



PRESS RELEASE

PNB Financial Results for the Q2 & HY1 FY'25

New Delhi, 28 October 2024: Punjab National Bank, nation's leading public sector bank, has announced its Financial Results for the Q2 & HY1 FY'25.

The Bank's Gross Global Business surpassed ₹25 Lakh Crore and Return on Assets (RoA) for Quarter crossed 1% Mark.

Net Profit increased Y-o-Y by 145% to ₹4,303 Crore in Q2 FY'25 as against ₹1,756 Crore in Q2 FY'24. Return on Assets (RoA) improved to 1.02% in Q2 FY'25 from 0.46% in Q2 FY'24. Return on Equity (RoE) improved to 19.91% in Q2 FY'25 from 10.15% in Q2 FY'24. Net Interest Income (NII) increased to ₹10,517 Crore in Q2 FY'25 from ₹9,923 Crore in Q2 FY'24 showing an improvement of 5.99% on Y-o-Y basis. Global Net Interest Margin (NIM) stands at 2.99% in HY1FY'25 and 2.92% in Q2 FY'25. Operating Profit increased Y-o-Y by 10.25% to ₹6,853 Crore in Q2 FY'25 as against ₹6,216 Crore in Q2 FY'24.

GNPA ratio improved by 248 bps on Y-o-Y basis to 4.48% as on September'24 from 6.96% as on September'23. NNPA ratio improved by 101 bps on Y-o-Y basis to 0.46% as on September'24 from 1.47% as on September'23. Provision Coverage Ratio (including TWO) improved by 476 bps on Y-o-Y basis to 96.67% as on September'24 from 91.91% as on September'23. Provision Coverage Ratio (Excluding TWO) improved by 1018 bps on Y-o-Y basis to 90.18% as on September'24 from 80.00% as on September'23. Credit Cost improved by 123 bps on Y-o-Y basis to 0.08% in Q2 FY'25 from 1.31% in Q2 FY'24.

Global Business grew by 11.93% on Y-o-Y basis to ₹25,20,246 Crore as on September'24 from ₹22,51,631 Crore as on September'23. Global Deposits registered a growth of 11.33% on Y-o-Y basis to ₹14,58,342 Crore as on September'24 from ₹13,09,910 Crore as on September'23. Global Advances increased by 12.76% on Y-o-Y basis to ₹10,61,904 Crore as on September'24 from ₹9,41,721 Crore as on September'23. RAM Advances grew by 12.03% on Y-o-Y basis to ₹5,64,049 Crore as on September'24 from ₹5,03,489 Crore as on September'23. CD Ratio improved to 72.82% as on September'24 as against 71.89% in September'23.

The Business Performance in Key Parameters such as **Deposits** include Savings Deposits increased to ₹4,88,635 Crore registering a Y-o-Y growth of 3.7%. Current Deposits increased to ₹68,104 Crore registering a Y-o-Y growth of 1.6%. CASA Deposits increased to ₹5,56,739 Crore recording a Y-o-Y growth of 3.4%. CASA Share of the bank stands at 39.31% as on September'24. Total Term Deposit witnessed a growth of 16.8% on Y-o-Y basis to ₹9,01,603 Crore as on September'24.

In terms of **Advances**, Total Retail credit increased by 14.6% Y-o-Y to ₹2,50,149 Crore as on September'24. The bank grew under Core Retail Advances recording a Y-o-Y growth of 19.0%. Within Core Retail Credit - Housing Loan grew by 19.5% Y-o-Y to ₹1,09,948 Crore and Vehicle loan posted a growth of 25.0% Y-o-Y to reach ₹22,543 Crore. Agriculture Advances grew by 11.1% on Y-o-Y basis to ₹1,62,829 Crore. MSME Advances increased Y-o-Y by 8.9% to ₹1,51,071 Crore.

In terms of **Asset Quality**, Gross Non-Performing Assets (GNPA) declined by ₹17,981



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Crore to ₹47,582 Crore as on September'24 from ₹65,563 Crore as on September'23. Net Non-Performing Assets (NNPA) declined by ₹8,440 Crore to ₹4,674 Crore as on September'24 from ₹13,114 Crore as on September'23.

In terms of **Profitability**, Net Profit for HY1FY'25 was at ₹7,555 Crore recording growth of 150.8% on YoY basis. Operating Profit for HY1FY'25 was at ₹13,434 Crore recording growth of 10.3% on YoY basis. Net Interest Income for HY1FY'25 was at ₹20,993 Crore recording growth of 8.1% on YoY basis. Total Income for Q2 FY'25 was at ₹34,447 Crore and ₹66,613 Crore for HY1FY'25 recording growth of 17.2% and 14.9%, respectively on YoY basis. Total Interest Income for Q2 FY'25 was at ₹29,875 Crore and ₹58,431 Crore for HY1FY'25 recording growth of 13.4% and 13.5%, respectively on YoY basis. Non-interest income for Q2 FY'25 was at ₹4,572 Crore and ₹8,182 Crore for HY1FY'25 recording growth of 51.0% and 26.6%, respectively on YoY basis. Total Interest Expenses for Q2 FY'25 was at ₹19,358 Crore and ₹37,439 Crore for HY1FY'25, increased by 17.8% and 16.7%, respectively on YoY basis. Operating Expenses for Q2 FY'25 was at ₹8,235 Crore and ₹15,740 Crore for HY1FY'25, increased by 22.3% and 14.8%, respectively on YoY basis.

Core Capital of ₹5,000 Crore was raised through QIP. 16.6 times subscription - Green Shoe (₹2,500 Crore). 68% of the bids received from Foreign Institutional Investors (FIIs), 17% from Mutual Funds (MFs) and 8% from Insurance Co. Number of Shares increased by 48.19 Crores from 1101.10 Crores to 1149.29 Crores. GoI Shareholding remains above 70%. CET/Tier – 1/CRAR increased by ~65 bps.

In terms of **Capital Adequacy**, CRAR increased to 16.36% as on September'24 from 15.09% as on September'23 registering an improvement of 127 bps. Tier-I Capital was at 13.63% (CET-1 improved to 11.59% as on September'24 from 10.23% as on September'23 and AT-1 improved to 2.04% as on September'24 from 1.79% as on September'23) and Tier-II at 2.73% as on September'24.

In terms of Efficiency/Productivity Ratio, Global Yield on Advances was at 8.31% in Q2FY'25 and 8.32% in HY1 FY'25 as compared to 8.15% in Q2FY'24 and 8.10% in HY1FY'24. Global Cost of Deposits increased YoY by 32 bps to 5.18% in Q2FY'25 and 35 bps to 5.14% for HY1FY'25. Yield on Investment improved YoY by 16 bps to 7.03% in Q2FY'25 and 25 bps to 7.04% for HY1FY'25. Return on Assets (RoA) improved to 0.92% in HY1FY'25 from 0.40% in HY1FY'24. Return on Equity (RoE) improved to 18.20% in HY1FY'25 from 8.82% in HY1FY'24. Business per employee improved to ₹25.26 Crore as on September'24 from ₹22.65 Crore as on September'23. Business per branch improved to ₹240.72 Crore as on September'24 from ₹217.65 Crore as on September'23. Net profit per employee improved to ₹17.63 lakh in Q2FY'25 from ₹7.20 lakh in Q2FY'24. Net profit per branch improved to ₹168.03 lakh in Q2FY'25 from ₹69.21 lakh in Q2FY'24.

In terms of **Priority Sector Achievement**, Priority Sector Advances exceeded the National Goal of 40% and stands at 41.10% of ANBC. Agriculture advances exceeded the National Goal of 18% and stands at 18.58% of ANBC. Credit to Small & Marginal Farmers exceeded the National Goal of 10% and stands at 10.36% of ANBC. Credit to Weaker Sections surpassed the National Goal of 12% and stands at 13.89% of ANBC. Credit to Micro Enterprises surpassed the National Goal of 7.50% and stands at 8.15% of ANBC.



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In terms of **Financial Inclusion**, PMJDY accounts increased to 5.26 Crore as on September'24 from 4.79 Crore as on September'23. Enrollments under PMJJBY, PMSBY & APY as on September'24 are as under:

(No. In Lacs)

| JANSURAKSHA SCHEME ENROLLMENT UP TO | 30.09.2023 | 30.09.2024 |
|--|-------------------|-------------------|
| Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) | 60.31 | 67.26 |
| Pradhan Mantri Suraksha Bima Yojana (PMSBY) | 239.07 | 272.63 |
| Atal Pension Yojana (APY) | 31.71 | 41.86 |

In terms of **Bank's Digital Progress and Initiatives**: Number of PNB One Activated users increased to 200 Lakh as on 30.09.2024 from 153 Lakh as on 30.09.2023 registering a growth of 30.7% on Y-o-Y basis. Number of WhatsApp Banking users increased to 43.5 Lakh as on 30.09.2024 from 27.4 Lakh as on 30.09.2023 registering a growth of 58.7% on Y-o-Y basis. Lending through Digital Journeys crossed ₹17,500+ Crore. PNB One Biz (Corporate M-Banking App) launched & 12000+ customers onboarded. Key Initiatives include Disbursement of Loan under e-PM Vishwakarma through CBDC, PNB Loyalty Rewards Program for PNB One app Users, and Download of PPF/SSA Statement through PNB One.

The Bank also received numerous **awards and accolades** in the quarter including Rajbhasha Kirti Puruskar for 2023-24, by Ministry of Home Affairs, GOI [1st Prize for PNB Pratibha Magazine & 2nd Prize – Overall], Global Fintech Awards 2024 - 1st prize in category of Green Banking initiative of the Year for its PNB One onboarding through Aadhaar by Payment Council of India, NPCI and Fintech Convergence Council (FCC), Recognition for contribution to ambitious 200 GW Energy generation from renewable sources - 3rd Highest Achiever amongst PSBs for maximum loans disbursed to renewable energy sector by Ministry of New and Renewable Energy, Green Ribbon Champions award - Bank's green initiatives under project PALASH by News18. The bank also received Award of excellence for outstanding performance - 2nd Best Performing Bank under RAPID campaign under Agriculture Infrastructure fund by Ministry of Agriculture and Farmer Welfare, Best CFO of India – 2024- Shri Dilip Kumar Jain awarded as the "Best CFO of India – Bank (Large Cap Category)" for the year 2024 by Dalal Street Investment Journal, and 2nd ICC Emerging Asia Banking Conclave & Awards, by Indian Chamber of Commerce (ICC) - Best performance on Asset Quality & Profitability.

As on 30th September 2024, the Bank has 10,159 domestic branches and 2 International Branches. Out of total no. of branches, Bank has 63.31% branches in Rural & Semi-Urban areas.

The distribution of branches is as under:

| Category | No. of Branches | %age Share |
|-----------------|------------------------|-------------------|
| Rural | 3934 | 38.72% |
| Semi Urban | 2498 | 24.59% |
| Urban | 2003 | 19.72% |
| Metro | 1724 | 16.97% |

The bank also has 12,040 ATMs and 33,010 BCs as part of its distribution network making the total number of 55,209 touch points as on 30.09.2024.