

pnb
...the name you can BANK upon!!!

FINANCIAL RESULTS

Q1 FY'20

Financial Year 2020

Year of Profitability
&
Creating Value

Core Strengths of the Bank

125 Years of banking Experience

Core Operations Profitable

PAN India Presence



High CASA Share

Trust of 11.5 crore + customers

Dedicated Workforce of more than 70000

Over 23000 Touch Points:
7036 Branches, 8906 ATMs, 7911 BCs

Resilient Business Model

Content



- Highlights: Q1FY20
- Business Segment Performance
- Asset Quality
- Financials
- Capital & Share Holding
- Digitalization & Financial Inclusion
- Awards & Accolades
- Way Forward



Highlights: Q1FY20

Key Financial Highlights

8.1% YoY Growth
Domestic Deposit

42.84 %
CASA Share

22.05% YoY
Retail Loans

₹ 3481 Crore
Operating Profit

₹ 1019 Crore
Net Profit

↓ 341 bps YoY
NNPA - 7.17%

376 bps
Decline in RWA density YoY

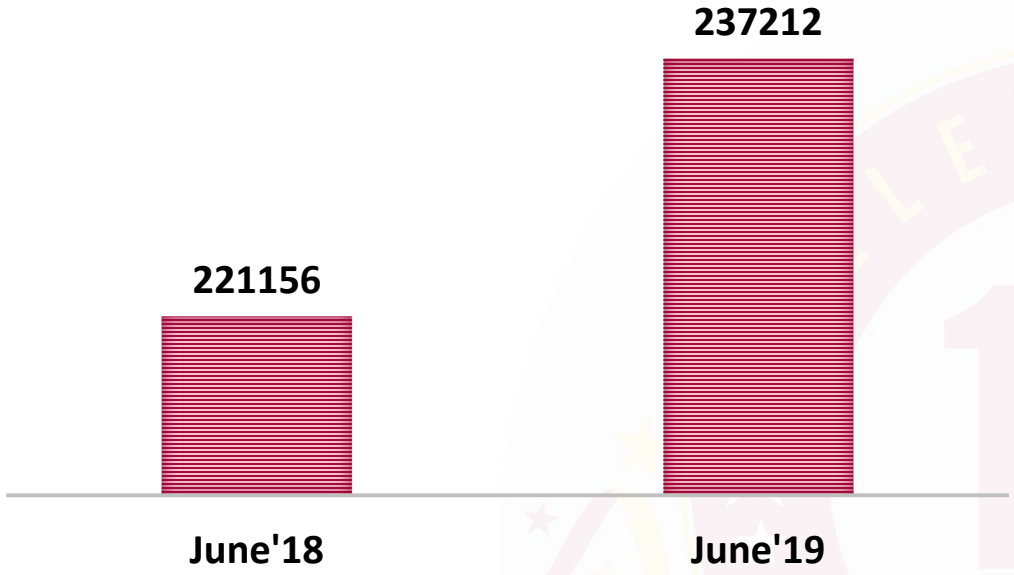
74.63%
Provision Coverage Ratio

Business

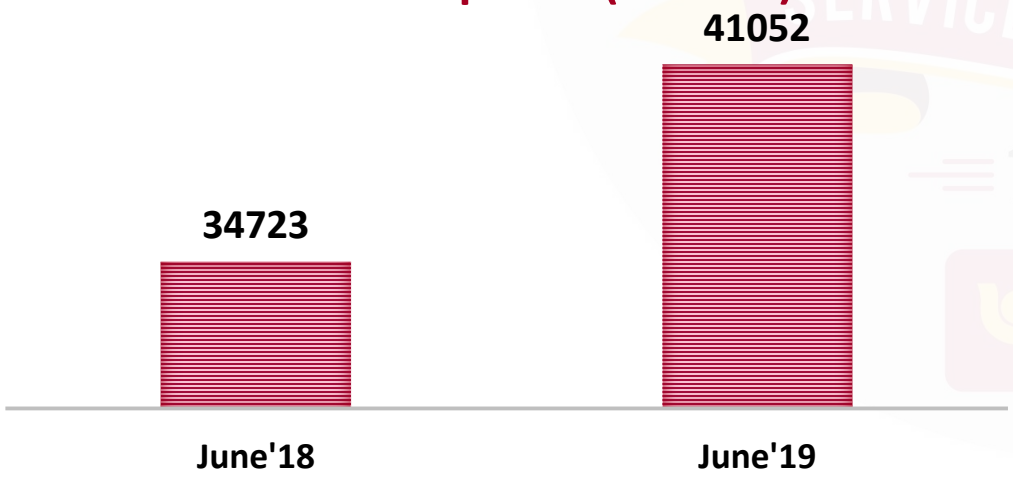
1. Gross Domestic Business increase: ₹ 79609 crore YoY
2. CASA Deposits Growth: 8.7% YoY
3. Gross Domestic Credit Growth: 7.3% YoY
4. Retail Credit Growth: 22% YoY

Improving CASA

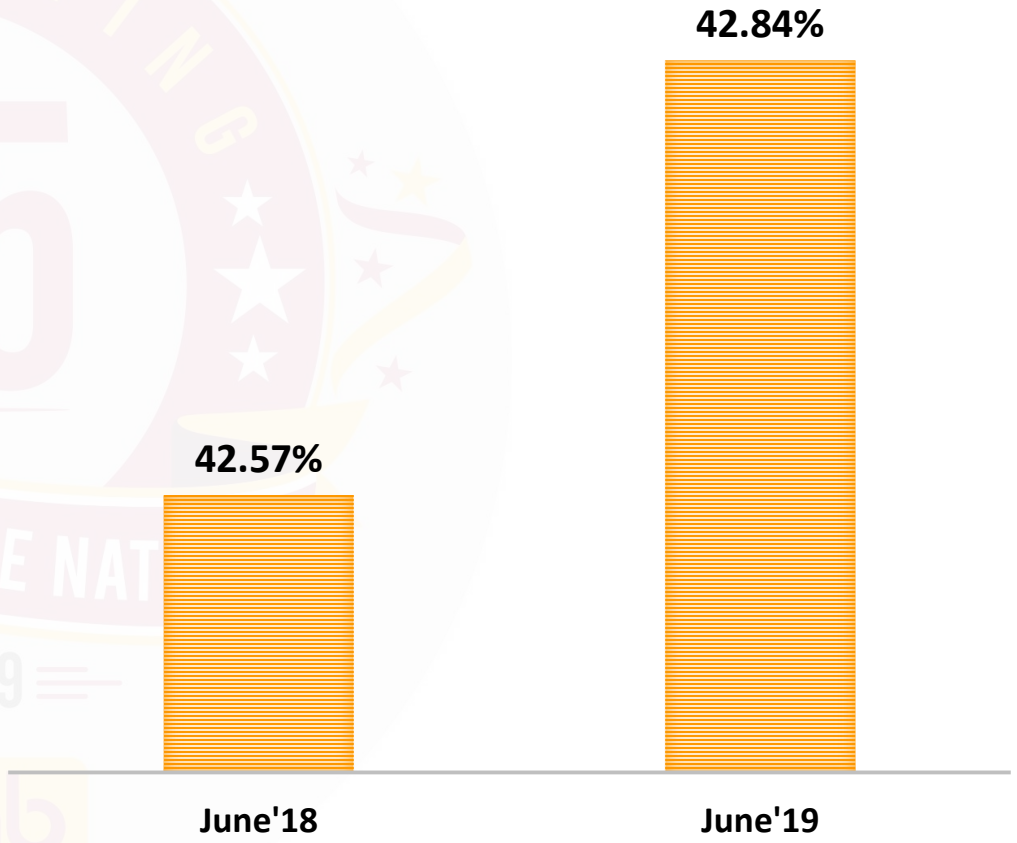
Saving Deposit (₹ Crore)



Current Deposits (₹ Crore)



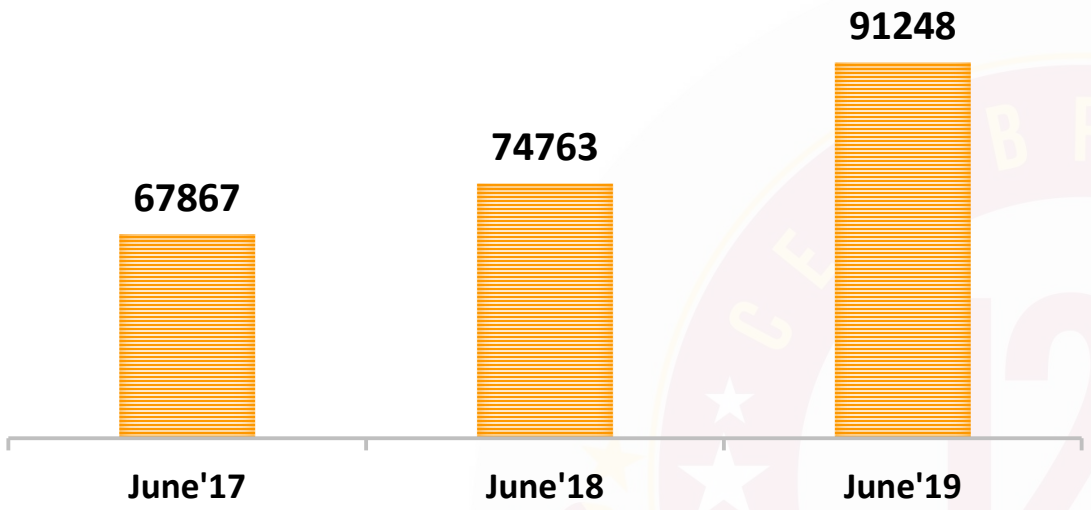
CASA Share %



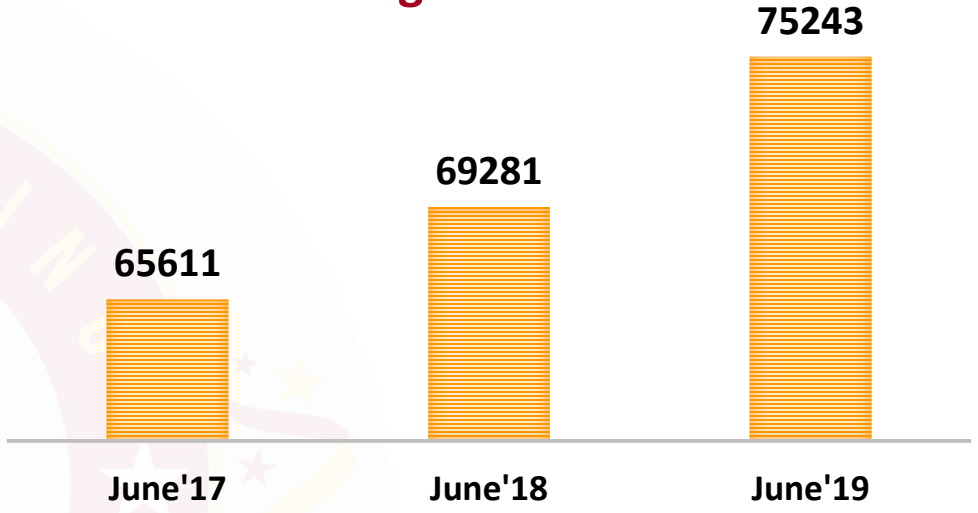
Small Ticket Advances – RAM

₹ Crore

Retail



Agriculture

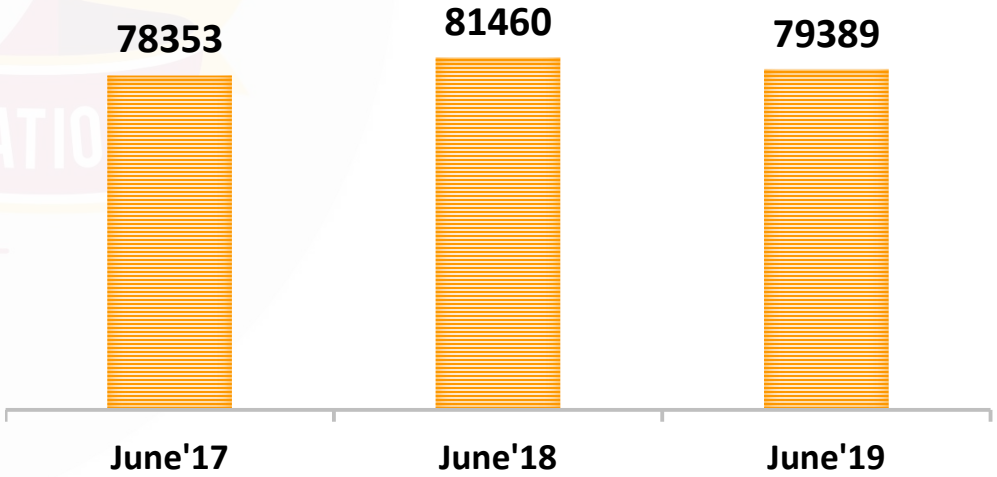


Composition of Retail Advances

Components	Jun'18	June'19	YoY %
Total Retail	**74763**	**91248**	**22.05**
Housing	42000	54451	29.65
Mortgage	8373	9406	12.34

Advanced ₹ 751 cr under PMAY

MSME

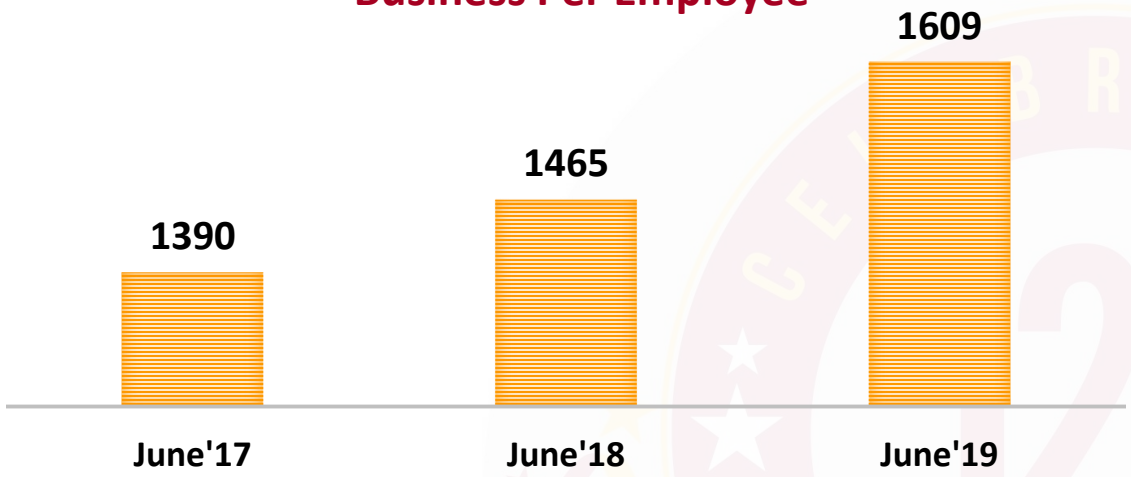


Share of Small ticket advances increased to 54.03% in June'19 from 52.93% in June'18.

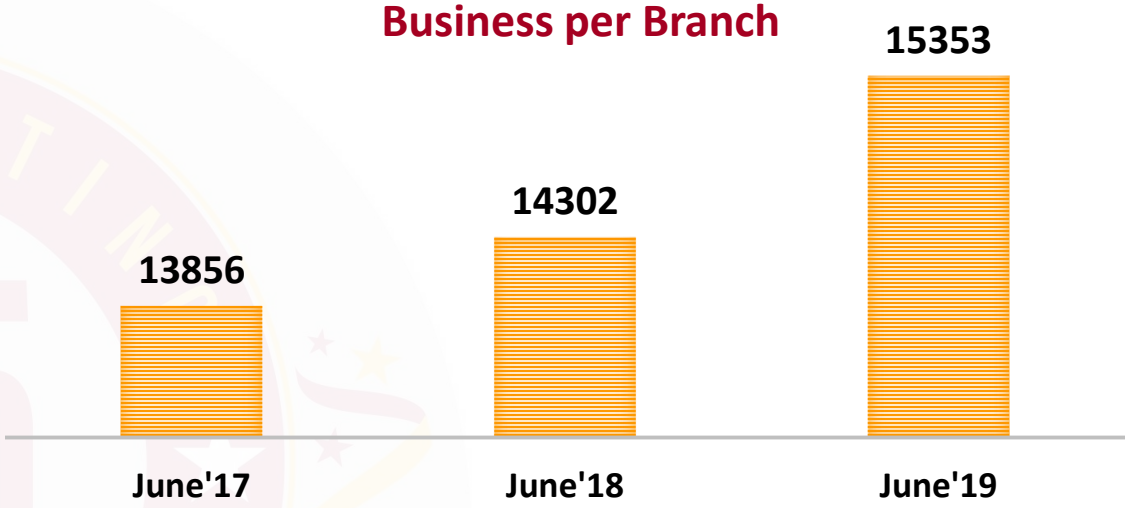
Improving Productivity

₹ in lakhs

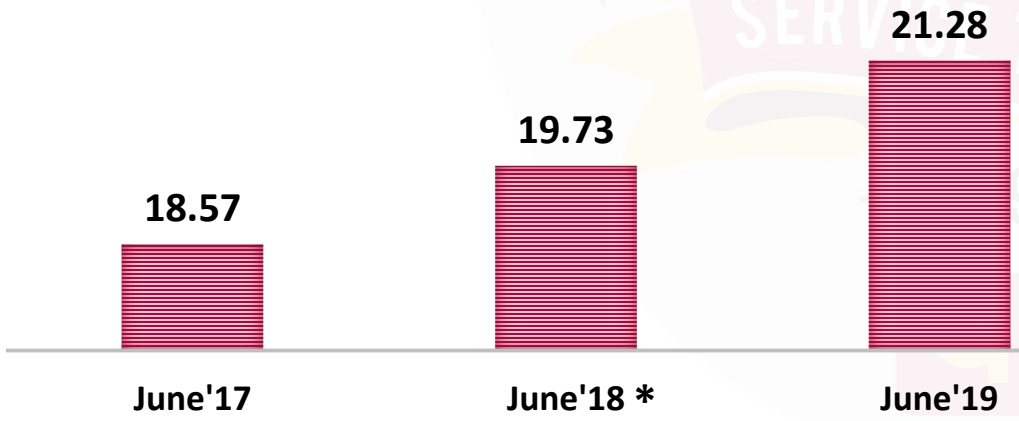
Business Per Employee



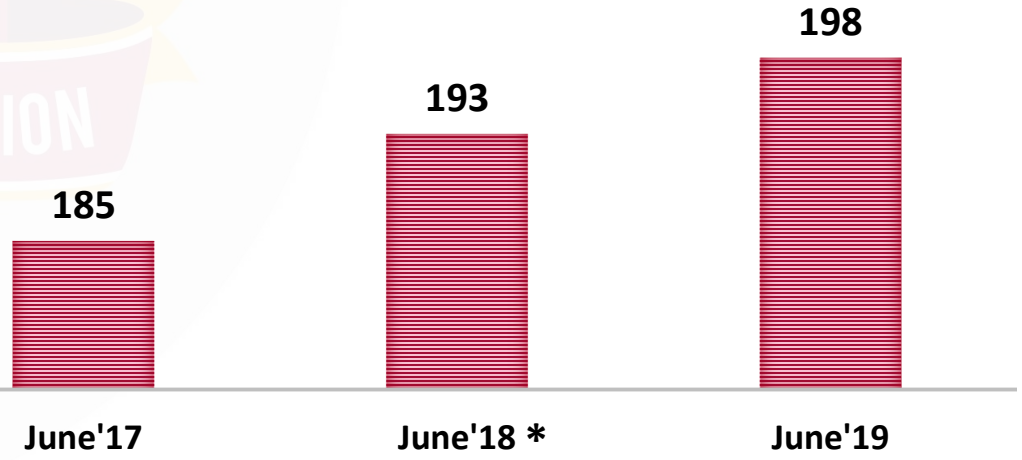
Business per Branch



Operating Profit per Employee



Operating Profit per Branch



Excluding Exceptional interest income: NCLT Bhushan Steel Limited (BSL)- June'18

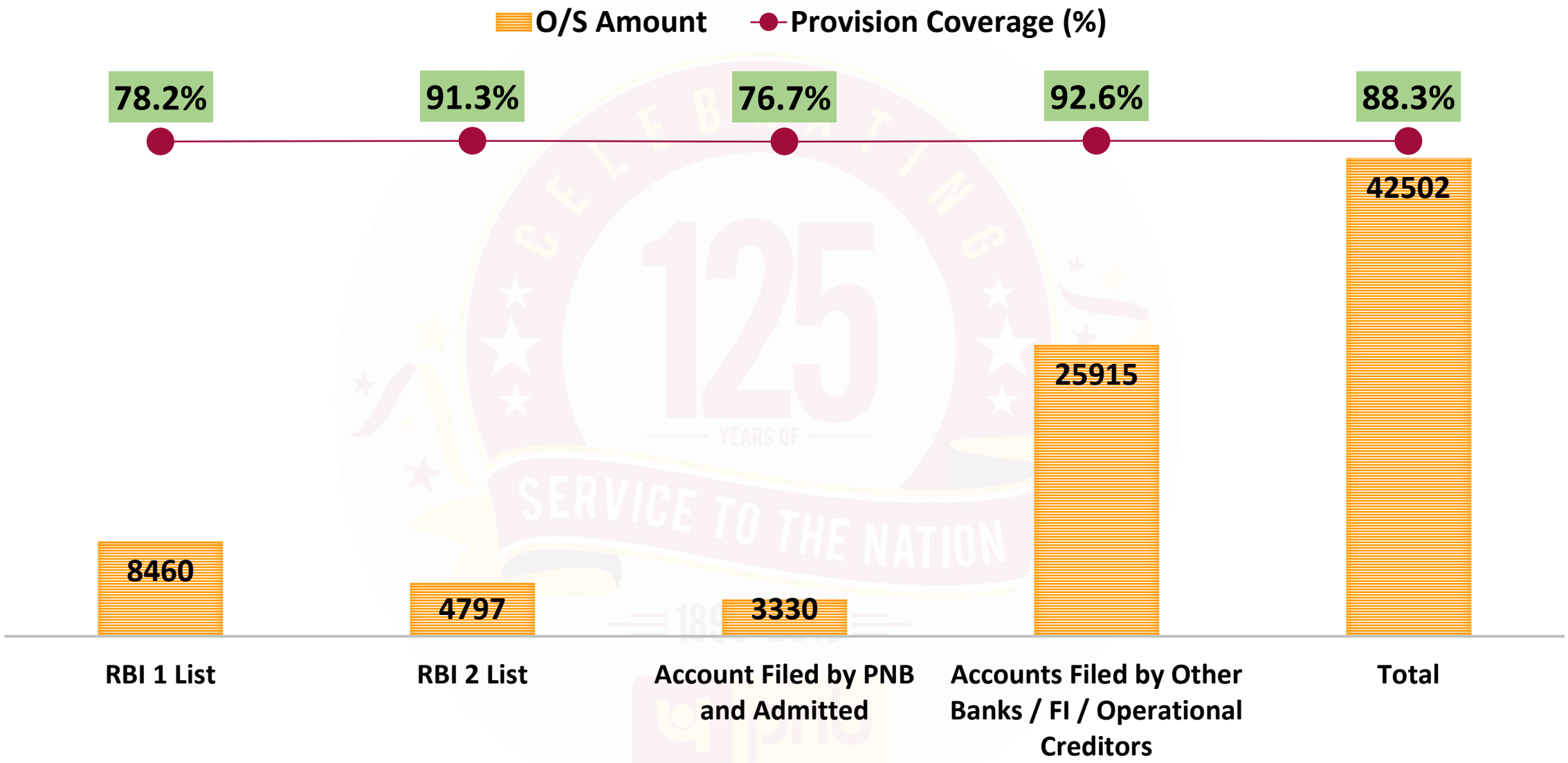
Asset Quality

Asset Quality

1. GNPA ratio declined to 16.49% in June’19 from 18.26% in June’18
2. NNPA ratio declined to 7.17% in June’19 from 10.58% in June’18
3. PCR improved to 74.63% in June’19 from 61.80%% in June’18
4. PCR under NCLT : 88.3%.

Exposure to NCLT accounts: 30th June 2019

₹ Crore



Improving Asset Quality

₹ Crore

Sl.	Parameters	Q1' FY19	Q1' FY20
1	NPA as at the beginning of Year	86620	78473
2	-Cash Recovery	5519	2305
3	-Up-gradation	2926	1554
4	-Write Off	2648	2758
5	Total Reduction (2+3+4)	11094	6617
6	Fresh Addition	7363	5412
	-Fresh slippages	5250	4711
	-Debits in existing NPA A/cs	2113	701
7	Gross NPAs at end of the period	82889	77267
8	Eligible Deductions incl. Provisions	39016	47088
9	Net NPAs	43872	30180
10	Recovery in written-off A/cs	508	325
11	Gross NPA (%)	18.26	16.49
12	Net NPA (%)	10.58	7.17
13	Provision Coverage Ratio (%)	61.80	74.63

Initiatives taken for Recovery of NPA

Recovery Camps

Organized 12031 Recovery camps, generated more than 219000 OTS cases.

Portals

SARFAESI and DRT portals to access real time progress with E-auction and e-Bikray portal

Mega Rin Mukti Shivirs

To give further impetus to recovery efforts, held on each Monday

SAMV

Stressed Asset Management vertical with dedicated team of over 2700 employee.

Call Centers

Call centers for follow up of NPA borrowers upto Rs 1 crore

Mission Gandhigiri

Recovery in silent protest / Demonstration in front of premises of recalcitrant borrowers

Recovery Champions

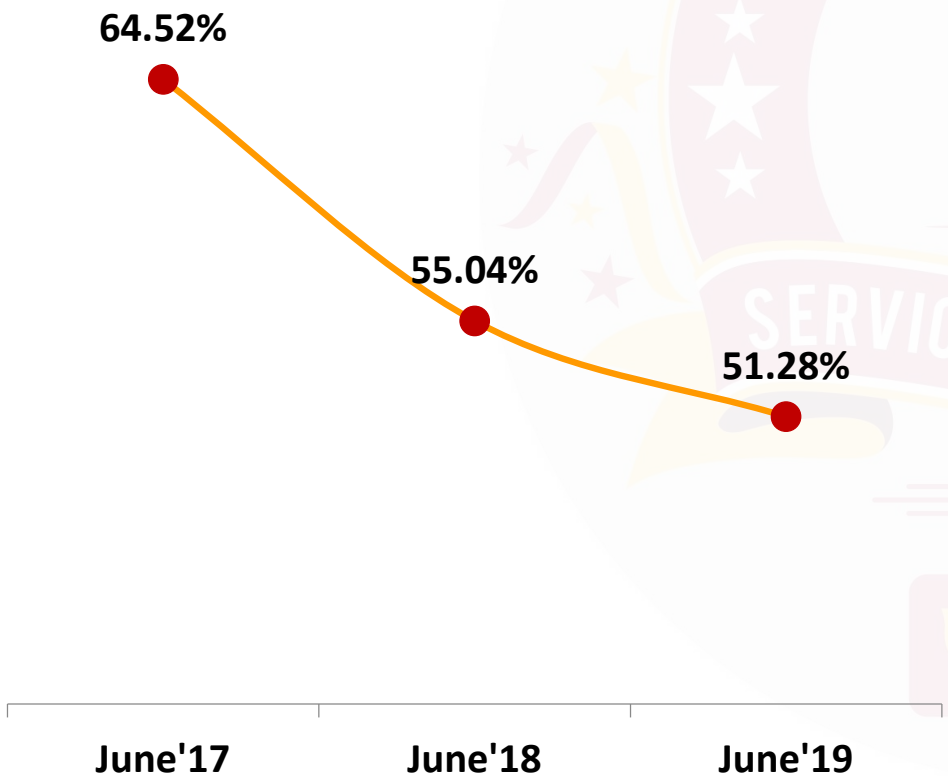
Recognition of outstanding performers in recovery

Capital Optimization and Conservation

₹ Crore

Credit RWA Density: Domestic

Decrease in Domestic Credit RWA density **by 1324 bps over June'17**



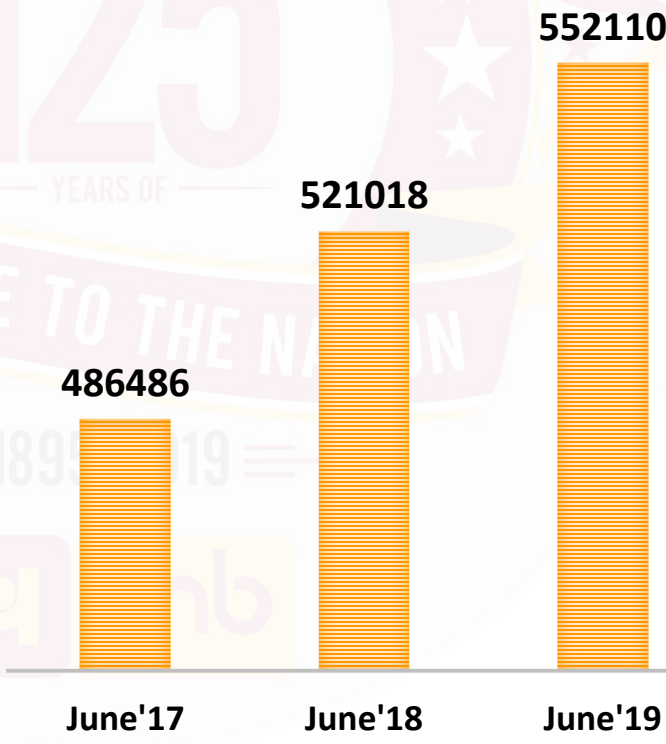
RWAs vis-a-vis Advances

Increase in Gross Domestic credit Exposure by ₹ **31094 crore**(YoY)

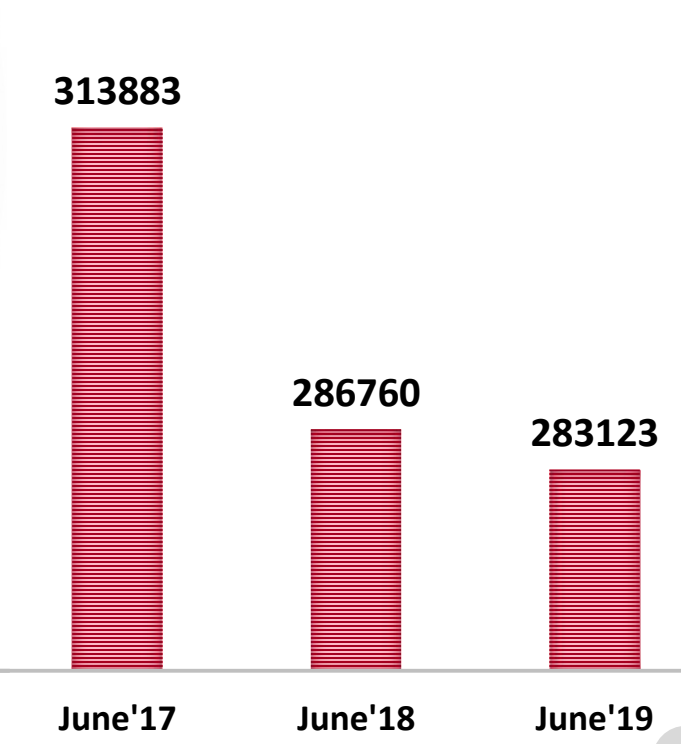
Decrease in domestic credit RWA by ₹**3637 crore(YoY)**

Domestic Credit Exposure

(FB+NFB)

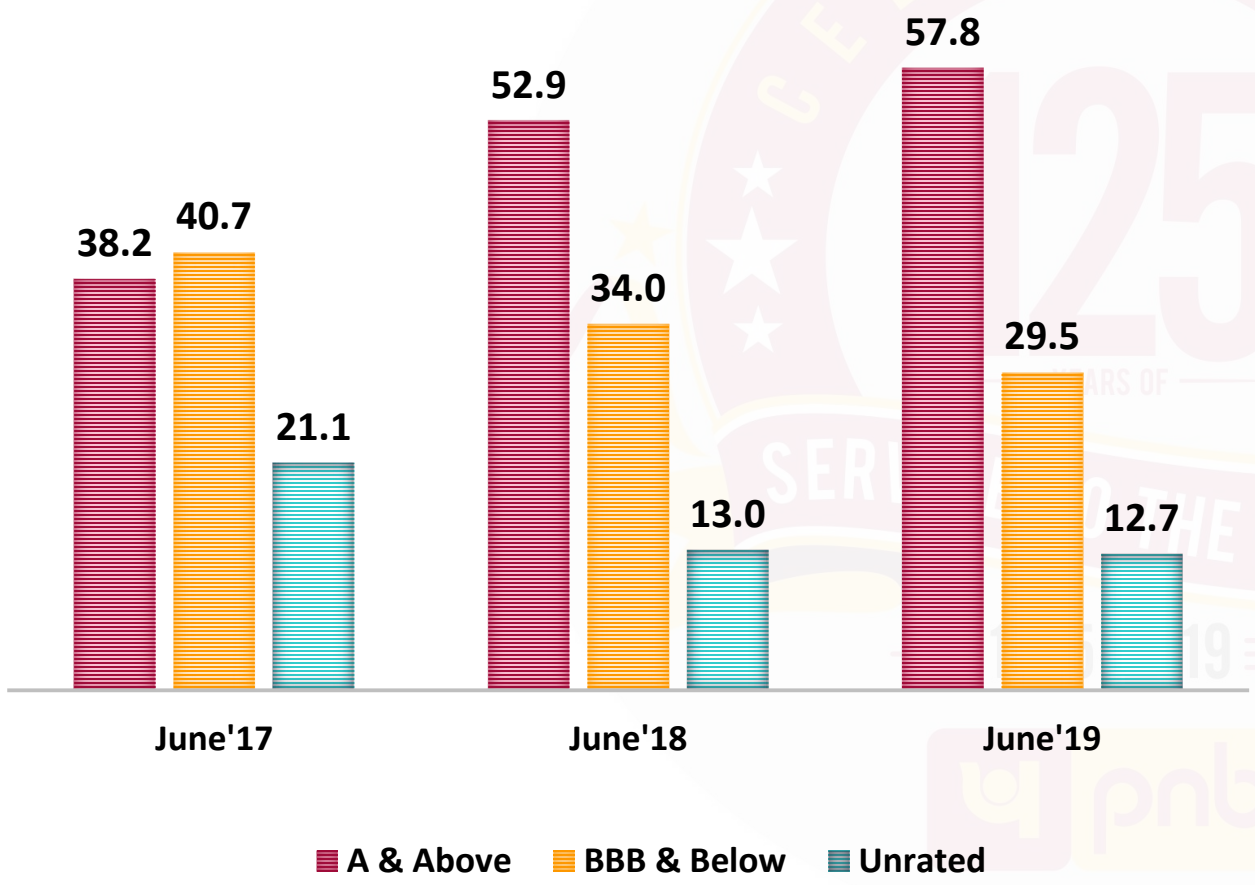


Domestic Credit RWA

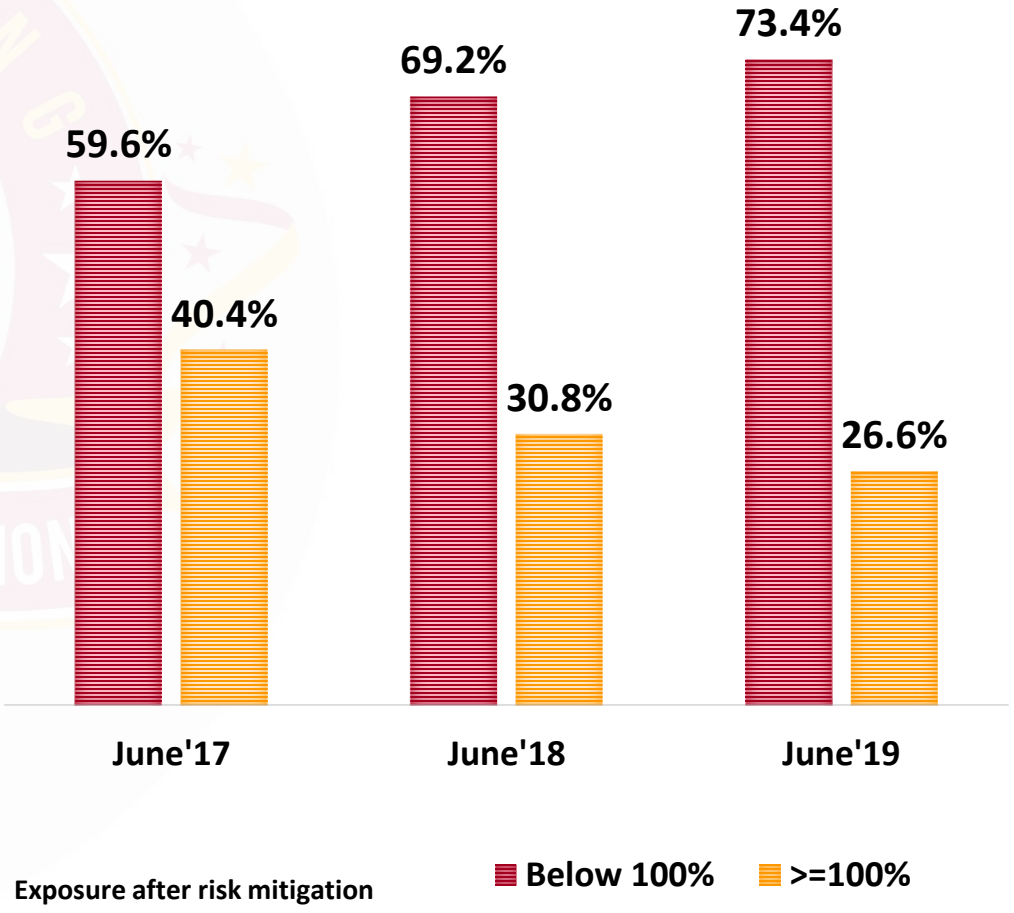


Increasing High Rated Portfolio

External Rating O/S Standard Portfolio



Risk Weight wise Portfolio





Financials

Business Performance As at 30th June'19

₹ Crore

Sl.	Parameters	June'18	Mar'19	June'19	YoY variation	
					Amount	%
1	Gross Domestic Business	1022700	1145511	1102309	79609	7.8
	Gross Overseas Business	61600	36714	38591	-23009	-37.4
	Gross Global Business	1084301	1182224	1140900	56600	5.2
2	Domestic Deposits	600565	654536	649210	48645	8.1
	CASA Deposits	255879	285040	278264	22384	8.7
	Overseas Deposits	29747	21494	23262	-6485	-21.8
	Global Deposits	630311	676030	672471	42160	6.7
	CASA Share(%)	42.57	43.51	42.84		
3	Gross Domestic Advances	422136	490975	453099	30964	7.3
	Gross Overseas Advances	31854	15220	15329	-16524	-51.9
	Gross Global Advances	453989	506194	468429	14440	3.2
	Net Advances	415339	458249	421794	6454	1.6

Profitability

Interest Income & Expenditure

₹ Crore

Sl.	Parameters	Q1' FY 19	Q4' FY19	Q1' FY 20	YoY Variation	
					Amt.	%
1	Total Interest Income (2+3+4)	13113	12836	13086	-27	-0.2
2	Interest on Advances	9208	8811	8880	-328	-3.6
3	Interest on Investments	3405	3543	3620	215	6.3
4	Other Interest Income	500	482	586	86	17.2
5	Total Interest Paid (6+7+8)	8421	8635	8945	524	6.2
6	Intt. Paid on Deposits	7782	8330	8510	728	9.4
7	Intt. Paid on Borrowings	155	135	79	-76	-49.2
8	Others	484	170	356	-128	-26.5
9	Net Interest Income (1-5)	4692	4200	4141	-550	-11.7
	Excluding Exceptional interest income: NCLT Bhushan Steel Limited (BSL)- June'18					
2	Interest on Advances	8381	8811	8880	499	6.0
9	Net Interest Income	3865	4200	4141	277	7.2

Operating Profit

₹ Crore

Sl.	Parameters	Q1' FY19	Q4' FY19	Q1' FY20	YoY Variation	
					Amt.	%
1	Net Interest Income	4692	4200	4141	-550	-11.7
2	Other Income	1959	1889	2075	116	5.9
3	Operating Income (1+2)	6651	6090	6217	-434	-6.5
4	Operating Expenses	2456	3229	2735	279	11.4
4a	Staff Expenses	1427	1990	1682	254	17.8
	-Employee Benefits (AS-15)	138	508	203	64	46.4
4b	Other Op. expenses	1029	1239	1054	24	2.4
5	Operating Profit (3-4)	4195	2861	3481	-713	-17.0
	Excluding Exceptional interest income: NCLT BSL- June'18					
1	Net Interest Income	3865	4200	4141	277	7.2
5	Operating Profit	3368	2861	3481	114	3.4

Provisions

₹ Crore

Sl.	Parameters	Q1' FY 19	Q4' FY19	Q1' FY 20	YoY Variation	
					Amt.	Gr. %
A	Operating Profit	4195	2861	3481	-713	-17.0
1	Provision towards NPAs	4982	9154	2147	-2835	-56.9
2	Standard Advances incl. Std. Restructured	-24	223	280	304	-
3	Depreciation on Investment	718	147	-52	-769	-
4	Income Tax	-623	-2460	439	1063	-
5	Others	83	548	-352	-435	-
B	Total Provision	5135	7611	2463	-2672	-
C	Net Profit	-940	-4750	1019	1959	

Profitability Ratios

Sl.	Parameters	Q1' FY19	Q4' FY19	Q1' FY20
1	Opt. Profit to AWF	1.73*	1.40	1.70
2	Opt. Exp. To AWF	1.26	1.58	1.33
3	Cost to Income Ratio	42.18*	53.02	44.00
4	Book Value per Share [₹]	132.3	89.5	92.28
5	Return on Assets	(0.48)	(2.33)	0.50
6	Return on Net worth	(10.29)	(46.92)	9.59
7	Earnings per share [₹]	(13.62)	(49.62)	8.85

**Excluding Exceptional interest –BSL in June'18*

Treasury Operations

₹ Crore

Sl.	Parameters	June'18	Mar'19	June'19
1	Domestic Investment	190974	200632	205619
	SLR	140709	140391	146840
	Non SLR	50265	60241	58779
	Held To Maturity	124239	135102	138308
	Available For Sale	66652	65280	67113
	Held For trading	83	250	198
2	Investment by Overseas Branches	6012	5493	6509
3	Global Investment	196986	206125	212128

Cost & Yield Ratios

Sl.	Parameters	Q1' FY19	Q4' FY19	Q1' FY20
1	Cost of Deposit	4.99	5.21	5.21
2	Cost of Fund	4.32	4.24	4.36
3	Yield on Advances*	7.27	7.53	7.61
4	Yield on Investment	7.36	7.40	7.35
5	Yield on Fund	6.73	6.30	6.37
6	Net Interest Margin (Domestic)*	2.39	2.45	2.36

**Excluding Exceptional interest –BSL in June'18*



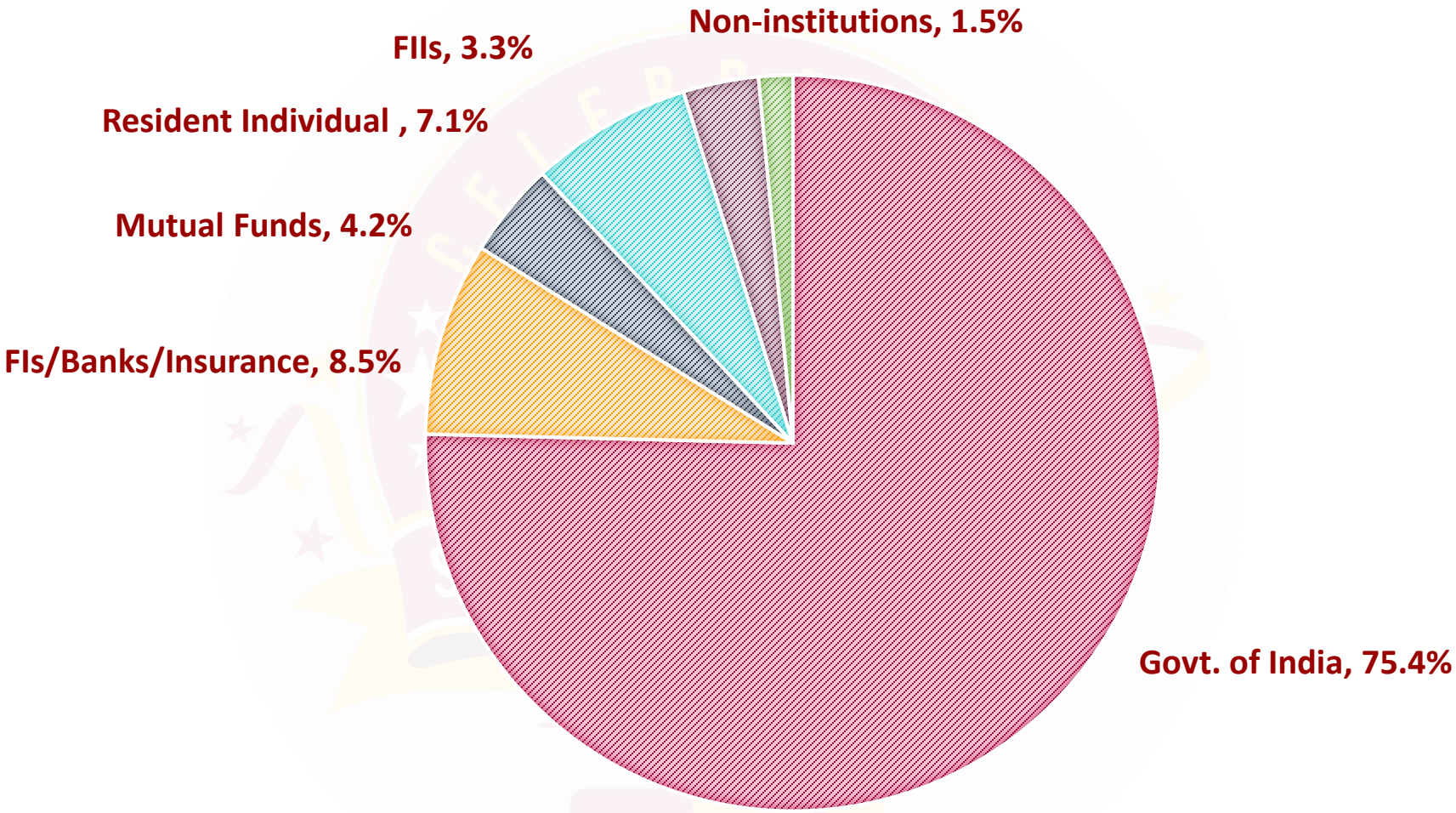
Capital and Shareholding

Capital Adequacy (Basel III)

₹ Crore

Sl.	Parameters	June'18	Mar'19	June'19
1	Tier I	30370	30309	30843
	Common Equity	25073	25107	25641
	Additional Tier I	5297	5202	5202
2	Tier II	9496	9057	8577
3	Total (Tier I+II)	39866	39366	39420
4	Risk-weighted Assets	414339	404622	403632
1	Tier I %	7.33	7.49	7.64
	Common Equity %	6.05	6.21	6.35
	Additional Tier I %	1.28	1.29	1.29
2	Tier II %	2.29	2.24	2.12
3	Total (Tier I+II) %	9.62	9.73	9.77

Share holding Pattern: 30.06.2019





Digitalization & Financial Inclusion

Enhancing Digital Footprints

UPI txns#

859 lakhs

YoY: 125%



PoS

Total Installed
74887

YoY:24.42%

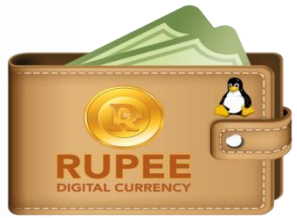
pnb one
just one app

3500 daily registrations



Credit Card

Total issued
335853



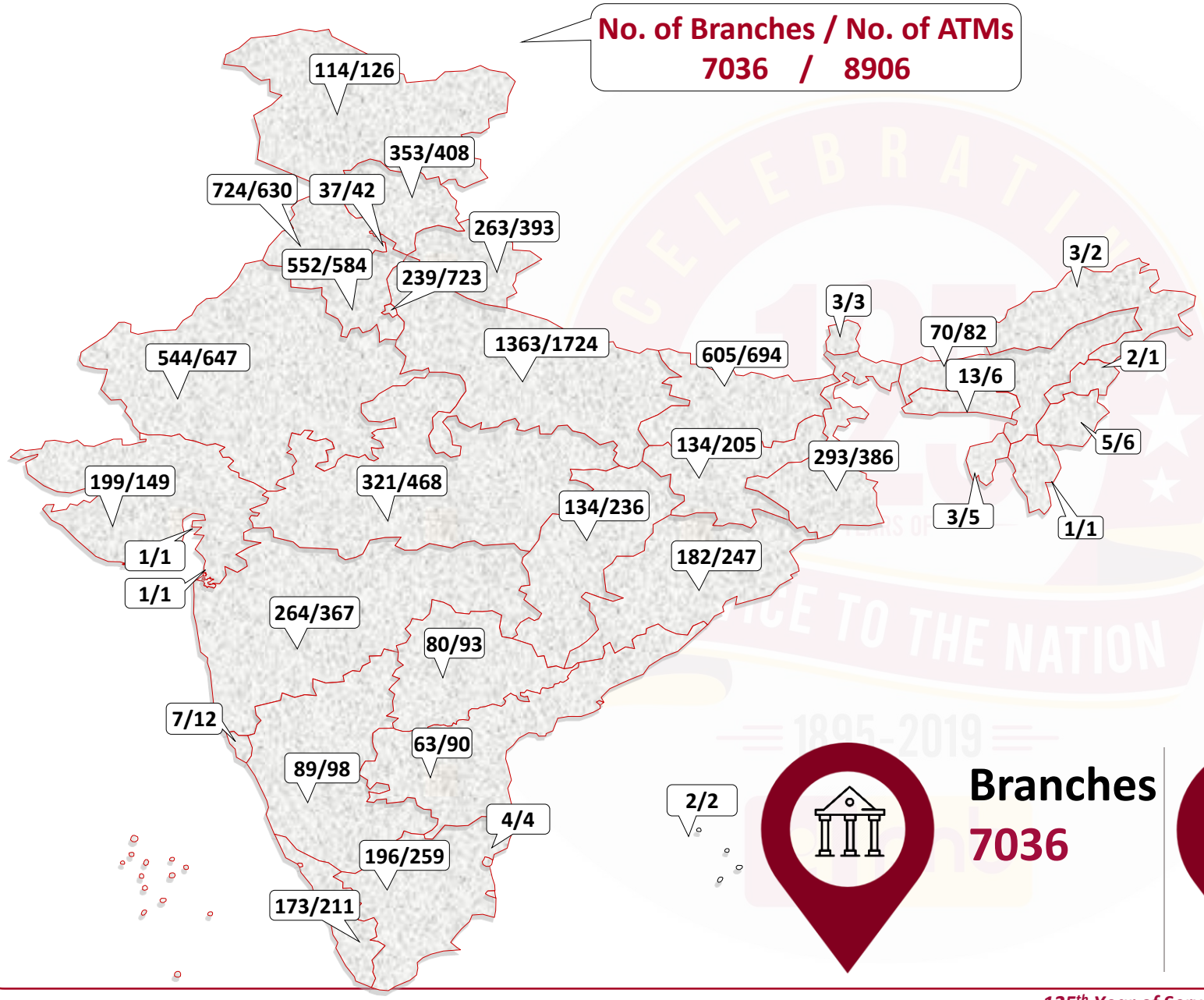
PNB E-Rupaya

Patented Digital Solution in Villages without internet connectivity

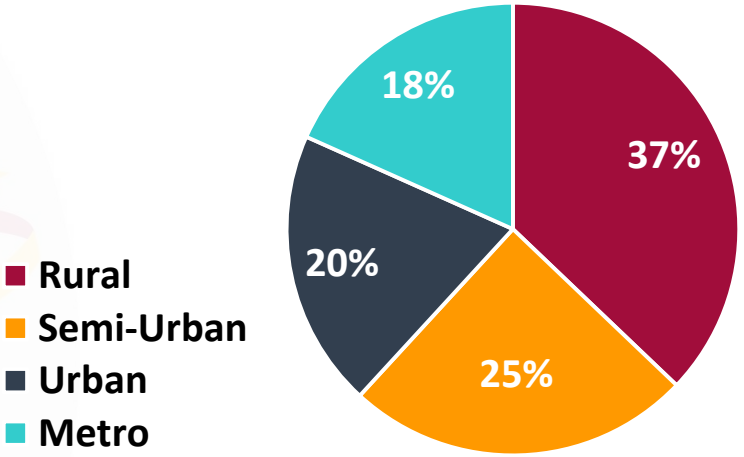
- **Digital Transactions Budget allocated by GOI MEITY achieved by 138% in FY19.**
- **8 to 10 lakhs transactions Daily on Mobile channels.**

Mobile channels includes MBS, BHIM, BHIM PNB, IBS

Dominant Pan India Presence



Population Group wise Break up of Dom. branches



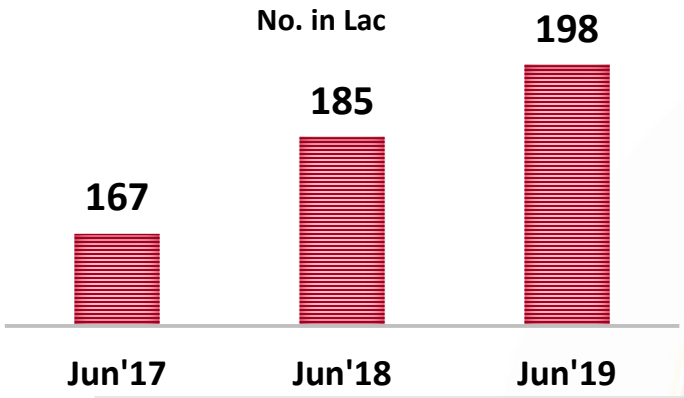
Branches
7036

BCs
7911

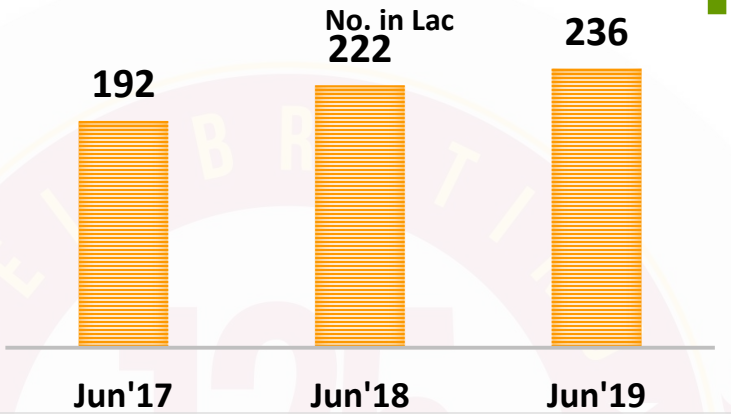
ATM
8906

Financial Inclusion : Profitable Business Proposition

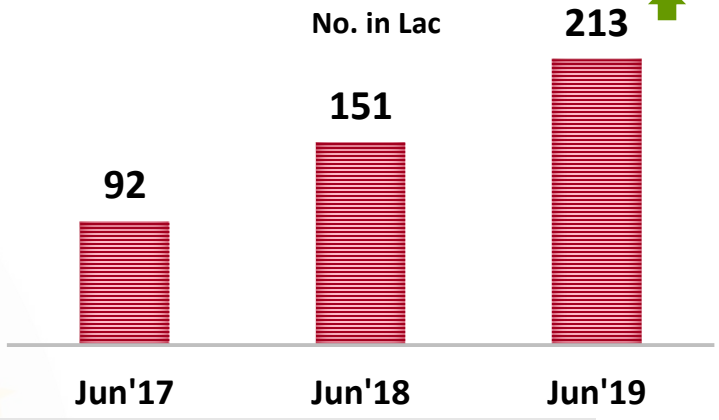
PMJDY Accounts



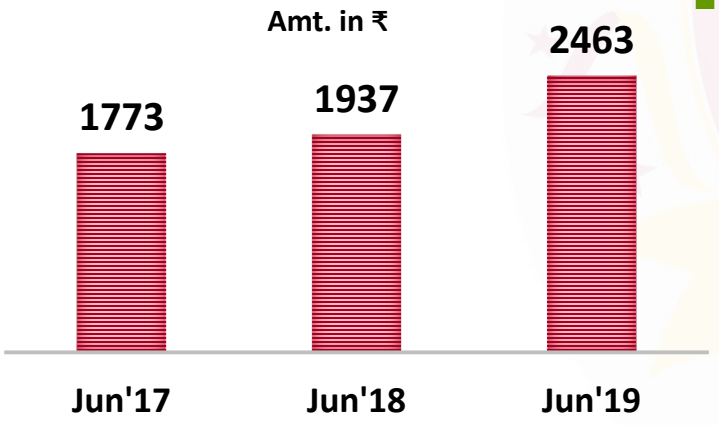
No. of DBT Txns



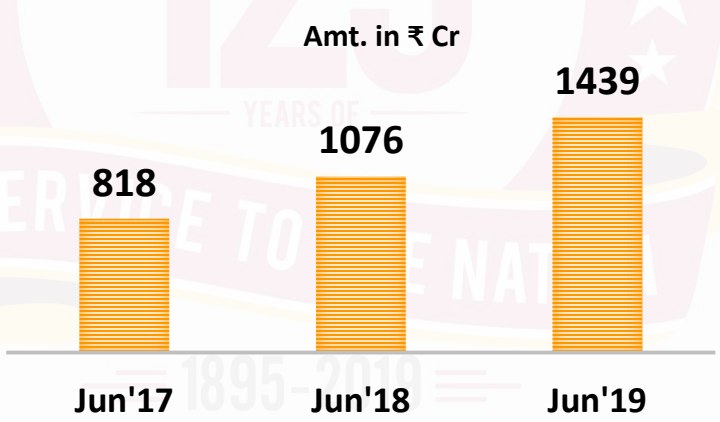
Txns done by BCs



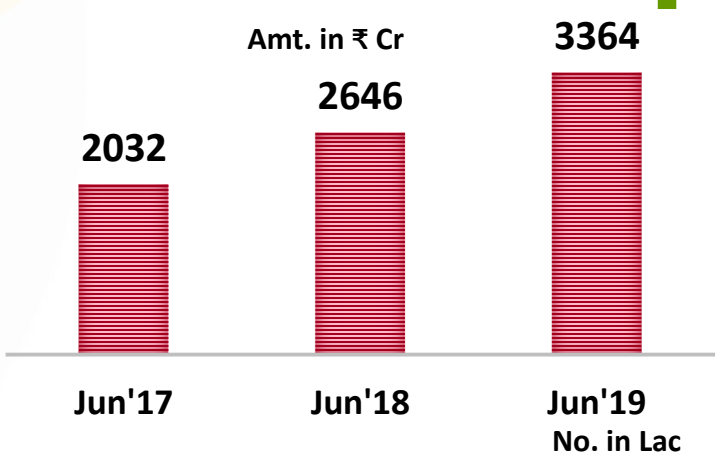
PMJDY Avg. Balance



DBT Amount



Deposit Mobilized by BCs



Sl.	Jansuraksha Schemes Enrollment Up To	June'17	June'18	June'19
1	Pradhan Mantri Jeevan Jyoti Bima Yojana	13.2	14.0	16.1
2	Pradhan Mantri Suraksha Bima Yojana	64.2	66.0	70.9
3	Atal Pension Yojana	2.5	3.2	4.3

Awards for Excellence

Awarded 2nd prize under Prime Minister's Employment Generation Program (PMEGP) by Ministry of MSME

Scope Excellence Award 2019 'Crisis Handling' – 3rd prize

UIDAI, GoI Adhar Excellence Award
2nd Best Public Sector Bank for Total Aadhar Generation and Update

CISO Security Excellence Awards 2019 Winner in Annual dynamic 'Champion CISO' category



Ease Banking Reforms: Mar'19

Bank maintained it's Number #1 Rank among all Public Sector Banks

Of Total 6 themes Bank excelled in

1.Credit Off-take: Rank #1
2.Customers Responsiveness: Rank #1
3.Responsible Banking': Rank #2
4.Developing personnel for Brand PSBs: Rank #2

Business Today
Best bank in Financial Inclusion

Asia Money
Best Bank for Corporate Social Responsibility

Express Group for the BFSI Digital Innovation Award 2019 in the Enterprise Mobility Category

IBA Banking Technology Awards 2019-
"Most Customer Centric Bank using Technology" : Runner Up

HR Initiatives

HR as a Strategic Business Partner



Accelerated completion of Promotions by March

Performance Management System with Quantifiable KRAs

Capacity building Initiatives :

Training man days increased to 2.6lakhs from 2.1lakh per annum, additional Staff Training College acquired at Lucknow, grooming leaders with futuristic skills through "Leadership Devp. Progg at IIM Banglore"

Reward & Recognition for Core Business Performance: Foreign Training for Best Ideas in Lead the Parivartan Portal, Recovery Champions, MD & CEO club Members and Top performers in Promotion Process.



Way Forward

Parivartan : New Initiatives

Roll Out of CLPCs PAN India (71 CPLC Operational).

Launching PNB Chatbot – 'PIHU' AI powered software solution for enhanced customer experience (Internet Banking).

Rationalization of branches by leveraging synergies in the network.

Development of Centralized Agriculture Loan Processing System

Centralized Loan Appraisal and Processing System for PMAY

On boarded on www.psbloansin59minutes.com. Launched online portal for below 1 lakh MSME loan.

Focus area FY20: 'Year of Profitability and Creating Value'



R.A.M.	**Digitization of Processes for enhancing access and quicker TAT.** **Algorithm based lending.**
CLPC	**Leveraging CLPCs for qualitative credit Growth.**
Asset Quality	**Recovery in NPA Accounts.** **Optimization of RWA.**
Data Analytics	**Leveraging DATA analytics for Cross Sell , Up Sell and Risk Mitigation.**
Digitalization	**Increased Digitalization for reducing cost, Enhancing Productivity & Reach.** **PNB One for better customer experience.**

Disclaimer

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Thank You!