



Share Department, Board & Coordination Division, HO Plot No.4, Sector 10, Dwarka, New Delhi-110075, Tel No: 011-28044857, E-mail: hosd@pnb.co.in

REF: HO/BCD/SD/2020-21/Q1

Date: 21.08.2020

Scrip Code : PNB The Asstt. Vice President National Stock Exchange of India Limited "Exchange Plaza", Bandra - Kurla Complex, Bandra (E), <u>Mumbai - 400 051</u>	Scrip Code : 532461 The Dy. General Manager Bombay Stock Exchange Limited 1st Floor, Phiroze Jeejeebhoy Towers Dalal Street, <u>Mumbai - 400 001</u>
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Dear Sir(s),

Reg.: Outcome of the Board Meeting - Approval of Financial Results

The Exchange is hereby informed that the Board of Directors of the Bank, in its meeting held today i.e. 21.08.2020, considered and approved the Unaudited/Reviewed Financial Results (Standalone & Consolidated) of the Bank for the quarter ended 30th June, 2020.

The Board Meeting commenced at 04:30 p.m. and concluded at 10:00 p.m.

The copy of the Standalone and Consolidated Unaudited/Reviewed Financial Results along with Limited Review Report in the prescribed formats is enclosed. The Quarterly Financial Results shall also be placed on Bank's website (www.pnbindia.in).

We request you to please take note of the results in terms of Regulation 33 of the SEBI (LODR) Regulations 2015.

Further disclosure of statement of deviation(s) or variation(s) under regulation 32(1) of SEBI (LODR) Regulations, 2015 is not applicable.

Thanking you,

Yours faithfully,

(Ekta Pasricha)
Company Secretary



Encl: as above.

S.No.	Particulars	Standalone			Consolidated					
		Quarter Ended		Year Ended	Quarter Ended		Quarter Ended		Year Ended	
		30.06.2020	31.03.2020*	31.03.2020*	30.06.2020	31.03.2020*	30.06.2020	31.03.2020*	30.06.2019*	31.03.2020*
		Reviewed	Audited	Reviewed	Reviewed	Audited	Reviewed	Audited	Reviewed	Audited
1	Interest Earned (a+b+c+d)	20604.91	13858.98	13086.44	20832.23	14205.99	13326.97	13326.97	54918.47	54918.47
	a) Interest / discount on advances / bills	13918.78	9219.95	8880.40	13924.49	9333.00	8949.73	8949.73	36156.25	36156.25
	b) Income on Investments	6060.13	3935.06	3620.15	6279.90	4142.08	3786.53	3786.53	16093.74	16093.74
	c) Interest on balances with RBI & other inter bank funds	493.94	671.87	545.58	495.78	699.44	551.47	551.47	2530.73	2530.73
	d) Others	132.06	32.10	40.31	132.06	31.47	39.24	39.24	137.75	137.75
2	Other Income	3687.89	2529.34	2075.30	3895.49	2618.21	2099.96	2099.96	9387.66	9387.66
	A TOTAL INCOME (1+2)	24292.80	16388.32	15161.74	24727.72	16824.20	15426.93	15426.93	64306.13	64306.13
3	Interest Expended	13856.48	9181.44	8945.08	13949.12	9360.41	9087.35	9087.35	36997.47	36997.47
4	Operating Expenses (a+b)	5156.27	3274.60	2735.24	5210.55	3329.94	2771.82	2771.82	12150.50	12150.50
	(a) Employees Cost	3307.17	1853.76	1681.69	3336.24	1866.69	1701.88	1701.88	7060.02	7060.02
	(b) Other operating expenses	1849.10	1420.84	1053.55	1874.31	1443.25	1069.94	1069.94	5090.48	5090.48
	B TOTAL EXPENDITURE (3+4)	19012.75	12456.04	11680.32	19159.67	12690.35	11859.17	11859.17	49147.97	49147.97
	(excluding provisions & contingencies)									
C	Operating Profit (A-B)	5280.05	3932.28	3481.42	5568.05	4133.85	3567.76	3567.76	15158.16	15158.16
	(before Provisions & Contingencies)									
D	Provisions (other than tax) and contingencies	4685.89	4901.31	2023.31	4738.69	4976.96	2075.11	2075.11	14331.14	14331.14
	of which, provisions for Non Performing Assets	4836.40	4618.27	2147.13	4880.65	4694.19	2199.49	2199.49	14715.78	14715.78
E	Exceptional Items	0	0	0	0	0	0	0	0	0
F	Profit / (Loss) from ordinary activities before tax (C-D-E)	594.16	-9.69.03	1458.11	829.36	-8.43.11	1492.65	1492.65	827.02	827.02
G	Provision for Taxes (Tax Expenses)	285.71	-2.71.83	439.48	354.17	-2.46.12	460.42	460.42	463.68	463.68
H	Net Profit (+)/Loss(-) from ordinary activities after tax	308.45	-6.97.20	1018.63	475.19	-5.96.99	1032.23	1032.23	363.34	363.34
	(F-G)									
I	Extraordinary items (net of tax expense)	0	0	0	0	0	0	0	0	0
J	Net Profit / (Loss) for the period (H-I)	308.45	-6.97.20	1018.63	475.19	-5.96.99	1032.23	1032.23	363.34	363.34
K	Share in profit of associates	Not Applicable	Not Applicable	Not Applicable	115.50	-1.97.62	52.83	52.83	121.59	121.59
L	Share of minority	Not Applicable	Not Applicable	Not Applicable	52.98	25.88	10.90	10.90	46.48	46.48
	Net Profit / (Loss) after minority interest (J+K-L)	308.45	-6.97.20	1018.63	537.71	-8.20.49	1074.16	1074.16	438.45	438.45
5	Paid up equity Share Capital (Face value Rs. 2/-each)	1882.13	1347.51	920.81	1882.13	1347.51	920.81	920.81	1347.51	1347.51
6	Reserves excluding revaluation reserves (as per Balance sheet of previous year)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	57770.17	57770.17
7	Analytical Ratios									
	(i) Share holding of Govt. of India (%)	85.59	83.19	75.41	85.59	83.19	75.41	75.41	83.19	83.19
	(ii) Capital Adequacy Ratio - Basel-III (%)	12.63	14.14	9.77	13.01	14.50	10.07	10.07	14.50	14.50
	a) CET 1 Ratio	9.44	10.69	6.35	9.77	10.98	6.57	6.57	10.98	10.98
	b) Additional Tier 1 Ratio	0.81	1.21	1.29	0.85	1.25	1.33	1.33	1.25	1.25
	(iii) Earnings per Share (EPS) not annualized (in Rs.)									
	(a) Basic and diluted EPS before extraordinary items	0.33	-1.03	2.21	0.57	-1.22	2.33	2.33	0.80	0.80
	(b) Basic and diluted EPS after extraordinary items	0.33	-1.03	2.21	0.57	-1.22	2.33	2.33	0.80	0.80
	(iv) NPA Ratios:									
	(a) Amount of Gross NPAs	101849.34	73478.76	77267.29	73478.76	73478.76				
	(b) Amount of Net NPAs	35303.02	27218.89	30179.66	27218.89	27218.89				
	(c) % of Gross NPAs	14.11	14.21	16.49	14.21	14.21				
	(d) % of Net NPAs	5.39	5.78	7.17	5.78	5.78				
	(v) Return on Assets (Annualised) %	0.09	-0.31	0.50	0.04	0.04				

*Figures are related to financials of Punjab National Bank for pre-amalgamation period, hence not comparable with post amalgamation financial for the quarter ended 30th June, 2020.





PUNJAB NATIONAL BANK

SUMMARISED STATEMENT OF ASSETS AND LIABILITIES

Rs in Lacs

Particulars	Standalone			Consolidated		
	30.06.2020 (Reviewed)	31.03.2020* (Audited)	30.06.2019* (Reviewed)	30.06.2020 (Reviewed)	31.03.2020* (Audited)	30.06.2019* (Reviewed)
CAPITAL & LIABILITIES						
Capital	188213	134751	92081	188213	134751	92081
Reserves & Surplus	8440750	6100997	4513219	8594696	6252885	4513596
Minority Interest				40598	36069	33146
Deposits	107491709	70384632	67247135	108159442	71025437	67795541
Borrowings	4447062	5022543	2842003	5942639	6251241	3657504
Other Liabilities and Provisions	2672321	1423668	1395685	2712587	1445342	1432081
TOTAL	123240055	83066591	76090123	125638175	85145725	77523949
ASSETS						
Cash & Balances with Reserve Bank of India	3617365	3839785	2814388	3649160	3860379	2838536
Balances with Banks & Money at Call & Short Notice	7172187	3759518	6109597	7312083	3915196	6224459
Investments	38975356	24046564	20823207	40487596	25378247	21656222
Advances	65619714	47182772	42179375	66134431	47685334	42569636
Fixed Assets	1098710	723907	616493	1101505	726198	618850
Other Assets	6756723	3514045	3547063	6953400	3580371	3616246
TOTAL	123240055	83066591	76090123	125638175	85145725	77523949

*Figures are related to Punjab National Bank standalone financials for pre-amalgamation period, hence not comparable with post amalgamation financial for the quarter ended 30th June, 2020.

Notes forming part of Standalone and Consolidated Financial results for the quarter ended June 30, 2020: -

- The financial results for the quarter ended 30th June, 2020 have been prepared in accordance with AS-25 Interim Financial Reporting issued by ICAI, following the same accounting policies and practices, as those followed in the annual financial statements for the year ended 31st March, 2020.
- The Government of India (GoI), Ministry of Finance, Department of Financial Services has issued Gazette Notification no. CG-DL-E- 04032020-216535 dated 4th March, 2020, approving the scheme of Amalgamation of Oriental Bank of Commerce and United Bank of India into Punjab National Bank in exercise of the powers conferred by section 9 of the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and section 9 of the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1980. The amalgamation has come into effect from April 1, 2020. The results for quarter ended June 30th, 2020 include operations of erstwhile Oriental Bank of Commerce and United Bank of India.

Hence, the results for current quarter are not comparable with immediately preceding quarter and corresponding quarter of previous financial year. The amalgamation is accounted under the 'pooling of interest' method as prescribed in AS-14 on Accounting for amalgamation to record amalgamation of Oriental Bank of Commerce and United Bank of India with the Bank with effect from April 01, 2020.

Accordingly, the difference of Rs.9268.29 crores (net-off adjustments) between the net assets of amalgamating banks and the amount of shares issued to shareholders of the amalgamating banks has been recognized as Amalgamation Adjustment Reserve. The Bank has considered this amount under CET-1 for the purpose of calculation of CRAR.



3. The Consolidated financial results are prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements", Accounting Standard 23 on "Accounting for Investment in Associates" and Accounting Standard 27 on "Financial Reporting of Interest in Joint Ventures".
4. The consolidated financial statements of the Group comprise financial statements of 5 subsidiaries, 14 Associates & 1 Joint Venture. The consolidated results are prepared in accordance with section 133 of Companies Act, 2013 and regulation 33 of Securities & Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
5. The above financial results have been reviewed by the Audit Committee of Board and approved by the Board of Directors in the meeting held on 21.08.2020. The same have been subjected to limited review by the Statutory Central Auditors of the Bank, in line with the guidelines issued by the Reserve Bank of India and as per the requirement of listing agreement with Stock Exchanges.
6. The financial results of the Bank have been arrived at after considering provisions for non-performing assets, standard assets, restructured advances, standard derivative exposures, direct taxes including deferred tax, unhedged foreign currency exposure and investment depreciation on the basis of extant guidelines issued by Reserve Bank of India. Other usual and necessary provisions have been made on estimated basis for the quarter and are subject to adjustments, if any, at the year end.
7. In terms of RBI circular no. DBR.No.BP.BC.1/21.06.201/2015-16 dated 01.07.2015 read together with RBI circular DBR.No.BP.BC. 80/21.06.201/2014-15 dated March 31, 2015, banks are required to make Pillar 3 disclosures under BASEL III capital regulations. Accordingly, Pillar 3 disclosures under BASEL III capital regulations are being made available on Bank's website i.e. www.pnbIndia.in. These disclosures have not been subjected to limited review by the Statutory Central Auditors.
8. In respect of RBI referred NCLT accounts (List 1 and 2), as of 30th June, 2020, Bank holds 100% provision of the outstanding value of Rs.16437.89 Crores.
9. Covid-19 pandemic continues to spread across several countries including India resulting in a significant volatility in global and Indian financial markets and a significant decline in global and local economic activities. The Govt. of India had announced a series of lock down measures from March 24, 2020 onwards which have been extended from time to time. Govt. of India has directed a calibrated and gradual withdrawal of lock down and partial resumption of economic activities.

The situation continues to be uncertain and the bank is evaluating the situation on ongoing basis. The major identified challenges for the bank would arise from eroding cash flows and extended working capital cycles. The bank is gearing itself on all the fronts to meet these challenges.

Disclosure in terms of RBI letter RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2020-21 dated 17.04.2020 Covid 19 regulatory Package-Asset Classification and Provisioning Q1 FY 20-21:

S.No.	Particulars	Amount (Rs. In Crore)
(i)	Respective SMA 2 amounts where asset classification benefit extended	6271.58
(ii)	Total Provision @10% for Q4 FY 20 & Q1 FY 21 in terms of paragraph 5 of above mentioned letter	627.16
	Provision already made during the Q4 FY 20 in term of paragraph 5 of abovementioned letter	415.40
	Provision made during the Q1 FY 2020 in terms of paragraph of above mentioned letter	211.76
(iii)	Total provision held as on 30.06.2020	627.16
(iv)	Additional provision made as a matter of prudence for asset classification benefit due to Covid moratorium	400.00
(v)	Grand total of Covid Provision	1027.16
(vi)	Provision adjusted during the respective accounting period against slippages and the residual provisions in terms of paragraph 6 of above mentioned letter	11.42

10. During the quarter bank has availed dispensation for deferment of provision in respect of frauds amounting to Rs. 1693.68 crores in terms of option available as per RBI Circular No.DBR No.BP.BC.92/21.04.048/2015-16

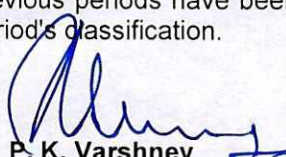


dated 18.04.2016. Accordingly, an amount of Rs. 423.42 crore has been charged to profit and loss account and Rs. 1270.29 crore has been deferred to subsequent quarters. Further out of amortized amount of Rs. 764.60 crore of FY 2019-20, an amount of Rs. 704.89 crore has been charged to P&L and remaining Rs. 59.71 crore has been carried forward to subsequent quarters.

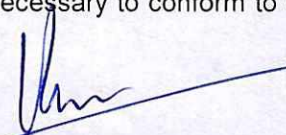
11. Pursuant to the proposed bipartite agreement on wage revision (due with effect from November 2017), a sum of Rs. 206.19 crore has been provided during the quarter towards wage revision on estimated basis. (Cumulative provision till June 30th 2020 is Rs.1572.87 crores).
12. In accordance with RBI circular no. DBR.No.BP.BC.18/21.04.048/2018-19 dated 1st January, 2019 and DOR.No.BP.BC.34/21 .4.048/ 2019—20 dated 11th February, 2020, on "Relief for MSME borrowers either exempted or registered under Goods and Service Tax (GST)" the details of MSME restructured accounts from 01.01.2019 to 30.06.2020 as under:

No. of Accounts Restructured	Amounts (Rs. in Crores)
49247	2688.87

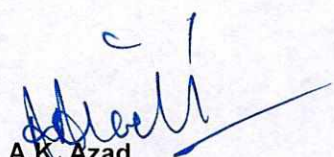
13. The Provisioning Coverage Ratio as at 30th June 2020 works out to 80.75%.
14. Pursuant to the Accounting Standard – 10 (Revised 2016) on Property, Plant & Equipment, applicable from 1st April 2017, depreciation of Rs 41.85 Crores for the period on revalued portion of Fixed Assets has been transferred from the Revaluation Reserve to Revenue Reserve instead of Crediting to Profit & Loss Account.
15. Details of Investors complaints for the quarter ended June 30, 2020: Pending at Beginning: Nil; Received: 05; Disposed off: 05; Closing: Nil.
16. In accordance to SEBI regulations, for the purpose of quarterly consolidated financial results, minimum eighty percent of consolidated revenue, assets and profits have been included subject to audit or limited review
17. The figures of the last quarter of the previous year are the balancing figures between audited figures in respect of financial year 2019-20 and the published year to date figures upto the end of the third quarter of the previous year.
18. No material adjustment pertaining to the prior quarters has been made in the current quarter. Figures of the previous periods have been regrouped / rearranged / re-classified wherever necessary to conform to current period's classification.


P. K. Varshney
Assistant General Manager


R.K. Khichi
Deputy General Manager

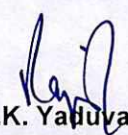

Praveen Kumar Sharma
General Manager


P.K. Sharma
Chief General Manager & CFO


A.K. Azad
Executive Director


Vijay Dube
Executive Director


Sanjay Kumar
Executive Director


Dr. R.K. Yaduvanshi
Executive Director


CH. S. S Mallikarjuna Rao
Managing Director & CEO



For GS Mathur & Co.
Chartered Accountants

THROUGH VC

CA Rajiv Kumar Wadhawan

Partner

FRN 008744N

(M.No.091007)

Place: New Delhi



For MKPS & Associates
Chartered Accountants

THROUGH VC

CA Mahendra K Agrawala

Partner

FRN 302014E

(M.NO. 051764)

Place: Bhubaneshwar



For HDSG & Associates
Chartered Accountants

THROUGH VC

CA Dalbir Singh Gulati

Partner

FRN 002871N

(M.No. 081024)

Place: New Delhi



For M K Aggarwal & Co.
Chartered Accountants

Atul Aggarwal

CA Atul Agarwal

Partner

FRN 001411N

(M.NO. 099374)

Place: New Delhi



For A John Moris & Co.
Chartered Accountants

THROUGH VC

CA G Kumar

Partner

FRN 007220S

(M.NO.023082)

Place: Chennai



Place: New Delhi
Date: 21.08.2020

SEGMENT REPORTING FOR THE QUARTER/YEAR ENDED 30th JUNE 2020

PART A – BUSINESS SEGMENTS

In lacs

Sr. No.	Particulars	Standalone				Consolidated			
		Quarter Ended		Year Ended		Quarter Ended		Year Ended	
		30.06.2020 Reviewed	31.03.2020 Audited*	30.06.2019 Reviewed*	31.03.2020 Audited*	30.06.2020 Reviewed	31.03.2020 Audited*	30.06.2019 Reviewed*	31.03.2020 Audited*
1	Segment Revenue								
	(a) Treasury Operations	795214	510831	460125	1957845	837250	542874	478840	2043579
	(b) Corporate/Wholesale Banking	833173	616861	533267	2352526	833103	625692	538739	2380409
	(c) Retail Banking	723608	479201	490738	1874632	724849	482347	492868	1883366
	(d) Other Banking Operations	77285	31939	32044	122413	77570	31507	32246	123259
	Total Revenue	2429280	1638832	1516174	6307416	2472772	1682420	1542693	6430613
2	Segment Results								
	(a) Treasury Operations	317851	182647	164654	612323	347599	208883	168626	641022
	(b) Corporate/Wholesale Banking	-264834	-274166	-51966	-602722	-266876	-278075	-77711	-615578
	(c) Retail Banking	86346	30528	86802	278088	83607	31034	112825	283716
	(d) Other Banking Operations	18098	8359	7583	32200	16652	6240	6788	27655
	Total	157461	-52632	207073	319889	180982	-31918	210528	336815
	Unallocated Expenditure	98045	44271	61262	245990	98046	52393	61263	254113
	Profit before Tax	59416	-96903	145811	73899	82936	-84311	149265	82702
	Provision for Tax	28571	-27183	43948	40279	35417	-24612	46042	46368
	Extraordinary items	-	-	-	-	-	-	-	-
	Share of Earning in Associates (Net)	-	-	-	-	11550	-19762	5283	12159
	Minority Interest	-	-	-	-	5298	2588	1090	4648
	Net profit	30845	-69720	101863	33620	53771	-82049	107416	43845
3	Segment Assets								
	(a) Treasury Operations	43870194	26515086	23756860	26515086	45669305	27999512	24727203	27999512
	(b) Corporate/Wholesale Banking	47091907	36383417	29539193	36383417	47519809	36791980	29856005	36791980
	(c) Retail Banking	25756638	15708035	17732448	15708035	25857517	15812252	17815587	15812252
	(d) Other Banking Operations	2156621	1534004	2450128	1534004	2226848	1615932	2513659	1615932
	(e) Unallocated	4364695	2926049	2611494	2926049	4364696	2926049	2611495	2926049
	Total	123240055	83066591	76090123	83066591	125638175	85145725	77523949	85145725
4	Segment Liabilities								
	(a) Treasury Operations	42296152	25419887	23112012	25419887	43798165	26634887	23897462	26634887
	(b) Corporate/Wholesale Banking	45402272	34880610	28737392	34880610	45679877	35143750	28967251	35143750
	(c) Retail Banking	24832502	15059219	17251125	15059219	25240281	15469040	17628617	15469040
	(d) Other Banking Operations	2079242	1470643	2383623	1470643	2092170	1471367	2388754	1471367
	(e) Unallocated	924	484	671	484	4175	39045	36188	39045
	Total	114611092	76830843	71484823	76830843	116814668	78758089	72918272	78758089
5	Capital Employed								
	(a) Treasury Operations	1574042	1095199	644848	1095199	1871140	1364625	829741	1364625
	(b) Corporate/Wholesale Banking	1689635	1502807	801801	1502807	1839932	1648230	888754	1648230
	(c) Retail Banking	924136	648816	481323	648816	617236	343212	186970	343212
	(d) Other Banking Operations	77379	63361	66505	63361	134678	144565	124905	144565
	(e) Unallocated	4363771	2925565	2610823	2925565	4360521	2887004	2575307	2887004
	Total Capital Employed	8628963	6235748	4605300	6235748	8823507	6387636	4605677	6387636

PART B – GEOGRAPHICAL SEGMENTS

Sr. No.	Particulars	Standalone				Consolidated			
		Quarter Ended		Year Ended		Quarter Ended		Year Ended	
		30.06.2020 Reviewed	31.03.2020 Audited*	30.06.2019 Reviewed*	31.03.2020 Audited*	30.06.2020 Reviewed	31.03.2020 Audited*	30.06.2019 Reviewed*	31.03.2020 Audited*
1	Revenue								
	(a) Domestic	2405032	1606856	1479997	6176425	2439149	1634921	1531860	6254651
	(b) International	24248	31976	36177	130991	33623	47499	10833	175962
	Total	2429280	1638832	1516174	6307416	2472772	1682420	1542693	6430613
2	Assets								
	(a) Domestic	118436292	79329523	72058982	79329523	119971578	80555154	76730531	80555154
	(b) International	4803763	3737068	4031141	3737068	5666597	4590571	793418	4590571
	Total	123240055	83066591	76090123	83066591	125638175	85145725	77523949	85145725

Notes :

- Segment Liabilities are distributed in the ratio of their respective Segment Assets.
 - Figures of the previous period have been re-grouped/re-classified wherever necessary.
- *previous quarter/year ended figures are related to Standalone Punjab National Bank financials for pre- amalgamation period, hence not comparable with post amalgamation financials for the quarter ended 30th June 2020 (Refer to Note No.18)



GS Mathur & Co.
Chartered Accountants

MKPS & Associates
Chartered Accountants

HDSG & Associates
Chartered Accountants

M K Aggarwal & Co.
Chartered Accountants

A John Moris & Co.
Chartered Accountants

INDEPENDENT AUDITORS' REVIEW REPORT ON THE UNAUDITED STANDALONE FINANCIAL RESULTS
FOR THREE MONTHS ENDED 30th JUNE 2020

To
The Board of Directors,
Punjab National Bank
New Delhi

1. We have reviewed the accompanying statements of unaudited standalone financial results ("Statements") of **Punjab National Bank** (the "Bank") for the quarter ended June 30, 2020 attached herewith, being submitted by the Bank pursuant to requirement of regulation 33 of SEBI (Listing Obligation and Disclosure Requirement, 2015 as amended (Listing Regulation)). The disclosures relating to "Pillar 3 including Leverage Ratio and Liquidity Ratio under Basel III Capital Regulations" as have been disclosed on the Banks website and in respect of which a link has been provided in the aforesaid Statements have not been reviewed by us. These statements are the responsibility of the Bank's Management and have been approved by the Board of Directors. Our responsibility is to issue a report on these interim financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to making inquiries of the Bank personnel and applying analytical and other review procedures to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. These Un-audited standalone Financial results incorporate the relevant returns of 20 Branches reviewed by us, 2 foreign branch reviewed by local auditors specially appointed for this purpose and un-reviewed returns in respect of 10435 branches. In the conduct of our review, we have taken note of review reports in respect of non-performing assets submitted by external concurrent auditors (including retired employees of the Bank) of 703 branches, in-house concurrent auditors of 447 branches to the Bank Management. These review reports cover 77.03% (of which 54.70% has been covered by us) of the advances portfolio of the bank (excluding the advances of asset recovery branches and outstanding food credit) as at June 30, 2020. Apart from these review reports, in the conduct of our review, we have also relied upon various information and returns received from un-reviewed branches/other offices of the Bank and generated through centralized database at the Bank's Head Office.



4. Based on our review conducted as above, subject to limitation in scope as mentioned in Para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited interim financial results together with the notes thereon, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.
5. We draw attention to:
- Refer Note No.9 to the accompanying financial results which describes the uncertainties related to COVID 19. The situation continues to be uncertain and the bank is evaluating the situation on an ongoing basis with respect to the challenges faced.
 - Refer Note No.10 to the financial results relating to deferment of provision related to fraud reported during the quarter ended 30th June, 2020 in terms of RBI Cir No. DBR No.BP.BC.92/21.04.048/2015-16 dated 18.04.2016.

Our conclusion is not modified in these matters.

For G S Mathur & Co.
Chartered accountants

CA Rajiv Kumar Wadhawan
Partner
(M.NO. 091007)
FRN 008744N
UDIN:20091007AAAABS8983
Place: New Delhi



For MKPS & Associates
Chartered accountants

CA Mahendra K Agrawala
Partner
(M.NO. 051764)
FRN 302014E
UDIN: 2005176AAAAA1637
Place: Bhubaneshwar



For HDSG & Associates
Chartered accountants

CA Dalbir Singh Gulati
Partner
(M.NO. 081024)
FRN 002871N
UDIN: 20081024AAAAFH3269
Place: New Delhi



For M K Aggarwal & Co.
Chartered accountants

CA Atul Aggarwal
Partner
(M.NO. 099374)
FRN 001411N
UDIN:20099374AAAABJ8262
Place: New Delhi



For A John Moris & Co.
Chartered accountants

CA G Kumar
Partner
(M.NO.023082)
FRN 007220S
UDIN: 20023082AAAAJL3681
Place: Chennai



Date: August 21st, 2020

HDSG & Associates
Chartered Accountants

GS Mathur & Co.
Chartered Accountants

MKPS & Associates
Chartered Accountants

M K Aggarwal & Co.
Chartered Accountants

A John Moris & Co.
Chartered Accountants

Independent Auditor's Review Report On Unaudited Consolidated Financial Results of Punjab National Bank Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(as amended)

To
The Board of Directors
Punjab National Bank
New Delhi

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Punjab National Bank** ("the Parent"/"the Bank") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), its jointly controlled entities and its share of net profit/(loss) after tax of its associates for the quarter ended June 30, 2020 attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Statement is the responsibility of Bank's Management and has been recommended by the Audit Committee of Board and has been approved by Board of Directors at their respective meetings held on 21st August 2020, which has been initiated by us for the purpose of identification only. Further disclosures relating to consolidated Pillar 3 disclosure as at June 30, 2020 including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended to the extent applicable.



5. The Statement includes the results of the following entities:

Parent: Punjab National Bank

Subsidiaries:

- i) PNB Gilts Ltd.
- ii) PNB Investment Services Ltd.
- iii) PNB Insurance Broking Pvt Ltd*
- iv) Punjab National Bank (International) Ltd., UK.
- v) Druk PNB Bank Ltd, Bhutan.

*Steps are being taken for winding up of the company as the license has already been surrendered on 14.02.2011.

Associates:

- i) Dakshin Bihar Gramin Bank, Patna
- ii) Sarva Haryana Gramin Bank, Rohtak
- iii) Himachal Pradesh Gramin Bank, Mandi
- iv) Punjab Gramin Bank, Kapurthala
- v) Prathama UP Gramin Bank, Meerut
- vi) Assam Gramin Vikash Bank, Assam
- vii) Bangiya Gramin Vikash Bank, West Bengal
- viii) Tripura Gramin Bank, Agartala
- ix) Manipur Rural Bank, Imphal
- x) PNB Housing Finance Limited
- xi) PNB Metlife India Insurance Co. Ltd.
- xii) Canara HSBC OBC Life Insurance Co. Ltd.
- xiii) India SME Asset Reconstruction Co. Ltd.
- xiv) JSC (Tengri Bank) Almaty, Kazakhstan

Joint Venture:

- i) Everest Bank Limited, Kathmandu, Nepal

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition measurement principles laid down in the aforesaid Accounting Standard, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, except for the disclosures relating to consolidated Pillar 3 disclosure as at June 30, 2020, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us, or that it contains any material misstatement.
7. We did not review the interim financial information of 1150 branches included in the standalone unaudited interim financial statements of the entities included in the Group, whose results reflect Total advances(asset) of Rs 170153.31 crores as at June 30, 2020 and total revenues of Rs.7357.67 crores for the quarter ended June 30, 2020, as considered in the respective standalone unaudited interim financial results of the entities included in the Group. The interim financial results of these branches have been reviewed by the internal inspection teams of entities whose reports have been furnished to us or other auditors, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such inspections teams and other auditors and the procedures performed by us as stated in paragraph 3 above. According to the information and explanation given to us by the management, this interim financial information is not material to the group.



8. The consolidated unaudited financial results includes the interim financial results which have not been reviewed of 10435(should not be same with standalone) branches included in the standalone unaudited results of the entities included in the Group, whose results reflect total advances of Rs.301926.48 Crores as at June 30,2020 and total revenues of Rs 11870.71 Crores for the quarter ended June 30,2020, as considered in the respective standalone unaudited financial results of the entities included in the Group. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.
9. The Consolidated unaudited financial results includes the interim financial results of 5 Subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total assets of Rs 8700.21 crores at 30th June,2020, Revenue of Rs. 95.57 crores for the quarter ended 30th June,2020 as considered in the consolidated financial results. The Consolidated unaudited financial results also includes the Group's share of net Profit after tax of Rs101.06 crores for the quarter ended 30th June,2020, as considered in the consolidated unaudited financial results, in respect of 14 associates and. jointly controlled entity, based on interim financial results which have not been reviewed/audited by their auditors. According to the information and explanations given to us by the Management, These interim financial results are not material to the Group.
10. We draw attention to:
- a) Refer Note No. 9 to the accompanying financial results which the uncertainties related to COVID 19. The situation continues to be uncertain and the bank is evaluating the situation on an ongoing basis with respect to the challenges faced.
- b) Refer Note No.10 to the financial results relating to deferment of provision related ot fraud reported during the quarter ended 30th June in terms of RBI Cir No. DBR No.BP.BC.92/21.04.048/2015-16 dated 18.04.2016.
11. Our conclusion is not modified in respect of the above matter.

For G S Mathur & Co.

CHARTERED ACCOUNTANTS

THROUGH



CA Rajiv Kumar Wadhawan

PARTNER

(M.NO. 091007)

FRN008744N

UDIN: 20091007AAAAABT8278

Place: New Delhi

For HDSG & Associates

CHARTERED ACCOUNTANTS

THROUGH
VC



CA Dalbir Singh Gurati

PARTNER

(M.NO.081024)

FRN 002871N

UDIN:20081024AAAAFJ5503

Place: New Delhi

For MKPS & Associates

CHARTERED ACCOUNTANTS

THROUGH
VC



CA Mahendra K Agrawala

PARTNER

(M.NO. 051764)

FRN 302014E

UDIN: 20051764AAAAU3349

Place: Mumbai

For M K Aggarwal & Co.

CHARTERED ACCOUNTANTS

THROUGH
VC



CA Atul Aggarwal

PARTNER

(M.NO. 099374)

FRN 001411N

UDIN: 20099374AAAA BK6436

Place: New Delhi

Date: 21st August,2020

For A John Moris & Co.

CHARTERED ACCOUNTANTS

THROUGH
VC



CA G Kumar

PARTNER

(M.NO.023082)

FRN 007220S

Place: Chennai

UDIN: 20023082AAAAJM7417