (iv)
	of which: Subsidiaries / Joint Ventures/Associates	40192.45	19040.77	(I) (v)
	of which: Others (Commercial Papers, Mutual Funds etc.)	58285.21	58285.21	(I) (vi)
iii	Loans and advances	7791070.59	7791070.59	(J)
	of which: Loans and advances to banks	138764.36	138764.36	(J) (i)
	of which: Loans and advances to customers	7652306.23	7652306.23	(J) (ii)
iv	Fixed assets	119596.08	119593.55	(K)
v	Other assets	756812.67	756811.20	(L)
	of which : Goodwill and intangible assets, out of which :	2745.98	2745.96	(L) (i)
	Goodwill	0.00	0.00	(L) (i)
	Other intangibles (excluding MSRs)	0.00	0.00	(L) (i)
	Deferred tax assets	252062.64	252062.25	(L) (i)
vi	Debit balance in Profit & Loss accounts	0.00	0.00	(N)
	Total Assets	14020350.60	13999194.90	

Table DF-13: Main Features of Regulatory Capital instruments

Disclosure template for main features of regulatory capital instruments – Sept'2022		
1	Issuer	Punjab National Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE160A01022
3	Governing law(s) of the instrument	Applicable Indian Statutes and Regulatory requirements
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	Common Equity Tier 1
5	Post-transitional Basel III rules	Common Equity Tier 1
6	Eligible at solo/group/ group & solo	Solo and Group
7	Instrument type	Equity - common Share
8	Amount recognised in regulatory capital (Rs. in	22022.03

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

	million, as of most recent reporting date)	
9	Par value of instrument	Rs.2/- per share
10	Accounting classification	Equity Capital
11	Original date of issuance	19.07.1969 and various dates thereafter
12	Perpetual or dated	Perpetual
13	Original maturity date	Not Applicable
14	Issuer call subject to prior supervisory approval	Not Applicable
15	Optional call date, contingent call dates and redemption amount	Not Applicable
16	Subsequent call dates, if applicable	Not Applicable
	<i>Coupons / dividends</i>	Dividends
17	Fixed or floating dividend/coupon	Floating Dividend
18	Coupon rate and any related index	Not Applicable
19	Existence of a dividend stopper	Not Applicable
20	Fully discretionary, partially discretionary or mandatory	Full Discretionary
21	Existence of step up or other incentive to redeem	Not Applicable
22	Noncumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Not Applicable
24	If convertible, conversion trigger(s)	Not Applicable
25	If convertible, fully or partially	Not Applicable
26	If convertible, conversion rate	Not Applicable
27	If convertible, mandatory or optional conversion	Not Applicable
28	If convertible, specify instrument type convertible into	Not Applicable
29	If convertible, specify issuer of instrument it converts into	Not Applicable
30	Write-down feature	No
31	If write-down, write-down trigger(s)	Not Applicable
32	If write-down, full or partial	Not Applicable
33	If write-down, permanent or temporary	Not Applicable
34	If temporary write-down, description of write-up mechanism	Not Applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to all other creditors
36	Non-compliant transitioned features	Not Applicable
37	If yes, specify non-compliant features	Not Applicable

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

S. No.	Particulars	1	2	3	4	5
	Bonds Series	AT I SERIES XVI	AT I SERIES XV	AT I SERIES XIV	AT I SERIES XIII	DEB SERIES XXIV
1	Issuer	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE160A08233	INE160A08225	INE160A08217	INE160A08209	INE160A08191
3	Governing law(s) of the instrument	RBI	RBI	RBI	RBI	RBI
	Regulatory treatment					
4	Transitional Basel III rules	BASEL III complaint Perpetual debt instrument for inclusion in addition Tier I capital	BASEL III complaint Perpetual debt instrument for inclusion in addition Tier I capital	BASEL III complaint Perpetual debt instrument for inclusion in addition Tier I capital	BASEL III complaint Perpetual debt instrument for inclusion in addition Tier I capital	Tier II Bonds
5	Post-transitional Basel III rules	Tier I Bonds	Tier I Bonds	Tier I Bonds	Tier I Bonds	Tier II Bonds
6	Eligible at solo/group/ group & solo	Solo	Solo	Solo	Solo	Solo
7	Instrument type	Unsecured, Subordinated, Fully paid up, Non-Convertible perpetual Unsecured Basel III Compliant Tier 1 Bonds for inclusion in additional Tier 1 Capital in the nature of Debentures	Unsecured, Subordinated, Fully paid up, Non-Convertible perpetual Unsecured Basel III Compliant Tier 1 Bonds for inclusion in additional Tier 1 Capital in the nature of Debentures	Unsecured, Subordinated, Fully paid up, Non-Convertible perpetual Unsecured Basel III Compliant Tier 1 Bonds for inclusion in additional Tier 1 Capital in the nature of Debentures	Unsecured, Subordinated, Fully paid up, Non-Convertible perpetual Unsecured Basel III Compliant Tier 1 Bonds for inclusion in additional Tier 1 Capital in the nature of Debentures	Non-Convertible Redeemable Unsecured Basel III Compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	6580	20000	19710	20000	19190
9	Par value of instrument	Rs.10 million	Rs.10 million	Rs.10 million	Rs.10 million	Rs.10 million
10	Accounting classification	Liability	Liability	Liability	Liability	Liability
11	Original date of issuance	21-Sep-22	6-Jul-22	17-Jan-22	7-Dec-21	17-Nov-21
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	DATED
13	Original maturity date	Perpetual	Perpetual	Perpetual	Perpetual	18-Nov-31
14	Issuer call subject to prior supervisory approval	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5 th year from date of allotment and thereafter on any coupon date (with prior RBI permission)

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

15	Optional call date, contingent call dates and redemption amount	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)
16	Subsequent call dates, if applicable	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5 th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)
	<i>Coupons / dividends</i>	Coupon	Coupon	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	8.30%	8.75%	8.50%	8.40%	7.10%
19	Existence of a dividend stopper	The Bonds shall have a "dividend stopper arrangement" which shall oblige the Bank to stop dividend payments on equity/ common shares in the event of Bondholders not being paid coupon.	The Bonds shall have a "dividend stopper arrangement" which shall oblige the Bank to stop dividend payments on equity/ common shares in the event of Bondholders not being paid coupon.	The Bonds shall have a "dividend stopper arrangement" which shall oblige the Bank to stop dividend payments on equity/ common shares in the event of Bondholders not being paid coupon.	The Bonds shall have a "dividend stopper arrangement" which shall oblige the Bank to stop dividend payments on equity/ common shares in the event of Bondholders not being paid coupon.	NO
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	NO	NO	NO	NO	NO
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible
24	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28	If convertible,	NA	NA	NA	NA	NA

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

	specify instrument type convertible into					
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30	Write-down feature	Yes	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	if CET1 falls below 6.125% of RWA the trigger level referred to herein above is called as "Pre specified Trigger Level".	if CET1 falls below 6.125% of RWA the trigger level referred to herein above is called as "Pre specified Trigger Level".	if CET1 falls below 6.125% of RWA the trigger level referred to herein above is called as "Pre specified Trigger Level".	if CET1 falls below 6.125% of RWA the trigger level referred to herein above is called as "Pre specified Trigger Level".	Occurrence of the trigger event, called the 'Point of Non-Viability (PONV) Trigger' stipulated below: (i)The PONV Trigger event is the earlier of a. a decision that a write-off without which the firm would become non-viable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. However, the Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Tier 2 regulatory capital instrument. (ii) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.
32	If write-down, full or partial	If fully paid-up Bonds are fully and permanently written-down, they shall cease to exist resulting in extinguishment of a liability of the Bank and thus create CET1	If fully paid-up Bonds are fully and permanently written-down, they shall cease to exist resulting in extinguishment of a liability of the Bank and thus create CET1	If fully paid-up Bonds are fully and permanently written-down, they shall cease to exist resulting in extinguishment of a liability of the Bank and thus create CET1	If fully paid-up Bonds are fully and permanently written-down, they shall cease to exist resulting in extinguishment of a liability of the Bank and thus create CET1	Fully or partially as per discretion of RBI
33	If write-down, permanent or temporary	The temporary or permanent write-down of Bonds must generate CET1 under applicable Indian Accounting Standards. The Bonds shall receive recognition in AT1 capital only up to the extent of minimum level of CET1 generated by a full write-down of the Bonds.	The temporary or permanent write-down of Bonds must generate CET1 under applicable Indian Accounting Standards. The Bonds shall receive recognition in AT1 capital only up to the extent of minimum level of CET1 generated by a full write-down of the Bonds.	The temporary or permanent write-down of Bonds must generate CET1 under applicable Indian Accounting Standards. The Bonds shall receive recognition in AT1 capital only up to the extent of minimum level of CET1 generated by a full write-down of the Bonds.	The temporary or permanent write-down of Bonds must generate CET1 under applicable Indian Accounting Standards. The Bonds shall receive recognition in AT1 capital only up to the extent of minimum level of CET1 generated by a full write-down of the Bonds.	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

34	If temporary write-down, description of write-up mechanism	original Bonds may not be fully extinguished. The par value of the Bonds may be written-down (decrease) on the occurrence of the trigger event and may be written-up (increase) back to its original value in future in conformity with provisions of the RBI Basel III Guidelines. The amount shown in the balance sheet subsequent to temporary write-down may depend on the features of the Bonds and the prevailing Accounting Standards.	original Bonds may not be fully extinguished. The par value of the Bonds may be written-down (decrease) on the occurrence of the trigger event and may be written-up (increase) back to its original value in future in conformity with provisions of the RBI Basel III Guidelines. The amount shown in the balance sheet subsequent to temporary write-down may depend on the features of the Bonds and the prevailing Accounting Standards.	original Bonds may not be fully extinguished. The par value of the Bonds may be written-down (decrease) on the occurrence of the trigger event and may be written-up (increase) back to its original value in future in conformity with provisions of the RBI Basel III Guidelines. The amount shown in the balance sheet subsequent to temporary write-down may depend on the features of the Bonds and the prevailing Accounting Standards.	original Bonds may not be fully extinguished. The par value of the Bonds may be written-down (decrease) on the occurrence of the trigger event and may be written-up (increase) back to its original value in future in conformity with provisions of the RBI Basel III Guidelines. The amount shown in the balance sheet subsequent to temporary write-down may depend on the features of the Bonds and the prevailing Accounting Standards.	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	All depositors and other creditors	All depositors and other creditors	All depositors and other creditors	All depositors and other creditors	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation
36	Non-compliant transitioned features	NO	NO	NO	NO	NO
37	If yes, specify non-compliant features	NA	NA	NA	NA	NA

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

S. No.	Particulars	6	7	8	9	10
	Bonds Series	AT I SERIES XII	DEB SERIES XXIII	DEB SERIES XXII	DEBT Basel III Tier II 8.34% (e-OBC)	DEBT Basel III Tier II 9.20% (e-OBC)
1	Issuer	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE160A08183	INE160A08175	INE160A08167	INE141A08035	INE141A08019
3	Governing law(s) of the instrument	RBI	RBI	RBI	RBI	RBI
	Regulatory treatment					
4	Transitional Basel III rules	BASEL III complaint Perpetual debt instrument for inclusion in addition Tier I capital	Tier II Bonds	Tier II Bonds	Tier II Bonds	Tier II Bonds
5	Post-transitional Basel III rules	Tier I Bonds	Tier II Bonds	Tier II Bonds	Tier II Bonds	Tier II Bonds
6	Eligible at solo/group/ group & solo	Solo	Solo	Solo	Solo	Solo
7	Instrument type	Unsecured, Subordinated, Fully paid up, Non-Convertible perpetual Unsecured Basel III Compliant Tier 1 Bonds for inclusion in additional Tier 1 Capital in the nature of Debentures	Non-Convertible Redeemable Unsecured Basel III Compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures	Non-Convertible Redeemable Unsecured Basel III Compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures	Listed Rated Unsecured Redeemable Non-Convertible Fully Paid Up Basel III Compliant Tier 2 Bonds in the nature of Debentures	Unsecured Redeemable Non-Convertible Fully Paid Up Basel III Compliant Tier 2 Bonds in the nature of Debentures
8	Amount recognised in regulatory	4950	15000	15000	8000	6000

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

	capital (Rs. in million, as of most recent reporting date)					
9	Par value of instrument	Rs.1 million	Rs.1 million	Rs.1 million	Rs.1 million	Rs.1 million
10	Accounting classification	Liability	Liability	Liability	Liability	Liability
11	Original date of issuance	22-Jan-21	11-Nov-20	14-Oct-20	26-Oct-15	27-Oct-14
12	Perpetual or dated	Perpetual	DATED	DATED	DATED	DATED
13	Original maturity date	Perpetual	9-Nov-35	14-Oct-30	26-Oct-25	27-Oct-24
14	Issuer call subject to prior supervisory approval	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 10th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	NA	NA
15	Optional call date, contingent call dates and redemption amount	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 10th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	NA	NA
16	Subsequent call dates, if applicable	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 10th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	NA	NA
	Coupons / dividends	Coupon	Coupon	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	8.60%	7.10%	7.25%	8.34% PA	9.20% PA

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

19	Existence of a dividend stopper	The Bonds shall have a "dividend stopper arrangement" which shall oblige the Bank to stop dividend payments on equity/ common shares in the event of Bondholders not being paid coupon.	NO	NO	NO	NO
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	NO	NO	NO	NO	NO
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible
24	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30	Write-down	Yes	Yes	Yes	Yes	Yes

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

	feature					
31	If write-down, write-down trigger(s)	If the CET1 of the Bank falls below 5.50% of RWA before April 01, 2021 and if CET1 falls below 6.125% of RWA from April 01, 2021, each of the trigger level referred to herein above is called as "Pre specified Trigger Level".	Occurrence of the trigger event, called the 'Point of Non-Viability (PONV) Trigger' stipulated below: (i) The PONV Trigger event is the earlier of a. a decision that a write-off without which the firm would become non-viable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. However, the Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Tier 2 regulatory capital instrument. (ii) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.	Occurrence of the trigger event, called the 'Point of Non-Viability (PONV) Trigger' stipulated below: (i) The PONV Trigger event is the earlier of a. a decision that a write-off without which the firm would become non-viable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. However, the Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Tier 2 regulatory capital instrument. (ii) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.	If a PONV Trigger Event (as described below) occurs, the Issuer shall: (i) notify the Trustee; (ii) cancel any coupon which is accrued and unpaid on the Bonds as on the write-off date; and (iii) Without the need for the consent of Bondholders or the Trustee, write-off the outstanding principal of the Bonds by such amount as may be prescribed by RBI ("PONV Write-Off Amount") and as is otherwise required by the RBI at the relevant time. The Issuer will affect a write-off within thirty days of the PONV write-off Amount being determined and agreed with the RBI. Once the principal of the Bonds have been written off pursuant to PONV Trigger Event, the PONV written-off Amount will not be restored in any circumstances, including where the PONV Trigger Event has ceased to continue. The Bonds at the option of the RBI, shall be permanently written off upon occurrence of the trigger event called the "Point of Non Viability Trigger". The PONV Trigger event shall be the earlier of: a) a decision that the permanent write off, without which the Bank would become nonviable, is necessary, as determined by the Reserve Bank of India; and b) the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the relevant authority. Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector	The PONV Trigger event shall be the earlier of: a) a decision that the permanent write off, without which the Bank would become nonviable, is necessary, as determined by the Reserve Bank of India; and b) the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the relevant authority. Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. For the purpose of these guidelines, a non-viable bank will be a bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank of India unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the bank should be considered as the most appropriate way to prevent the bank from turning non-viable. Such measures may include permanent write off of the Bonds in combination with or without other measures as considered appropriate by the Reserve Bank of India. In rare situations, a bank may also become non-viable due to non-financial problems, such as conduct of affairs of the bank in a manner which is detrimental to the interest of depositors,

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

					is not diluted. The write-off of any Common Equity Tier -1 Capital shall not be required before the writeoff of any Non-Equity (Additional tier 1 and Tier 2) Regulatory Capital Instrument.	serious corporate governance issues, etc. In such situations raising capital is not considered a part of the solution and therefore, may not attract provisions of this framework.
32	If write-down, full or partial	If fully paid-up Bonds are fully and permanently written-down, they shall cease to exist resulting in extinguishment of a liability of the Bank and thus create CET1	Fully or partially as per discretion of RBI	Fully or partially as per discretion of RBI	Fully or partially as per discretion of RBI	Fully or partially as per discretion of RBI
33	If write-down, permanent or temporary	The temporary or permanent write-down of Bonds must generate CET1 under applicable Indian Accounting Standards. The Bonds shall receive recognition in AT1 capital only up to the extent of minimum level of CET1 generated by a full write-down of the Bonds.	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.
34	If temporary write-down, description of write-up mechanism	original Bonds may not be fully extinguished. The par value of the Bonds may be written-down (decrease) on	NA	NA	NA	NA

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For 30.09.2022

		the occurrence of the trigger event and may be written-up (increase) back to its original value in future in conformity with provisions of the RBI Basel III Guidelines. The amount shown in the balance sheet subsequent to temporary write-down may depend on the features of the Bonds and the prevailing Accounting Standards.				
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	All depositors and other creditors	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation
36	Non-compliant transitioned features	NO	NO	NO	NO	NO
37	If yes, specify non-compliant features	NA	NA	NA	NA	NA

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

S. No.	Particulars	11	12	13	14	15
	Bonds Series	LOWER TIER II (E-OBC)	DEB SERIES XI (e-UNI)	DEB SERIES VIII (e-UNI)	PDI Tier 1 Series 1 (E-UNI)	DEB SERIES XXI
1	Issuer	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE141A09132	INE695A08063	INE695A09103	INE695A09095	INE160A08159
3	Governing law(s) of the instrument	RBI	RBI	RBI	RBI	RBI
	Regulatory treatment					
4	Transitional Basel III rules	Lower Tier II Bonds	Tier II Bonds	Tier II Bonds	Perpetual Tier 1 Bonds	Tier II Bonds
5	Post-transitional Basel III rules	Lower Tier II Bonds	Tier II Bonds	Tier II Bonds	Perpetual Tier 1 Bonds	Tier II Bonds
6	Eligible at solo/group/group & solo	Solo	Solo	Solo	Solo	Solo
7	Instrument type	Unsecured Redeemable Non-Convertible Subordinated Lower Tier II Bonds in the nature of Promissory Notes	Non Convertible fully paid up Redeemable Unsecured Basel III complaint Tier II Bonds(Series -XI) in the nature of Debentures	Non-convertible Redeemable Unsecured Basel III complaint Tier II Bonds(Series -VIII) in the nature of Promissory Notes	Unsecured Subordinated Non Convertible Perpetual Debt Instrument Tier I Bonds (Series I) in the nature of Promissory Notes	Non-Convertible Redeemable Unsecured Basel III Compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	188	3400	2000	0	9940
9	Par value of instrument	Rs.1 million	Rs.1 million	Rs.1 million	Rs.1 million	Rs.1 million
10	Accounting classification	Liability	Liability	Liability	Liability	Liability
11	Original date of issuance	30-Nov-12	10-Nov-17	25-Jun-13	5-Dec-12	29-Jul-20

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

12	Perpetual or dated	DATED	DATED	DATED	Perpetual	DATED
13	Original maturity date	30-Nov-22	10-Nov-27	25-Jun-23	Perpetual	29-Jul-30
14	Issuer call subject to prior supervisory approval	NA	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	NA	At par at the end of 10th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)
15	Optional call date, contingent call dates and redemption amount	NA	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	NA	At par at the end of 10th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)
16	Subsequent call dates, if applicable	NA	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	NA	At par at the end of 10th year from date of allotment and thereafter on each coupon date (with prior RBI permission)	At par at the end of 5th year from date of allotment and thereafter on each coupon date (with prior RBI permission)
	Coupons / dividends	Coupon	Coupon	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	8.93%	9.05% PA	8.75% PA	9.27%	7.25%
19	Existence of a dividend stopper	NO	NO	NO	NO	NO
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	NO	NO	NO	NO	NO
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

	convertible					
24	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30	Write-down feature	NA	Yes	Yes	NA	Yes
31	If write-down, write-down trigger(s)	NA	1. If a PONV trigger event occurs, the issuer shall: i. Notify the trustee ii. Cancel any coupon which is accrued and unpaid on the bonds as on the write-down date and iii. Without the need of consent of bond holders or the trustee, write down the outstanding principal of the bonds by such amount as may be determined by the RBI and subject as is otherwise required by RBI 2. PONV trigger event is the earlier of: a. a decision that the permanent write off, without which the bank would become nonviable, is necessary, as determined by the Reserve bank of India; and b. the decision to make a public sector injection of capital, or	a. A decision that a temporary/permanent write-off is necessary without which the or its subsidiary ,would become non-viable, as determined by the RBI, and b. The decision to make a public sector injection of capital, or equivalent supportwithout which the bank have become non-viable as determined by the relevant authority. The write-off consequent upon the trigger event shall occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted c. If the relevant authorities decide to reconstitute the bank or amalgamate the bank with any other bank under the Section 45 of BR Act, 1949 and or section 9 of the	NA	Occurrence of the trigger event, called the 'Point of Non-Viability (PONV) Trigger' stipulated below: (i)The PONV Trigger event is the earlier of a. a decision that a write-off without which the firm would become non-viable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support,without which the firm would have become non-viable, as determined by the relevant authority. However,the Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Tier 2 regulatory capital instrument. (ii) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

			equivalent support, without which the bank would have become non-viable, as determined by the relevant authority. The write off of any common equity tier 1 capital shall not be required before the write off of these installments. Such a decision would invariably imply that the write off upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms & conditions of an instrument must not provide for any residual claims on the issuer which are senior to the shares of the bank (or banking group entity), following a trigger event and when write-off is undertaken.	Banking Companies (Acquisition and Transfer of Undertaking) Act 1970/1980, as may be applicable".		capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.
32	If write-down, full or partial	NA	Fully or partially as per discretion of RBI	Fully or partially as per discretion of RBI	NA	Fully or partially as per discretion of RBI
33	If write-down, permanent or temporary	NA	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.	NA	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	All depositors and other creditors	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation	All depositors and other creditors	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

36	Non-compliant transitioned features	NO	NO	NO	NO	NO
37	If yes, specify non-compliant features	NA	NA	NA	NA	NA

S. No.	Particulars	16	17	18	19	20
	Bonds Series	DEB SERIES XX	DEB SERIES XIX	DEB SERIES XVIII	DEB SERIES XVII	DEB SERIES XVI
1	Issuer	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE160A08142	INE160A08092	INE160A08050	INE160A08043	INE160A08035
3	Governing law(s) of the instrument	RBI	RBI	RBI	RBI	RBI
	Regulatory treatment					
4	Transitional Basel III rules	Tier II Bonds	Tier II Bonds	Tier II Bonds	Tier II Bonds	Tier II Bonds
5	Post-transitional Basel III rules	Tier II Bonds	Tier II Bonds	Tier II Bonds	Tier II Bonds	Tier II Bonds
6	Eligible at solo/group/group & solo	Solo	Solo	Solo	Solo	Solo
7	Instrument type	Non-Convertible Redeemable Unsecured Basel III Compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures	Non-Convertible Redeemable Unsecured Basel III Compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures	Non-Convertible Redeemable Unsecured Basel III Compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures	Non-Convertible Redeemable Unsecured Basel III Compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures	Non-Convertible Redeemable Unsecured Basel III Compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures
8	Amount recognised in regulatory	15000	12000	6000	3000	3000

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

	capital (Rs. in million, as of most recent reporting date)					
9	Par value of instrument	Rs.1 million	Rs.1 million	Rs.1 million	Rs.1 million	Rs.1 million
10	Accounting classification	Liability	Liability	Liability	Liability	Liability
11	Original date of issuance	26-Dec-19	5-Feb-16	30-9-14	9-Sep-14	3-Apr-14
12	Perpetual or dated	DATED	DATED	DATED	DATED	DATED
13	Original maturity date	26-Dec-29	5-Feb-26	30-9-24	9-Sep-24	3-Apr-24
14	Issuer call subject to prior supervisory approval	NA	NA	NA	NA	NA
15	Optional call date, contingent call dates and redemption amount	NA	NA	NA	NA	NA
16	Subsequent call dates, if applicable	NA	NA	NA	NA	NA
	Coupons / dividends	Coupon	Coupon	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	8.15%	8.65%	9.25%	9.35% p.a.	9.68% p.a.
19	Existence of a dividend stopper	NO	NO	NO	NO	NO
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive	NO	NO	NO	NO	NO

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

	to redeem					
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible
24	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30	Write-down feature	Yes	Yes	Yes	Yes	NA

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

31	If write-down, write-down trigger(s)	Occurrence of the trigger event, called the 'Point of Non-Viability (PONV) Trigger' stipulated below: (i)The PONV Trigger event is the earlier of a. a decision that a write-off without which the firm would become non-viable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support,without which the firm would have become non-viable, as determined by the relevant authority. However,the Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Tier 2 regulatory capital instrument. (ii) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.	Occurrence of the trigger event, called the 'Point of Non-Viability (PONV) Trigger' stipulated below: (i)The PONV Trigger event is the earlier of a. a decision that a write-off without which the firm would become non-viable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support,without which the firm would have become non-viable, as determined by the relevant authority. However,the Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Tier 2 regulatory capital instrument. (ii) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.	Occurrence of the trigger event, called the 'Point of Non-Viability (PONV) Trigger' stipulated below: (i)The PONV Trigger event is the earlier of a. a decision that a write-off without which the firm would become non-viable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support,without which the firm would have become non-viable, as determined by the relevant authority. However,the Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Tier 2 regulatory capital instrument. (ii) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.	Occurrence of the trigger event, called the 'Point of Non-Viability (PONV) Trigger' stipulated below: (i)The PONV Trigger event is the earlier of a. a decision that a write-off without which the firm would become non-viable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support,without which the firm would have become non-viable, as determined by the relevant authority. However,the Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Tier 2 regulatory capital instrument. (ii) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.	NA
32	If write-down, full or partial	Fully or partially as per discretion of RBI	Fully or partially as per discretion of RBI	Fully or partially as per discretion of RBI	Fully or partially as per discretion of RBI	NA
33	If write-down, permanent or temporary	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.	These instruments are subject to permanent write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India.	NA
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation	If the bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If the bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation	All depositors and other creditors
36	Non-compliant transitioned features	NO	NO	NO	NO	NO
37	If yes, specify non-compliant features	NA	NA	NA	NA	NA

S. No.	Particulars	21	22	23
	Bonds Series	DEB SERIES XV	DEB SERIES XIV	AT I SERIES VII
1	Issuer	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK	PUNJAB NATIONAL BANK
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE160A08027	INE160A08019	INE160A08076
3	Governing law(s) of the instrument	RBI	RBI	RBI
	Regulatory treatment			
4	Transitional Basel III rules	Tier II Bonds	Tier II Bonds	BASEL III complaint Perpetual debt instrument for inclusion in addition Tier I capital
5	Post-transitional Basel III rules	Tier II Bonds	Tier II Bonds	Tier I Bonds
6	Eligible at solo/group/ group & solo	Solo	Solo	Solo
7	Instrument type	Non-Convertible Redeemable Unsecured Basel III Compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures	Non-Convertible Redeemable Unsecured Basel III Compliant Tier 2 Bonds for inclusion in Tier 2 Capital in the nature of Debentures	Non-Convertible perpetual Unsecured Basel III Compliant Tier 1 Bonds for inclusion in additional Tier 1 Capital in the nature of Debentures
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	2000	4000	15000
9	Par value of instrument	Rs.1 million	Rs.1 million	Rs.1 million
10	Accounting classification	Liability	Liability	Liability
11	Original date of issuance	28-Mar-14	24-Feb-14	13-Feb-15
12	Perpetual or dated	DATED	DATED	Perpetual
13	Original maturity date	28-Mar-24	24-Feb-24	perpetual
14	Issuer call subject to prior supervisory approval	NA	NA	At par at the end of 10th year from date of allotment and thereafter on each coupon

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

				date (with prior RBI permission)
15	Optional call date, contingent call dates and redemption amount	NA	NA	At par at the end of 10th year from date of allotment and thereafter on each coupon date (with prior RBI permission)
16	Subsequent call dates, if applicable	NA	NA	At par at the end of 10th year from date of allotment and thereafter on each coupon date (with prior RBI permission)
	Coupons / dividends	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed
18	Coupon rate and any related index	9.68% p.a.	9.65% p.a.	9.15%
19	Existence of a dividend stopper	NO	NO	The Bonds shall have a "dividend stopper arrangement" which shall oblige the Bank to stop dividend payments on equity/ common shares in the event of Bondholders not being paid coupon.
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	NO	NO	NO
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible	Nonconvertible
24	If convertible, conversion trigger(s)	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA
30	Write-down feature	NA	NA	Yes
31	If write-down, write-down trigger(s)	NA	NA	The bonds issued before March 31, 2019 shall have two pre-specified triggers. A lower pre-specified trigger at CET1 of 5.5% of RWAs shall apply and remain effective before March 31, 2019. From this date, the trigger shall be raised to CET1 of 6.125% of RWAs for all such bonds. Bonds issued on or after March 31, 2019 shall have pre-specified trigger at CET1 of 6.125% of RWAs only.
32	If write-down, full or partial	NA	NA	If fully paid-up Bonds are fully and permanently written-down, they shall cease to exist resulting in extinguishment of a liability of the Bank and thus create CET1
33	If write-down, permanent or temporary	NA	NA	The temporary or permanent write-down of Bonds must generate CET1 under applicable Indian Accounting Standards. The Bonds shall receive recognition in AT1 capital only up to the extent of minimum level of CET1 generated by a full write-down of the Bonds.

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

34	If temporary write-down, description of write-up mechanism	NA	NA	original Bonds may not be fully extinguished. The par value of the Bonds may be written-down (decrease) on the occurrence of the trigger event and may be written-up (increase) back to its original value in future in conformity with provisions of the RBI Basel III Guidelines. The amount shown in the balance sheet subsequent to temporary write-down may depend on the features of the Bonds and the prevailing Accounting Standards.
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	All depositors and other creditors	All depositors and other creditors	All depositors and other creditors
36	Non-compliant transitioned features	NO	NO	NO
37	If yes, specify non-compliant features	NA	NA	NA

S. No.	Particulars	1	2	3	4	5	6	7
	Series	274.63mn (PNB)	25mn (PNB)	20mn (PNB)	25mn (PNB)	10mn (BOB)	10mn (PNB)	5mn (Canara)
1	Issuer	PNBIL	PNBIL	PNBIL	PNBIL	PNBIL	PNBIL	PNBIL
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	Non Demat	Non Demat	Non Demat	Non Demat	Non Demat	Non Demat	Non Demat
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law	English Law	English Law
	Regulatory treatment							
4	Transitional Basel III rules	Common Equity Tier I	Additional Tier I	Additional Tier I	Tier II	Tier II	Tier II	Tier II
5	Post-transitional Basel III rules	Common Equity Tier I	Additional Tier I	Additional Tier I	Tier II	Tier II	Tier II	Tier II
6	Eligible at solo/group/ group & solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo
7	Instrument type	Common Equity Tier I	Additional Tier I	Additional Tier I	Subordinated dated debt	Subordinated dated debt	Subordinated dated debt	Subordinated dated debt
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	15572	1279	1299	109	392	532	372
9	Par value of instrument	\$ 1	\$ 100,000	\$ 1,000,000	\$ 100,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
10	Accounting classification	Equity share capital	Subordinated Perpetual Contingent Conversion additional Tier I bond	Subordinated Perpetual Contingent Conversion additional Tier I bond	Subordinated debt	Subordinated debt	Subordinated debt	Subordinated debt
11	Original date of issuance	Issued on various dates	Converted to AT1 on 15.03.16	31.03.2017	31.01.2012	19.08.2014	30.12.2015	23.12.2013
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Dated	Dated	Dated	Dated
13	Original maturity date	Undated	Undated	Undated	10 Years	10 Years	10 Years	15 Years
14	Issuer call subject to prior supervisory approval	NA	5 Years	5 Years	5 Years	NA	NA	10 Years

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

15	Optional call date, contingent call dates and redemption amount	NA	Each interest payment date on or after 5 years.	Each interest payment date on or after 5 years.	31.01.2022	19.08.2024	04.10.2022	23.12.2028
16	Subsequent call dates, if applicable	NA	Nil	Nil	Nil	Nil	Nil	Nil
	Coupons / dividends	NA	Nil	Nil	Nil	Nil	Nil	Nil
17	Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	Nil	6M LIBOR + 500 bps	6M LIBOR + 500 bps	6M LIBOR + 400 bps	6M LIBOR + 450 bps	6M LIBOR + 450 bps	6M LIBOR + 450 bps
19	Existence of a dividend stopper	Nil	Yes	Yes	Nil	Nil	Nil	Nil
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary	Fully Discretionary	Fully Discretionary	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-Cumulative	Non-Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	NA	Convertible	Convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible
24	If convertible, conversion trigger(s)	NA	CET1 Ratio falls below required	CET1 Ratio falls below required	NA	NA	NA	NA
25	If convertible, fully or partially	NA	Fully	Fully	NA	NA	NA	NA
26	If convertible, conversion rate	NA	USD 1.00	USD 1.00	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	Fully Discretionary	Fully Discretionary	Fully Discretionary	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	No	No	No	No	No	No	No
29	If convertible, specify issuer of instrument it converts into	Non-cumulative	Non-Cumulative	Non-Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
30	Write-down feature	NA	Convertible	Convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible
31	If write-down, write-down trigger(s)	NA	CET1 Ratio falls below required	CET1 Ratio falls below required	NA	NA	NA	NA
32	If write-down, full or partial	NA	NA	NA	NA	NA	NA	NA
33	If write-down, permanent or temporary	NA	NA	NA	NA	NA	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	First	Subordinated to all other creditors	Subordinated to all other Creditors	Subordinated to all other Creditors	Subordinated to all other Creditors	Subordinated to all other Creditors	Subordinated to all other Creditors
36	Non-compliant transitioned features	Nil	Nil	Nil	Nil	Nil	Nil	Nil
37	If yes, specify non-compliant features	Nil	As above	As above	As above	As above	As above	As above

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

TABLE DF – 14: Full Terms and Conditions of Regulatory Capital Instruments of PNB Bonds

Sr. No.	INSTRUMENT (PNB)	FULL TERMS AND CONDITIONS
1	9.27% E-United Bank of India Now PNB issued Subordinated Unsecured Perpetual Tier I Bonds (Series – I) In The Nature Of Promissory Notes INE695A09095	Issue size: Rs.300 Crore, Date of Allotment: February 5 2012, Perpetual, Face Value: Rs.1 million, Rate of Interest and Frequency: @9.27 % p.a. Annually, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form with the call option at the end of 10 th year from the date of allotment
2	8.93% E-OBC Now PNB Issued Unsecured Redeemable Non-Convertible Subordinated Lower Tier II Bonds In The Nature Of Promissory Notes INE141A09132	Issue size: Rs.1025 Crore, Date of Allotment: November 30 2012, Date of Maturity November 30 2022, Face Value: Rs.1 million, Rate of Interest and Frequency: @8.93 % p.a. Annual, Listing: On the National stock exchange of India (NSE). All in Dematerialised form
3	8.75% E-United Bank of India Now PNB issued Non-Convertible Redeemable Unsecured Basel III Compliant Tier II Bonds (Series–VIII) In The Nature Of Promissory Notes INE695A09103	Issue size: Rs.500 Crore, Date of Allotment: June 25 2013, Date of Maturity: June 25 2023, Face Value: Rs.1 million, Rate of Interest and Frequency: @8.75 % p.a. Annually, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form
4	9.65% Unsecured Redeemable Non-Convertible Basel-III compliant Tier 2 Bonds Series XIV in the nature of Debenture. INE160A08019	Issue size: Rs.1000 Crore, Date of Allotment: February 24, 2014, Date of Maturity 24/02/2024, Face Value: Rs.1 million, Rate of Interest and Frequency: @9.65% p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form.
5	9.68% Unsecured Redeemable Non-Convertible Basel-III compliant Tier 2 Bonds Series XV in the nature of Debenture. INE160A08027	Issue size: Rs.500 Crore, Date of Allotment: March 28, 2014, Date of Maturity 28/03/2024, Face Value: Rs.1 million, Rate of Interest and Frequency: @9.68% p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE), All in Dematerialised form.
6	9.68% Unsecured Redeemable Non-Convertible Basel-III compliant Tier 2 Bonds Series XVI in the nature of Debenture. INE160A08035	Issue size: Rs.500 Crore, Date of Allotment: April 03, 2014, Date of Maturity 03/04/2024, Face Value: Rs.1 million, Rate of Interest and Frequency: @9.68% p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form.
7	9.35% Unsecured Redeemable Non-Convertible Basel-III compliant Tier 2 Bonds Series XVII in the nature of Debenture. INE160A08043	Issue size: Rs.500 Crore, Date of Allotment: Sep. 09, 2014, Date of Maturity 09/09/2024, Face Value: Rs.1 million, Rate of Interest and Frequency: @9.35% p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form.
8	9.25% Unsecured Redeemable Non-Convertible Basel-III compliant Tier 2 Bonds Series XVIII in the nature of Debenture. INE160A08050	Issue size: Rs.1000 Crore, Date of Allotment: Sep. 30, 2014, Date of Maturity 30/09/2024, Face Value: Rs.1 million, Rate of Interest and Frequency: @9.25% p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form.
9	9.20% E-OBC Now PNB Issued Unsecured Redeemable Non-	Issue size: Rs.1000 Crore, Date of Allotment: October 27 2014, Date of Maturity October 27

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

	Convertible Fully paid up Basel III Compliant Tier II bonds In The Nature Of Debentures INE141A08019	2024, Face Value: Rs.1 million, Rate of Interest and Frequency: @9.20 % p.a. Annual, Listing: On the National stock exchange of India (NSE). All in Dematerialised form
10	9.15% Unsecured Perpetual Non-Convertible subordinate Basel-III compliant additional Tier 1 Bonds Series VII in the nature of Debenture. INE160A08076	Issue size: Rs.1500 Crore, Date of Allotment: Feb 13, 2015, Perpetual, Face Value: Rs.1 million, Rate of Interest and Frequency: @ 9.15% annual with the call option at the end of 10 year from the date of allotment, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form
11	8.34% E-OBC Now PNB Issued Unsecured Redeemable Non-Convertible Fully paid up Basel III Compliant Tier II bonds In The Nature Of Debentures INE141A08035	Issue size: Rs.1000 Crore, Date of Allotment: October 26 2015, Date of Maturity October 26 2025, Face Value: Rs.1 million, Rate of Interest and Frequency: @8.34 % p.a. Annual, Listing: On the National stock exchange of India (NSE). All in Dematerialised form
12	8.65 % Unsecured Redeemable Non-Convertible Basel-III compliant Tier 2 Bonds Series XIX in the nature of Debenture. INE160A08092	Issue size: Rs.1500 Crore, Date of Allotment: Feb. 05, 2016, Date of Maturity 05/02/2026, Face Value: Rs.1 million, Rate of Interest and Frequency: @8.65 % p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form.
13	9.05% E-United Bank of India Now PNB issued Unsecured Non-Convertible Fully paid up redeemable Listed Basel III compliant Tier 2 Bond (Series XI) in the nature of debentures INE695A08063	Issue size: Rs.340 Crore, Date of Allotment: November 10 2017, Date of Maturity November 10 2027, Face Value: Rs.1 million, Rate of Interest and Frequency: @9.05 % p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form with the call option at the end of 5 th year from the date of allotment
14	8.15 % Unsecured Redeemable Non-Convertible Basel-III compliant Tier 2 Bonds Series XX in the nature of Debenture. INE160A08142	Issue size: Rs.1500 Crore, Date of Allotment: Dec 26 2019, Date of Maturity Dec 26 2029, Face Value: Rs.1 million, Rate of Interest and Frequency: @8.15 % p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form.
15	7.25 % Unsecured Redeemable Non-Convertible Basel-III compliant Tier 2 Bonds Series XXI in the nature of Debenture. INE160A08159	Issue size: Rs.994 Crore, Date of Allotment: July 29 2020, Date of Maturity July 29 2030, Face Value: Rs.1 million, Rate of Interest and Frequency: @7.25 % p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form with the call option at the end of 5 th year from the date of allotment
16	7.25% Unsecured Redeemable Non-Convertible Basel-III compliant Tier 2 Bonds Series XXII in the nature of Debenture. INE160A08167	Issue size: Rs.1500 Crore, Date of Allotment: Oct. 14 th 2020, Date of Maturity 14/10/2030, Face Value: Rs.1 million, Rate of Interest and Frequency: @7.25% p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form with the call option at the end of 5 th year from the date of allotment
17	7.10% Unsecured Redeemable Non-Convertible Basel-III compliant Tier 2 Bonds Series XXIII in the nature of Debenture. INE160A08175	Issue size: Rs.1500 Crore, Date of Allotment: Nov. 11 th 2020, Date of Maturity 09/11/2035, Face Value: Rs.1 million, Rate of Interest and Frequency: @7.10% p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE). All in

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

		Dematerialised form with the call option at the end of 10 th year from the date of allotment
18	8.60% Unsecured Perpetual Non-Convertible subordinate Basel-III compliant additional Tier 1 Bonds Series XII in the nature of Debenture. INE160A08183	Issue size: Rs.495 Crore, Date of Allotment: Jan 22 nd 2021, Perpetual, Face Value: Rs.1 million, Rate of Interest and Frequency: @ 8.60% annual with the call option at the end of 5 th year from the date of allotment, Listing: On Bombay Stock Exchange Ltd (BSE). All in Dematerialised form
19	7.10% Unsecured Redeemable Non-Convertible Basel-III compliant Tier 2 Bonds Series XXIV in the nature of Debenture. INE160A08191	Issue size: Rs.1919 Crore, Date of Allotment: Nov. 18 th 2021, Date of Maturity 18/11/2031, Face Value: Rs.10 million, Rate of Interest and Frequency: @7.10% p.a. Annual, Listing: On the Bombay Stock Exchange Ltd (BSE). All in Dematerialised form with the call option at the end of 5 th year from the date of allotment and thereafter each coupon date
20	8.40% Unsecured Perpetual Non-Convertible subordinate Basel-III compliant additional Tier 1 Bonds Series XIII in the nature of Debenture. INE160A08209	Issue size: Rs.2000 Crore, Date of Allotment: December 9 th 2021, Perpetual, Face Value: Rs.10 million, Rate of Interest and Frequency: @ 8.40% annual with the call option at the end of 5 th year from the date of allotment, Listing: On Bombay Stock Exchange Ltd (BSE). All in Dematerialised form
21	8.50% Unsecured Perpetual Non-Convertible subordinate Basel-III compliant additional Tier 1 Bonds Series XIV in the nature of Debenture. INE160A08217	Issue size: Rs.1971 Crore, Date of Allotment: January 17 th 2022, Perpetual, Face Value: Rs.10 million, Rate of Interest and Frequency: @ 8.50% annual with the call option at the end of 5 th year from the date of allotment, Listing: On Bombay Stock Exchange Ltd (BSE). All in Dematerialised form
22	8.75% Unsecured Perpetual Non-Convertible subordinate Basel-III compliant additional Tier 1 Bonds Series XV in the nature of Debenture. INE160A08225	Issue size: Rs.2000 Crore, Date of Allotment: July 06 th 2022, Perpetual, Face Value: Rs.10 million, Rate of Interest and Frequency: @ 8.75% annual with the call option at the end of 5 th year from the date of allotment, Listing: On Bombay Stock Exchange Ltd (BSE). All in Dematerialised form
23	8.30% Unsecured Perpetual Non-Convertible subordinate Basel-III compliant additional Tier 1 Bonds Series XVI in the nature of Debenture. INE160A08233	Issue size: Rs.658 Crore, Date of Allotment: September 21 st 2022, Perpetual, Face Value: Rs.10 million, Rate of Interest and Frequency: @ 8.30% annual with the call option at the end of 5 th year from the date of allotment, Listing: On Bombay Stock Exchange Ltd (BSE). All in Dematerialised form

TABLE DF – 14: Full Terms and Conditions of Regulatory Capital Instruments of Punjab National Bank (PNB)

Sr. No.	Instrument	Full Terms and Conditions
1	Equity Shares	Ordinary Shares, non-cumulative

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

Table DF-16: Equities – Disclosure for Banking Book Positions (SOLO basis)			
Qualitative Disclosures			
1	The general qualitative disclosure requirement (Para 2.1 of this annex) with respect to equity risk, including:		
	• Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and	All Equity HTM investments are in Foreign and Indian subsidiaries, Joint Venture, Associates & Regional Rural Banks. These are strategic in nature.	
	• Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.	Accounting and Valuation policies for securities held under HTM category are detailed under schedule 17 of Banks yearly Financial results	
Quantitative Disclosures			
		BOOK VALUE 30.09.2022	FAIR VALUE 30.09.2022
1	Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	37959.94	65843.64
	Publicly quoted share values where the share price is materially different from fair value.	5299.10	29825.09
2	The types and nature of investments, including the amount that can be classified as:		
	• Publicly traded	5299.10	29825.09
	FIs (IFCI)	34.02	32.49
	Associates (In India) PNB HFL	4514.96	21545.84
	Subsidiaries(In India) PNB GILTS LTD	750.00	8246.67
	Fin Corp (GUJRAT STATE FINANCIAL CORP-NSLR)	0.12	0.01
	• Privately held.	32660.84	36018.55
	Financial Corporation except Gujrat Sate Financial Corp	11.56	0.63
	JVs (Outside India)	268.47	5546.02
	Associates (outside india)	3415.88	0.00
	Associates (In India) Except PNB	2394.00	7200.58

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

	HFL		
	RRBs	10222.65	10222.65
	Subsidiaries(In India) Except PNB Gilts	350.00	617.50
	Subsidiaries(Outside India)	15992.68	12181.37
	Others (Central Warehousing)	5.61	249.81
3	The cumulative realised gains (losses) arising from sales and liquidations in the reporting period (01.04.2022 to 30.09.2022)	NIL	NIL
4	Total unrealized gains (losses) ¹³	NIL	NIL
5	Total latent revaluation gains (losses) ¹⁴	NIL	NIL
6	Any amounts of the above included in Tier 1 and/or Tier 2 capital.	16942.68	20894.63
7	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory transition or grandfathering provisions regarding regulatory capital requirements.	Nil	Nil
13 Unrealized gains (losses) recognized in the balance sheet but not through the profit and loss account.			
14 Unrealized gains (losses) not recognized either in the balance sheet or through the profit and loss account			

Table DF 17 - Summary comparison of accounting assets vs. leverage ratio exposure measure as on 30.09.2022

	Item	(Rs. In Million)
1	Total consolidated assets as per published financial statements	14020350.60
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purpose but outside the scope of regulatory consolidation	-21155.70
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	0.00
4	Adjustments for derivative financial instruments	191972.87
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	5098.10
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	656774.74
7	Other adjustments	-245805.90
8	Leverage ratio exposure	14607234.71

PUNJAB NATIONAL BANK
Pillar 3 Disclosures under Basel III Framework
For the Qtr ended 30.09.2022

DF-18 Leverage ratio common disclosure template- as on 30.09.2022	
Item	Leverage Ratio Framework (Rs. In millions)
On-balance sheet exposures	
1. On-balance sheet items (excluding derivatives and SFTs, but including collateral)	13999194.90
2. (Asset amounts deducted in determining Basel III Tier 1 capital)	-245805.90
3. Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	13753389.00
Derivative exposures	
4. Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	79627.29
5. Add-on amounts for PFE associated with all derivatives transactions	112345.58
6. Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	0.00
7. (Deductions of receivables assets for cash variation margin provided in derivatives transactions)	0.00
8. (Exempted CCP leg of client-cleared trade exposures)	0.00
9. Adjusted effective notional amount of written credit derivatives	0.00
10. (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0.00
11. Total derivative exposures (sum of lines 4 to 10)	191972.87
Securities financing transaction exposures	
12. Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	138977.40
13. (Netted amounts of cash payables and cash receivables of gross SFT assets)	-133879.30
14. CCR exposure for SFT assets	0.00
15. Agent transaction exposures	0.00
16. Total securities financing transaction exposures (sum of lines 12 to 15)	5098.10
Other off-balance sheet exposures	
17. Off-balance sheet exposure at gross notional amount	1777147.25
18. (Adjustments for conversion to credit equivalent amounts)	1120372.51
19. Off-balance sheet items (sum of lines 17 and 18)	656774.74
Capital and total exposures	
20. Tier 1 capital	671021.10
21. Total exposures (sum of lines 3, 11, 16 and 19)	14607234.71
Leverage ratio	
22. Basel III leverage ratio (per cent)	4.59