

Date	Headline	Publication	Edition	Page	Source
Jan 26, 2024	PNB raises profit guidance for FY24 to Rs7,500 crore on strong Q3 show	The Hindu Business Line	8 Editions	4	Bureau

PNB raises profit guidance for FY24 to ₹7,500 crore on strong Q3 show

KR Srivats

New Delhi

Encouraged by strong Q3 performance, Punjab National Bank (PNB) has revised upwards its profit guidance for current fiscal to ₹7,000-7,500 crore.

This will be higher than the ₹6,000 crore net profit guided earlier by the bank at the time of its September 2023 quarter results, Atul Kumar Goel, Managing Director and CEO, PNB said here on Thursday.

Q3 PERFORMANCE

Aided by lower provisioning for bad loans and better operating performance, PNB on Thursday reported a 253 per cent increase in standalone net profit for the third quarter ended December 31, 2023 at ₹2,223 crore (₹629 crore).

The latest bottomline of country's second largest public sector bank was 26.6 per cent higher than the net profit of ₹1,756 crore recorded in September 2023 quarter.

"We had earlier guided profits of ₹6,000 crore for 2023-24. Now, in nine months itself, we have achieved net profit of ₹5,234 crore. So you can easily take that we will close this fiscal with a net profit of ₹7,000-7,500 crore this fiscal," Goel told *businessline*, when asked if he was revising the profit

Q3 scorecard (₹ cr)

	Q3FY24	Q3FY23
Net profit	2,223	629
Operating profit	6,331	5,716
Total income	29,962	25,722
Provision for bad loans	2,994	3,908

guidance of the bank in the wake of robust Q3 performance. Meanwhile, PNB's operating profit for the third quarter ended December 31, 2023 stood at ₹6,330.71 crore (₹5,715.90 crore). Total income for the third quarter ended December 31, 2023 was at ₹29,961.65 crore (₹25,722.40 crore).

Goel attributed multiple factors for the strong Q3 financial performance. These include higher operating profits, lower provisioning for bad loans and better recoveries.

For the first time, net NPA of the bank has come below 1 per cent in the December 2023 quarter itself, much ahead of earlier set target of achieving 1 per cent net NPA by end March 2024, Goel said.

He also expressed confidence in achieving the target of bringing down gross NPA (as percentage of advances) to 6 per cent by end March 2024.

CAPITAL RAISING

Goel said that the bank was well capitalised, but may go in



Atul Kumar Goel, Managing Director and CEO, PNB

for further tier-1 capital raising during the current quarter. Of the ₹12,000 crore capital raising approved by the PNB Board for current fiscal, as much as ₹7,000 crore was for tier-I capital and ₹5,000 crore was for tier-II capital.

"We will see in the current quarter if the rates are good. Then we will not mind raising further tier-I capital in current quarter itself. There is no further need for raising tier-II capital," he added. PNB has already received board approval for capital raising of ₹7,500 crore for 2024-25.

For the current fiscal, PNB has given a net interest margin (NIM) guidance of 3 per cent given the increase in deposit rates in the market.

Asked if PNB is facing any challenges in raising deposits, Goel replied in the negative. "We have network of 10,000 branches. There is no issue at all for us in raising deposits although it is a challenge in the industry. For us, 95 per cent of deposits has already been repriced," he said.

Date	Headline	Publication	Edition	Page	Source
Jan 26, 2024	PNB profit surges threefold as Q3 provisions decline 23%	The Financial Express	11 Editions	6	Bureau

PNB profit surges threefold as Q3 provisions decline 23%

SACHIN KUMAR
Mumbai, January 25

PUNJAB NATIONAL BANK (PNB) on Thursday reported an over three-fold increase in its net profit to ₹2,223 crore for the third quarter ended December 31, supported by a decline in provisions for bad loans. The lender beat Street views as Bloomberg analysts had expected the bank to post ₹2,010-cr net profit.

Provisions for bad loans declined 23% to ₹2,994 crore in Q3FY24, from ₹3,908 crore in the year-ago period.

Net interest income, the difference between interest earned and paid, rose 12.1% to ₹10,293 crore, compared with ₹9,179 crore in the same quarter last year.

The net interest margin expanded to 3.30 in Q3 from



MD & CEO Atul Kumar Goel said PNB is expecting a 12-13% credit growth during FY24

3.24% in the September quarter.

“The bank is expecting a 12-13% credit growth during the current financial year,” said Atul Kumar Goel,

MD and CEO, in an earnings call.

During the quarter, Goel said, the bank made total recoveries of ₹6,387 crore, against ₹6,035 crore a year ago. The trend would continue in the fourth quarter and the recovery should be around ₹6,000 crore. Against the target of ₹22,500 crore for the entire financial year, the bank made recoveries of ₹17,000 crore in the first nine months.

Its capital adequacy ratio came down to 14.63% compared to 15.15% at the end of December 2022. The decline is due to a healthy credit growth, Goel said.

PNB improved its asset quality as the gross non-performing assets ratio improved by 352 bps on a YoY basis to 6.24%, from 9.76% in the year-ago period. The NNPA ratio improved by 234 bps on a YoY basis to 0.96%.

Date	Headline	Publication	Edition	Page	Source
Jan 26, 2024	PNB Net Profit Rises 3-fold to Rs 2,223 cr in Q3	The Economic Times	4 Editions	15	Bureau

PNB Net Profit Rises 3-fold to ₹2,223 cr in Q3

New Delhi: State-owned lender Punjab National Bank (PNB) announced a more than threefold increase in net profit at ₹ 2,223 crore in the December quarter. This marks the highest profit in the past 15 quarters, driven by improvements in net interest income and enhanced asset quality. The bank had earned a net profit of ₹629 crore in the same quarter a year ago.

The lender plans to tap the markets in the first half of the next financial year through a follow-on public offer (FPO) or qualified institutional placement (QIP), said PNB's chief executive, Atul Ku-

mar Goel. PNB's board has already given approval to raise ₹ 7,500 crore in equity capital in the next financial year.

"This financial year, we may raise around ₹2,500 crore through additional Tier-I bonds, if the rate is as per our choice," he added.

PNB's net non-performing assets (NPAs) reduced significantly to 0.96% from 3.30% compared to the same period last fiscal year. Consequently, provisions for bad loans decreased to ₹2,994 crore, down from ₹3,908 crore in the corresponding quarter of the previous year.



"We are monitoring the top 20 accounts with the NCLT, we are focusing on that and reviewing it," said Goel, adding that the bank is looking to further increase recovery through the NCLT. "My recovery in NCLT in the first two quarters was in the range of ₹500-600 crore, and in the third quarter it was more than ₹1,800 crore," he observed. The bank has made a total recovery of ₹6,387 crore as against ₹6,035 crore in the same quarter a year ago. Against the target of ₹22,500 crore for the current financial year, the bank has achieved a recovery of ₹17,000 crore in the past nine months. —Our Bureau

Date	Headline	Publication	Edition	Page	Source
Feb 01, 2024	Recoveries may be double of slippages in FY25: PNB	The Financial Express	10 Editions	11	Bureau

Recoveries may be double of slippages in FY25: PNB

SACHIN KUMAR
Mumbai, January 31

PUNJAB NATIONAL BANK (PNB) is expecting recoveries from bad loans to double the slippages amount in the next financial year. The higher recovery target comes amid encouraging recoveries made by the lender in the current fiscal.

The bank managed to recover ₹15,881 crore from bad loans for the first nine months of FY24, which is over three times of slippages. Total slippages were at ₹4,551 crore during the period.

“For the next financial year, we will set a target that whatever will be the slippages, recovery should be double that amount because we are having so much of stock — ₹60,000 crore is gross NPA,” said Atul Kumar Goel, managing director and chief executive officer, in an earnings call.

In the third quarter also, the recovery was higher than slippages, he added. Total slippages in the third quarter of FY24 stood at ₹1,793 crore while recoveries were at ₹6,387 crore.

Goel said the bank has taken various measures to boost its recovery, and is not entirely depending on the

THE STORY SO FAR

₹ 15,881 crore

recovery in first nine months of FY24

₹ 4,551 crore

Total slippages in first nine months of FY24

₹ 1,793 cr

Total slippages in Q3

₹ 6,387 cr

recoveries in Q3

₹ 1,831 cr

recovery from NCLT of the total in Q3



₹5,533 cr

recovered in Q2

₹1,826 cr

slippages in Q2

National Company Law Tribunal (NCLT) for the same.

“Recovery from the NCLT is just one-third of total recoveries. Out of ₹6,387 crore which we recovered in the December quarter, the recovery from the NCLT was only ₹1,831 crore,” Goel said.

The bank maintained the trend of higher recovery in the second quarter as well. It recovered ₹5,533 crore in the July-September period while slippages stood at ₹1,826 crore.

Apart from boosting its recovery, the state-run lender

has also been able to improve its asset quality.

Its gross non-performing assets (GNPA) ratio improved by 352 basis points year-on-year to 6.24% as on December 2023, from 9.76% in the year-ago period.

The NNPA ratio improved by 234 bps on a y-o-y basis to 0.96% from 3.30%.

Gross NPAs stood at ₹60,371 crore against ₹65,563.1 crore in the previous quarter, while net NPAs came in at ₹8,815.8 crore, compared with ₹13,114 crore.